

Witness Statement

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



Statement of Mr Kevin ORGILL

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

This statement (consisting of three (3) 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 31st day of March 2003

Signature K Orgill

I am employed by Post Office Ltd. a part of the Royal Mail Group as an Auditor working within the Security & Audit section and have been so employed for approximately 4 years though have been employed by the Post Office for about 8 years.

The role of the audit team is to carry out routine audits of Post Office Branches in order to carry out verification of cash and stock as well as conduct certain compliance checks. At times audits are specifically requested by the Retail Line Manager or by members of the Investigation section.

On Tuesday 14th January 2003, I was part of a team of four auditors who attended Rugeley MSPO, 18 Anson Street, Rugeley WS15 2BF on the request of the Investigation section, this team was lead by Mr Glyn Burrows the Audit Manager.

Part of my role was to carry out the verification of the 'AM' stock unit which I was aware was the Manager's stock and I also verified the 'PH' stock unit (philatelic stock). The AM stock unit was the cash and stock held in the two safes in the back office, one of these safes held mainly the bulk coin whilst the other safe held the banknotes.

Signature K Orgill

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Kevin ORGILL

In order to carry out this verification I would interrogate the Horizon computer system and print off a Balance Snapshot for AM stock unit. This I did at 0819 hours and I produce this printout as item number KO/01. This printout illustrates the amount of cash and stock which should be held by this stock unit and it can be seen that this printout indicates that there was £ 72,159.03 in cash, £ 282,000.00 in Foreign Currency and £ 1,449.00 in National Lottery instant game cards, giving a total of cash and stock within AM stock unit of £ 355,608.03.

I would initially start with counting the cash on hand and as I count each denomination I note it down on a form called the Security & Audit - Cash Summary, I now produce the form I used for the cash verification as item number KO/02. I initially reached a total figure of £ 68,916.98 as shown in the 1st column, however, some further amendments were required which lead to the figures shown in the 2nd column equating to £ 69,191.98. Subsequently this figure was further changed when a further £70.96 was located bringing the final figure up to £ 69,262.94.

At the time, I wrote on the Balance snapshot (item KO/01) -2967.05 next to the cash declared figure of £ 72,159.03, however, the final cash difference to what was indicated on the snap shot was £ 2,896.09.

I then looked for the £ 282,000.00 worth of foreign currency, however I could not locate it within either of the two safes and the staff who were present at the office were asked if there was anywhere else that stock or cash for the AM stock unit was stored, they were not aware of any other stock or cash in relation to the AM stock unit and therefore I put a cross sign next to the figure of £ 282,000.00.

Signature K Orgill

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Kevin ORGILL

The figure for the National Lottery instantly changed by £10 making a total of £1,459.00 which meant that the physical amount of cash and stock held by the AM stock unit as of 14th January 2003 was £70,721.94 as opposed to what the snapshot declared of £355,608.03, giving a difference of £284,886.09 of which £282,000.00 was as a result of no foreign currency being on hand within this stock unit.

I then passed these figures and paperwork to Mr Burrows and then proceeded to verify the PH stock unit which again was slightly different to what was declared on the snapshot but not to any great extent, the figures were within £50 of each other.

Signature K Orgill

Signature witnessed by M Patel

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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 Deborah Alison EDWARDS
Age if under 18 Over 18 (If over 18 insert 'over 18')

This statement (consisting of five (5) 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 31st day of March 2003

Signature D A Edwards

I am employed by Post Office Ltd. a part of the Royal Mail Group as an Auditor working within the Security & Audit section and have been so employed for approximately 8 years though have been employed by the Post Office for about 12 years.

The role of the audit team is to carry out routine audits of Post Office Branches in order to carry out verification of cash and stock as well as conduct certain compliance checks. At times audits are specifically requested by the Retail Line Manager or by members of the Investigation section.

On Tuesday 14th January 2003, I was part of a team of four auditors who attended Rugeley MSPO, 18 Anson Street, Rugeley WS15 2BF on the request of the Investigation section, this team was lead by Mr Glyn Burrows the Audit Manager.

Part of my role was to carry out the verification of the 'BU' stock unit which is the Bureau de Change stock unit. This stock unit was a till which was located in one of the safe compartments in the safe next to the Bureau de Change counter position.

Signature D A Edwards

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Deborah Alison EDWARDS

In order to carry out this verification I would print off a command 2 and a command 3 printout from the Forde Moneychanger equipment. I did this at 0811 hours and produce the printout as item number DAE/01. I should point out that the printout indicates 0911 hours, however, the clock on the machine had not been adjusted and therefore was one hour ahead.

The command 2 printout indicates all of the Foreign currency on hand together with the travellers cheques, it lists each foreign currency type, the number of notes and travellers cheques and the sterling value of the notes for that currency. At the bottom of this printout it gives a total sterling value of all of the various currencies held and in this case that figure was £ 21,263.79.

The command 3 printout provides a summary of the transactions which have taken place that week such as a total sterling value of Buy Notes (BN), Sell Notes (SN) and Balance. The printout then also lists each of the currencies and shows how much was bought and sold.

It can be seen that at the time of this printout the Forde Moneychanger was indicating that there had been 21 transactions where notes had been bought (BN) to a sterling value of £ 5,594.24 and that there had been 44 transactions where notes had been sold to the sterling value of £ 371,082.58. The Balance is shown as a sterling value of £ 21,263.79 which matches the total on the command 2 summary and should be the sterling value of foreign currency held in the Bureau till.

I then commenced physically counting each of the currencies within the Bureau till and

Signature D A Edwards

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Deborah Alison EDWARDS

wrote down the figures I found on a piece of paper which I now produce as item number DAE/02. It can be seen that some of the figures agreed with the command 2 printout and others did not and I have indicated on DAE/02 the differences. There wasn't any huge discrepancies, just the odd amount here or there.

There were some other foreign currency amounts which I needed to transfer into the Forde Moneychanger in order to obtain a final balance which I did at 11:51 hours (12:51 as indicated on the printout), I produce this printout as item number DAE/03. I then printed off a new command 2 and command 3 printout, which I now produce as item number DAE/04 which indicates the amendments made and shows a total sterling value of £ 21,642.20 which is the sterling value of the foreign currency held in the Bureau till at that time. The command 3 printout shows the balance in sterling of £ 21,642.20

During the course of the audit, I was made aware of the fact that the 'AM' stock unit had indicated that it held £ 282,000.00 worth of Foreign currency which could not be located and therefore to keep things tidy as it was indicated as foreign currency it was decided that it should be transferred from the 'AM' stock unit to the Bureau (BU) stock unit which I did at 12:21 hours as indicated by the printout produced by the Horizon computer system which I now produce as item number DAE/05. I also noted the transfer of this amount on the 'AM' stock unit balance snapshot (item KO/01) and it is my handwriting which appears on this printout indicating Foreign currency "Transferred to BU".

I then produced a command 10 (weekly summary) printout from the Forde Moneychanger, I now produce this printout as item number DAE/06. This printout

Signature D A Edwards

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Deborah Alison EDWARDS

shows the total cash held value of £ 22,938.72 and it is this figure which is input into the Horizon system, the figure is made up of the figure of £ 21,642.20 which is the foreign currency sterling value held and a revalue figure of £ 1,296.52. The revaluation figure is as a result of the fluctuating exchange rates over the course of the week.

I then verified the cash (sterling) held within the bureau till by counting what was physically held in the till and noting down the different denominations on a form called a Network Audit - Cash Summary and then entering these amounts into the Horizon system to produce a 'Declared Cash' Horizon printout, I now produce both as item number DAE/07. It can be seen that the amount of sterling on hand in the Bureau till that morning was £ 11,373.01.

With the above two figures of Foreign currency held £ 22,938.72 and the cash sterling held £ 11,373.01 together with any further stock items, you get the 'TOTAL STOCK & MOP' figure which in this case was £ 34,491.73.

In order to then obtain a final balance for the Bureau stock unit, you are required to feed into the horizon system all of the figures relating to 'RECEIPTS' which is anything which has been paid into that till, for instance Remittance items (REM) received from Hemel Hempstead, etc including in this instance the figure of £ 287,000.00 as a transfer in, £ 282,000.00 of that having been transferred in from 'AM' stock unit. Also all of the figures in relation to 'PAYMENTS' must also be input into the Horizon system and this would include any amounts such as Remittances out etc. In this particular instance I was given a figure by Mr Burrows of £ 642,258.79 to input into the payments sections and I believe this figure related to the value of several cheques which had been removed from the Bureau till by the Police on the previous evening.

Signature D A Edwards

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Deborah Alison EDWARDS

Having input all of the required figures into Horizon, I was able to balance this stock unit, however the figure of £ 642,258.79 made up part of the final office shortage, I produce the final Balance for BU stock unit as item number DAE/08.

Signature D A Edwards

Signature witnessed by M Patel

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and 5B, MC Rules 1981, r 70)



Statement of Mr Glyn Burrows

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

This statement (consisting of five (5) 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 11th day of April 2003

Signature

GRO

I am employed by Post Office Ltd a part of the Royal Mail Group as an Audit Manager working within the Security & Audit section and have been so employed for approximately 12 years though have been employed by the Post Office for about 22 years.

The role of the audit team is to carry out routine audits of Post Office Branches in order to carry out verification of cash and stock as well as conduct certain compliance checks. At times audits are specifically requested by the Retail Line Manager or by members of the Investigation section.

On Monday 13th January 2003, I received a phone call from Mr Colin Price a member of the Post Office Ltd Investigation team who requested a special audit to be carried out at Rugeley Post office on Tuesday 14th January 2003.

On Tuesday 14th January 2003, I was part of a team of four auditors who attended Rugeley MSPO, 18 Anson Street, Rugeley WS15 2BF on the request of the Investigation section, this team was lead by myself and I was responsible for overseeing the audit and

Signature G Burrows

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Glyn Burrows

the input of data into the Horizon computer system in order to complete the office cash account.

One of the initial actions I would perform at such an audit is to log onto the Horizon computer system and request an 'office snapshot' printout. I can confirm that I requested such a printout at 0831 hours on 14th January 2003, I produce this printout as item number GB/01. The office snap shot printout provides a summary of all of the cash and stock which should be held at the office at the time of the printout, it will also provide a summary of all receipts and payments in relation to transactions conducted at the Post Office since the beginning of business on Thursday 9th January 2003 up until the time of the requested printout.

For instance the office snapshot, GB/01, states that the amount of cash that should be present at the office at 0831 hours on 14th January 2003 is £125,458.72. It also provides the sterling value of the amount of Foreign currency that should be on hand at the office at that time of £389,005.30.

It is then a process of verify the cash and stock which is actually on hand at the Post office and seeing if it agrees with the office snapshot.

I was made aware early on during the audit of the office by Mr Manish Patel, of the Investigation team, that several cheques to the value of £638,675.65 had been removed from the Bureau Till by the Police, therefore this amount immediately became a known office shortage as the cheques were physically not on hand at the office.

Signature G Burrows

Signature witnessed by M Patel

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

Continuation of statement of Glyn Burrows

As each team member verified particular stock units, the results were provided to me and I collated our findings via the P32 accounting sheet on my laptop. In particular, Mr Kevin Orgill carried out a verification of the 'AM' stock unit and Ms Alison Edwards carried out the verification of the Bureau Stock unit (BU).

In relation to the 'AM' stock unit, I was made aware by Mr Orgill that the Horizon snapshot (K0/01) in relation to this stock unit indicated that there should be £282,000 worth of foreign currency, however, this amount was not on hand, there were also some other discrepancies found in this stock unit by Mr Orgill.

As the declared figure £282,000 related to an entry against Foreign currency, it was decided that this amount should be transferred to the Bureau (BU) stock unit as I was already aware that there would be a shortage in this stock due to the removal of the above mentioned cheques. I also provided Alison with a figure in relation to the missing cheques. Alison required this information in order to balance the Bureau stock, the reason for Alison needing this information was that the overall discrepancy would be transferred to our accounting team in Chesterfield known as Late Accounts, who deal with the recovery of assets.

The reason for transferring the amount to late account was that we were not in possession of the cheques and we did not know at the time if when presented the cheques would be honoured. If the cheques were honoured then the amount would be credited to the same late account to be offset against the discrepancy declared during our Audit of accounts.

As each stock unit was verified it would then be 'balanced' and any shortages or

Signature G Burrows

Signature witnessed by M Patel

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Continuation of statement of Glyn Burrows

surplus found were adjusted with the main 'AM' stock unit, which as a result ultimately balanced showing a shortage of £ 3086.39.

The Bureau stock unit was finalised and showed a shortage of £642,258.79 which was made up of the value of the missing cheques (£638,675.65) plus an additional £3,583.14 which was differences in sterling and currency on hand compared with the Horizon snapshot for that stock unit.

Therefore the audit declared a total shortage for the office of £645,345.18, which was the amount, transferred to Late account.

At 1406 hours I produced another Horizon office snapshot which now showed the new figures following the verification carried out by my team, as a result it can be seen that the amount of cash on hand was now £123,649.03 as opposed to £125,458.72 as indicated on the earlier printout GB/01, a difference of £1,809.69 and the foreign currency on hand as verified by my team was now £22,938.72 as opposed to £389,005.30 as indicated on the earlier printout GB/01, a difference of £366,066.58. I now produce this Horizon snapshot printout as item number **GB/02**. I can also confirm that the writing that appears at the top of this printout is that of my colleagues Mr Kevin Watkins, which shows the office shortage figure of 645345.18.

As mentioned previously I would also input the relevant data onto an electronic P32a spreadsheet using my laptop computer, which indicates cash and stock figures as well as figures in relation to transactions performed that week. It also shows the final audit balance of the office, which in this case was a shortage of £645,345.18, I now produce a printout of the electronic P32a form as item number **GB/03**.

Signature G Burrows

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Glyn Burrows

Following the day of the audit I completed a written report of the audit and sent a copy to both Mr Mark Irvin (Retail Line Manager) and Mr Manish Patel (Investigation Team manager), I produce a copy of my report as item number GB/04.

Signature G Burrows

Signature witnessed by M Patel

CS011A

Version 3.0 11/02

Witness Statement

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



Statement of Margaret Ann Pearce

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

This statement (consisting of five 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 14th day of January 2003

Signature M A Pearce

I am the above named person and I am currently employed as Manager at Rugeley Post Office. I began working here approximately October 1998, I originally was employed to do the back office work, but after a few months I began working on the counter. My basic hours at this time was 30 (thirty) hours per week. For the past few months, this has changed as I am now paid a salary by Carl Page, the Subpostmaster. My hours of attendance have that been that most Mondays I would not work, however, on occasions I have done, Tuesdays would be 8am to 3pm, Wednesdays 8 till 6.30pm, Thursdays 9am – 3pm, Fridays 9am – 5.30pm and Saturdays 9am – 2pm. I can confirm that Carl would not work any set hours he would come into the office differing hours. I can confirm that up until last week it would be myself predominantly that would open the post office. However, last week I did speak to Carl and he confirmed that he would always be here on Mondays, Tuesdays, Thursdays and Fridays. If Carl did open up he would do so alone, where I would always have another staff member. On arrival at the office, at approximately 07.45, we would receive a fax, which states the rates to which

Signature M A Pearce

Signature witnessed by M Bushell

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

Continuation of statement of Mrs Margaret Ann Pearce

the Bureau would need to be done. I know how to input this into the forde money changer, but I cannot recall the last time that I done this. To the best of my knowledge this would be done by Carl and in his absence Jane would do it. If a customer came into the Bureau section of the office, the customer would ring a bell, if Jane was available, she would come in and serve the customer. If Jane was busy with a customer on the post office counter, I would then go through to the Bureau and serve. The procedure would be to input the amount needed and the machine would tell you how many Euros were needed, however, on rare occasions customers would tell me that they had negotiated a special exchange rate with Carl. If this happened I would process at the rate the customer stated. On occasion, if Carl was not in the office he would make an entry in a diary stating which customer was due and to what rate to use.

I can confirm that a customer, **GRO**

GRO

GRO

would come into the

office a couple of times a week and he would purchase Euros by cheque. I believe that the cheque was on a business account but was signed by **GRO** it is my belief that **GRO** would visit the office before we opened at 8am. As far as I am aware Carl would speak to **GRO** on the telephone, and I do recall hearing part of a conversation between the two of them. I do not have a great deal of input in the Bureau till, however, I am aware that any cheques that have been transacted need to be accounted for in the relevant cash account week. I can also confirm that there

Signature M A Pearce

Signature witnessed by M Bushell

Witness Statement

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

Continuation of statement of Mrs Margaret Ann Pearce

has been a problem in relation to the Bureau de Change sign as this was moved last year, but the electrician has not been back to fix it as yet. Occasionally there would be a need for me to contact Hemel Hempstead in order to request more currency. If the large order was questioned by Hemel Hempstead, I would just explain that it was needed for a business customer. I also at one point raised the point about Mr Whitehouse having so many Euros with Carl and I was just told that there was no problem and nothing to worry about. With regard to the counter stocks all staff would balance their own stock on a Wednesday and then this would all be collated to produce a full office balance. On a Thursday morning I would check all the work for the week before it was despatched out. I can recall GRO coming into the office for the last 18 (eighteen) months.

Signature M A Pearce

Signature witnessed by M Bushell

Witness Statement

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



Statement of Margaret Ann PEARCE

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

This statement (consisting of three (3) 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 26th day of March 2003

Signature M Pearce

Further to my statement of 14th January 2003, I wish to cover some of the aspects regarding the office balance. Each clerk including myself would have a stock unit which basically is the cash and working stock. There were 6 stocks at that time, mine being stock unit 02. There were three other stocks, one the Bureau till, the second was the philatelic stock and the third the 'AM' stock which was Carl Page's stock which is all the stuff in his safe and the back office.

On a Wednesday evening after the office had closed for business each clerk would balance their own individual stock unit and verify their cash and stock to ascertain if the stock balanced, or there was a shortage or surplus. I would on occasions balance the philatelic stock though sometimes that would merely be rolled over into the following week.

As Far as I know, Jayn would balance up the Bureau till as far as she could and Carl would balance the 'AM' stock (Manager's stock) on the Thursday morning. On the Wednesday evening when each of the counter stocks were balanced, if there was a shortage or surplus, Carl had instructed me to transfer this to the 'AM' stock unit so

Signature M Pearce

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Margaret Ann Pearce

that at the end of the evening on the Wednesday, each of the counter stocks would show a balance and could be 'rolled' over into the following week. This would mean that all of the figures relating to the counter stocks would have been entered into Horizon and would only require Carl to Balance the 'AM' stock on the Thursday morning in order to balance the whole office.

The final office accounts were not always finalised on the Thursday and if Carl wasn't at the office the accounts had to wait until his return. There were times when the cash account had not been finalised until Friday or even Saturday.

Once Carl had entered his figures onto Horizon, he would either print of the final cash account or would ask me to do so. On the occasions I had been asked to print off the final cash account, I would do so and then datestamp the form and sign it at the top before one of the copies was sent away to Chesterfield. I would not check any of the figures declared on the cash account as I did not have control of the 'AM' stock and I assumed Carl had checked the figures and that they were correct.

I have been shown today, several cash accounts relating to week numbers 19, 20, 23, 25, 26, 29, 31, 33, 34, 35, 37, 38, for the year 2002 which bear my signature. I have been asked to comment on the figure which appears on the 2nd page of the cash account, in table 5, line 52 which is the foreign currency on hand figure. I took no part in obtaining this figure and do not know where or how this figure is obtained.

There would be times when Carl and I would go through the office 'snapshot' produced by Horizon and check off the correct entries.

Signature M Pearce

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Margaret Ann Pearce

As I mentioned in my previous statement, I had a limited amount to do with the Bureau de Change transactions at the office and although I do recall serving customers where we have bought back Euros from them, these as far as I can recall, have been for small amounts such as 50 - 100 Euros. I personally have not performed a transaction of buying back Euros for 1000 or more.

Signature M Pearce

Signature witnessed by M Patel

Witness Statement

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and 5B, MC Rules 1981, r 70)



Statement of Mrs Margaret Ann PEARCE
Age if under 18 Over 18 (If over 18 insert 'over 18')

This statement (consisting of six (6) 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 30th **day of** April 2003

Signature M Pearce

Further to my statement of 26th March 2003, I have been asked by Mr Patel of the Post Office Investigation section to clarify certain issues which he has raised with me if I am able to so.

I do know that there have been times when Rugeley Post Office has either been running very low on a particular type of Foreign Currency or we have run out completely and on those occasions Carl Page would ask Jayn normally to order the currency from the local Co Op Travel outlet in Rugeley. Although I know that this has happened at times I have only ever to been asked to do this myself on a couple of occasions.

On the occasions I have done this, I would take the cash from the Bureau till in sterling for the amount, which we needed to purchase from the Co Op. I would then telephone the Co Op travel and normally speak to a lady called Gwen who works there and place an order with her. Shortly after placing the order I would go to the Co Op travel and purchase the currency, which had been requested. The rate that this currency was sold to me would be the Co Op's normal selling rate, they would not provide us with a better rate and I would not know the exchange rate prior to arriving at their outlet.

Signature M Pearce

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Margaret Ann PEARCE

Having purchased the required currency from the Co Op, I would take the currency and the Co Op till receipt back to the Rugeley Post Office. I used to place the receipt in the Bureau till in case it was ever needed and I would then book the currency into the Forde moneychanger. I would book the money in at the same exchange rate as it had been purchased from the Co Op and I would book the whole amount in as one transaction, I would not break them down into smaller transactions.

I cannot now remember the amounts involved or the specific currency types I would have purchased from the Co Op but it would have more than likely been euros and probably for several hundred pounds worth and I would only perform these transactions for customer who had already ordered currency and were noted in the black diary which we kept by the Bureau till.

I do know that Jayn Batey and Carl Page have also been to the Co op to buy currency.

During the times when I was conducting Bureau de Change transactions for **GRO** **GRO** at Rugeley Post Office I have never had an occasion when **GRO** has telephoned the office and spoken to me to enquire how much he would have to pay for a certain amount of euros, any time I served **GRO** he would actually be in the Post Office and he would tell me how many euros he wanted and I would then use the Forde Moneychanger to work out the sterling amount that he had to pay. When I performed the transactions for **GRO** I have never been asked to or have broken down a single transaction into smaller amounts.

I have been shown a schedule identified as item number MP/3 by Mr Patel who has asked me to comment on five transactions for the purchase of euros on Friday 7th June

Signature M Pearce

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Margaret Ann PEARCE

2002. There would appear to be 5 transactions one after the other amounting to 77,500 euros, I am fairly confident that I did not do that transaction as I would not have broken the full amount down into several smaller amounts.

As previously stated in my first statement I did not have a great deal to do with the Bureau till or the transactions but on the occasions when I take a cheque from **GRO** **GRO** he would normally write it out at the time of the transaction whilst he was at the office and I would check the details of the cheque making sure that it was dated correctly, I would not take a post dated cheque from **GRO** or any other customer at the Post Office.

As far as I can recall any transactions which I have conducted with **GRO** for the purchase of Euros, he has always paid for by Cheque, I personally have never taken a cash amount from him for such transactions nor part cheque and part cash, the full amount has always been in the form of a cheque.

There is definitely one occasion when Jayn made me aware of some of **GRO** cheques which had not been despatched at the end of the cash account week, however I cannot now recall when that was, I believe it was towards the end of 2002.

In relation to the cheque taken for transactions other than for the Bureau, these cheques would be despatched on a daily basis from this office for processing, there might be some occasions when due to pressure of work they were not despatched that day but would then go the following day, they certainly would not be held for a week like the cheques for the Bureau were.

Signature M Pearce

Signature witnessed by M Patel

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

Continuation of statement of Margaret Ann PEARCE

Once **GRO** has purchased his euros he would leave the office, I have never had to cancel or reverse one of his transactions on the Forde moneychanger and the only time I recall **GRO** handing back euros to Rugeley Post Office was once in the latter part of 2002 when he had just bought some euros from the Post Office and the next customer also wanted to buy euros and there were none left in the office so **GRO** **GRO** loaned back a quantity of euros to the office, I cannot remember the amount of euros that he handed back though the full purchase price was still taken from **GRO**

During the period of 2002, I have on occasions ordered the Foreign Currency from the Cash Centre in Hemel Hempstead and on the occasions that I have dealt with it I would book the currency into the Forde moneychanger after having collected it from the Royal Mail building next door and verify the contents of the special delivery pouches. I would then book this amount in onto the Forde moneychanger by entering the amount and type of currency into the machine together with the exchange rate supplied on the advice note from Hemel Hempstead.

The last time that Rugeley Post Office was audited in 2002 was on Thursday 27th June 2002. During that week Carl was away on holiday **GRO** and was not due to attend the office all week. Although I am the office manager and I am aware of how to perform a large part of the weekly office balance I do not know the full procedures and there are certain areas, which I could not do such as balancing the Bureau till and amalgamating the figures with the AM stock. Before Carl left to go on holiday he told me to go as far as possible with the weekly balance and that he would then finish it off on Sunday when he got back from leave, I believe he also told me to give him a call should the auditors turn up whilst he was away.

Signature M Pearce

Signature witnessed by M Patel

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

Continuation of statement of Margaret Ann PEARCE

On the morning of Thursday 27th June 2002, Jayn and myself arrived in the vicinity of Rugeley Post Office and noticed a number of smartly dressed people waiting outside the Post Office which I automatically assumed they were the auditors so both Jayn and I sent Carl a text message using our mobiles phone.

We then opened up the office and allowed the auditors in and explained to them that Carl was not here and that the office was not balanced as I did not know how to complete it. Shortly afterwards Carl rang the office telephone number and I spoke to him and he wanted me to do something with the Bureau till, I cannot specifically remember whether it was to do with transferring an amount from the AM stock to the Bureau, or Bureau to AM and it may have related to some cheques but I do not remember now and at the time I did not understand what Carl wanted me to do nor did I particularly want to do anything whilst the auditors were there. Within about 15 to 20 minutes of the 1st telephone call Carl had rung the office again twice to ask me if I had done what he had asked and I explained that I had not been able to do it. I would say that he sounded concerned when I had told him I had not been able to do it and therefore he eventually asked to speak to one of the auditors so I passed the telephone over to the head auditor whose name I think was Glyn.

I should state that I did not feel it was my responsibility to do what Carl was asking me to as if it was something he should have done then I did not see why I should have become involved.

The auditors then continued to try and balance the office and eventually they left at the end of the day, I cannot recall how the office balanced that week.

Signature M Pearce

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Margaret Ann PEARCE

I have provided Mr Patel with a number of exercise books which we used at this office to record various figures, I produce these books as item number MAP/01. The books were used to record the daily cheque figures which were sent away from the office to Data Central. Each clerk would enter the number and value of cheques they had taken for a particular day into the book and then when the cheques were to be despatched the person performing this task would total all of the figures up and check they all agreed before entering the values into the BCV and then despatching them. There is also another exercise book which is called the weekly book where the daily figures in relation to cheques are recorded as one amount which then provides the total for the week and this should agree with what appears on the weekly cash account.

Signature M Pearce

Signature witnessed by M Patel

Witness Statement

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



Statement of Ms Shirley Jayn Batey

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

This statement (consisting of 11 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 14th day of January 2003

Signature S J Batey

I am employed as a counter clerk at Rugeley Post Office, Rugeley, WS15 and have been so employed for approximately 4 years. During this time Mr Carl Page has been the Subpostmaster and Margaret Pearce who is also employed at this post office usually performs some of the roles of subpostmaster when Mr page is away from the office. When I initially started employment at this office, I used to work on a part time basis on given days of the week, which I cannot now recall. At that time, Mr Page's wife used to also work at the office, a lady called Debbie and the majority of the time Mr Page or his wife performed the day to day Bureau de Change transactions with the customers. I at that time had not been trained to perform this task and therefore did not perform bureau de change transactions. I commenced performing Bureau de change transactions about 3 years ago, though initially I did very little in the way of bureau transactions as Mr Page and his wife normally dealt with them. At that time I was shown the basics of how to perform these transactions by Mr Page and how to use the Forde Moneychanger machine. At that time Mr Page played a full role at the office, he

Signature S J Batey

Signature witnessed by M Patel

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

Continuation of statement of Shirley Jayn BATEY

was here on a daily basis and served on the counter together with the other staff. I also believe that Mr Page performed the office accounts and Margaret assists him up to a certain point and Mr Page finalises the accounts. I have not taken part in known how to complete the weekly post office accounts. Around Christmas 2001, Mr Page's wife Debbie left the post office and I then took on a greater role of performing bureau transactions, though Mr Page still performed a number of these transactions although I would say to a lesser extent as he started to remain at the office for shorter periods spending sometime away from the office. When Mr Page or I was not available, then Margaret would perform the bureau transactions. In order to perform bureau transactions the office requires exchange rates for the selling and buying of different types of currency that the post office deals with. I am aware that First Rate, the bureau de change organisation that the post office uses, fax through on a daily basis the exchange rates that the office should use for transactions that day. The fax either comes through the evening before or on the morning of the day for which the rates apply. There are exchange rates for a number of currencies for both selling and buying currencies and for the sale and buy back of foreign currency travellers cheques which are at a slightly different rate to cash transactions. I have also noted that the fax, which is relevant to a Saturday, makes specific reference to a special exchange rate in relation to US dollars and Euros for any transactions above £5000 sterling. Although I am aware of this fax with the exchange rates, I have never been required to or asked to enter the exchange rates into the Forde Moneychanger, which is used to perform the

Signature S J Batey

Signature witnessed by M Patel

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

Continuation of statement of Shirley Jayn BATEY

bureau transactions. As the main transactions at this office involve US Dollars and Euros, I am aware that these exchange rates for cash transactions are changed daily on the Forde Moneychanger machine, however, the other currency is not changed daily and is only update to the current value as and when a customer requests this type of currency. The Post Office does not physically hold all types of currency at the office and the vast majority of the "non popular" currency such as Hong Kong Dollars etc. needs to be ordered specially from the post office cash centre in Hemel Hempstead. Mr Page keeps a small A5 size black diary specifically for bureau transactions and to record when a customer who has previously ordered currency will be coming into collect it. On these occasions when a customer comes into collect pre ordered foreign currency, I will enter that days exchange rate into the Forde Moneychanger at the time of the transaction. On most occasions Mr Page enters the new exchange rates into the Forde Moneychanger himself, on the occasions where I have set the exchange rates for US Dollars and Euros, the most popular currency types I have asked Mr Page what rate I should enter into the machine for the selling only of these two types of currency. The travellers cheques and the buying back of cash currency is set as per the daily fax. I am aware that Mr Page sets the rates for both US Dollars and Euros to a slightly higher rate than what the First Exchange fax stipulates and this has always been the way Mr Page has operated the bureau since I have been here. I am aware that the notes in relation to the two above currencies for selling is higher and therefore the customer gets more foreign currency for each pound, however, I have not queried this

Signature S J Batey

Signature witnessed by M Patel

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

Continuation of statement of Shirley Jayn BATEY

with Mr Page and just gone by what he tells me to do. The Forde Moneychanger is connected up to a display board which displays on the customers side the rate of exchange for various types of currency, however the display board in this office has not been working for several months. When I serve a customer, they enquire as to the current exchange rate, which for Euros I would know that day as it is a popular transaction or if I didn't know it the Forde Moneychanger when interrogated will print out the exchange rate. If the customer wishes to proceed, I would then take the cash sterling from them and enter the amount into the forde moneychanger once I had entered which currency was required. I then press a button labelled reverse sell which automatically works out the amount of the currency the customer should get which is printed out on a till roll attached to the machine. This till roll is a duplicate roll and the top part of it is torn off and given to the customer together with the foreign currency and the undercopy remains attached to the original roll so that at the end of the week there will be a whole roll or more for bureau transactions performed that week. These rolls when complete for one cash account week (Thursday to Wednesday) I store in the bottom drawer by the bureau de change work station. During the time that I have been here I can only recall one other occasion besides the bureau transactions for **GRO** **GRO** where I have been requested to perform a transaction for over £5000 sterling. This happened about 1 year ago when I served a gentleman whom I know and he purchased Euros for a greater value then £5000 sterling. I cannot now recall how much this transaction was for but I had to call Mr Page for the exchange rate that I

Signature S J Batey

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Shirley Jayn BATEY

should use as the transaction over £5000 sterling attracts a slightly better exchange rate. The 1st recollection I have of **GRO** coming into the post office to perform bureau de change transactions is around summer 2002, however, it could well be prior to that. Initially **GRO** would always be served by Mr Page and I was aware that this entailed large amounts of Euros, though I did not know at what rate these transactions were done at unless Mr Page forgot to change the rate back on the forde money changer, this has occurred once or twice and at these times I have noted that the selling rate used by Mr Page for Euros to **GRO** has been a lot higher than what the forde money changer was initially set up and higher than the value given on the fax from First Rate.. I have on several occasions questioned Mr Page as to why he gives such a high exchange rate value to **GRO** I never really had a full explanation but am told that **GRO** puts through a lot of business at the post office and he (Mr Page) gives him a preferential rate. There are no other customers that I have served or know of who gets such high exchange rates as **GRO** On the occasions when Mr Page is going to be away from the office and **GRO** **GRO** is due in to buy Euros, Mr Page will tell me or Margaret the exchange rate we should use when doing **GRO** transaction. When I have served **GRO** **GRO** he always pays for the transaction with a company cheque drawn on a HSBC account. Depending on how large the transaction is, **GRO** will write out and sign two or three cheques and hand them over as payment for the Euros. The Euros which would have been ordered in from Hemel Hempstead would then be

Signature S J Batey

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Shirley Jayn BATEY

handed over to **GRO** together with the bureau de change receipt. The money normally is placed into a holdall and **GRO** then leaves the post office. The normal procedure for the acceptance of cheques for payment of foreign exchange services should only be up to the cheque guarantee card value or a bankers draft up to whatever value required and of course cash up to whatever value is required. Although I know what the correct post office procedure is, Mr Page has stated that it is ok to accept cheques to a higher value and other customers have paid for currency using their personal cheques to a higher value than their cheque guarantee card, but only up to about £1000, usual several hundred pounds but not the £100,000 plus cheques that **GRO** presents at this office on about a twice weekly basis if not more. Mr Page has instructed me that the cheques accepted for bureau transactions remain in the bureau till and are brought to account at the end of the post office accounting week, ie Wednesday evening each week and then physically despatched by post to Post Office Counters Ltd, Data Central, 89 – 93 Central Street, London, EC1B 1NP in a special red and white striped plastic envelope. It is normal practice for cheques taken at the counter for other transactions (not bureau transaction) to be despatched to the above address on a daily basis for processing. This system is applied every day of the week, however, the cheques for bureau transactions are only sent once a week on a Thursday morning following the cash account. Normally **GRO** comes into the post office during business hours, which are 08.00 – 17.30 Monday to Friday and 09.00 – 14.00 Saturday. In the last few months I have noticed that the Euro transactions

Signature S J Batey

Signature witnessed by M Patel

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

Continuation of statement of Shirley Jayn BATEY

being done by **GRO** have increased dramatically and he has also taken to collecting the Euros outside of business hours. The reason I say this is because I normally order the large volume of Euros from the cash centre, which arrive at the office the following day and are then secured in the main safe. On my arrival at work the following day the Euros are gone and therefore I assume **GRO** has collected them when the office is shut. He does still come in when the office is open but not that often now though the number and value of these transactions have grown immensely. There have been a couple of occasions that I am aware of where cheques used by **GRO** **GRO** for the bureau transactions have "bounced " about a week ago I took a call from a lady who made me aware of two cheques one for about £100,000 and one just under £100,000, which had bounced and was told by the lady that she would need to speak to Mr Page. There has been one occasion that I recall where I served **GRO** **GRO** and he actually told me what exchange rate I should use stating he had agreed it with Mr Page. I performed the transaction but again raised this with Mr Page when I saw him but again I was not really given an explanation as to why **GRO** **GRO** got these special rates. I have not been happy with this situation and always felt that something was not right. S J Batey

Signature S J Batey

Signature witnessed by M Patel

Witness Statement

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



Statement of Ms Shirley Jayn Batey

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

This statement (consisting of three (3) 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 26th **day of** March 2003

Signature S J Batey

Further to my statement of 14th January 2003, I wish to add that on a Wednesday when the Post Office performs it's weekly balance, I only work up until 1730 hours, therefore at about 1630 hours I would stop serving the customers and balance my own stock unit, stock unit number 06. I would then leave the Horizon printout by my work position and lock away my till in the safe and then go home.

I was also responsible for performing part of the balance for the Bureau till and this I would normally do during the early part of the day on Wednesday. In order to do this I would press the command 2 and command 3 function buttons on the Forde Moneychanger.

The command 2 printout would list all of the different currencies held in the Bureau till and provide the amount of each currency held and the sterling value of each currency. I would then check each currency in the till against the Forde Moneychanger printout to make sure they agreed.

The command 3 printout was used to verify the travellers cheques sold and bought and

Signature S J Batey

Signature witnessed by M Patel

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

Continuation of statement of Shirley Jayn BATEY

the credit card transactions which again I would verify. Having done this the command 2 printout was usually thrown away, however, the command 3 printout was left on the counter by the Bureau till.

Later in the afternoon, I would then obtain a command 10 printout, weekly summary from the Forde Moneychanger and this would again be left by the Bureau position for Carl to deal with. The command 10 printout showed the total sales and purchases that week, together with the revaluation figure and the sterling equivalent of what was on hand in the Bureau till.

I have been shown by Carl how to enter some of the figures into the Horizon system and I would therefore enter the figures shown on the command 10 printout in relation to credit card sales and travellers cheques sales and purchases into the Horizon terminal. I did not enter any other figures into Horizon which had been taken of the weekly summary printout.

I would on a Wednesday "REM IN" currency to the Bureau till and the figure entered onto Horizon. I should point out that I produce two command 10 printouts as one is attached to a form called Bureau de Change Commission and Revaluation summary, form P4833 and then posted of to Chesterfield. The other remains in the office as stated earlier. I produce a sample of form P4833 as item number SJB/01.

I have today been shown a weekly cash account and specifically a figure on page 2 in table number 5, line 52 labelled Fgn Curr Sterl Equiv, when Carl manged this office I did not know what this figure related to and where it had been obtained from, however since the incident with Carl, I have been trained in the Bureau de Change further and

Signature S J Batey

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Shirley Jayn BATEY

know that this figure is the Sterling equivalent of how much currency is held in the Bureau till.

Whilst operating the Bureau till when Carl was managing the Post Office, I have performed numerous transactions where I have bought back Euros from the customers and the amounts involved are generally very small, between 10 – 200 Euros. I cannot recall ever having bought back more than 1000 Euros from a Customer.

Signature S J Batey

Signature witnessed by M Patel

CS011A

Version 3.0 11/02

Witness Statement

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



Statement of Ms Shirley Jayn Batey
Age if under 18 Over 18 (If over 18 insert 'over 18')

This statement (consisting of Five (5) 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 30th day of April 2003

Signature J S Batey

Further to my statement of 26th March 2003, I have been asked by Mr Patel of the Post Office Investigation section to clarify certain issues which he has raised with me if I am able to so.

I can confirm that there have been times when Rugeley Post Office has either been running very low on a particular type of Foreign Currency or we have run out completely, on some of those occasions Carl Page would ask me to contact via telephone the Co Op Travel outlet in Rugeley and order a certain amount of the currency that we required. I should state that the main currency which has been bought from the Co Op Travel in Rugeley would be euros though other currency types have been purchased from the Co op.

On the occasions I have been asked to do this, which does vary depending on the time of year but could be once or twice a week in the main Holiday period or one or twice a month during other times, Carl would tell me how much of a particular type of currency he wanted to buy and hand me an amount of cash Sterling to buy them. I assumed he had taken the cash from the Bureau till though I do not know this to be the

Signature J S Batey

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Shirley Jayn BATEY

case. I would then telephone the Co Op travel and normally speak to a lady called Gwen who works there and place an order with her. Shortly after placing the order I would go to the Co Op travel and purchase the currency, which had been requested. The rate that this currency was sold to me would be the Co Op's normal selling rate, they would not provide us with a better rate and I would not know the exchange rate prior to arriving at their outlet.

Having purchased the required currency from the Co Op, I would be given a till receipt and I would take both back to the Rugeley Post Office. The receipt obtained from the Co Op was not retained and normally just thrown away, the currency was then booked into the Forde moneychanger. Carl had told me to book the currency into the Forde moneychanger at the same rate as we had purchased it for from the Co Op so if they had sold us euros at an exchange rate of 1.5, I would book the euros into the Post Office Forde Moneychanger at 1.5. Carl had also told me to book in the currency in several amounts for instance if I had just bought 5000 euros, I would book them in at 1000 euros at a time. This would mean there were five (5) transactions, the reason Carl gave me for doing this was because he would get paid by the Post Office for each transaction and so rather than it being one transaction it would be five transactions for which he would get paid more.

I cannot be certain of the amounts involved but Carl would generally give me between £500 and £4000 to buy the currency from the Co Op but it was not always euros that were purchased. I should also state that it is not always me who goes to the Co Op Travel, Carl has been himself and I believe others at this office have also been.

During the times when I was conducting Bureau de Change transactions for GRO

Signature J S Batey

Signature witnessed by M Patel

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

Continuation of statement of Shirley Jayn BATEY

GRO at Rugeley Post Office I have never had an occasion when **GRO** has telephoned the office and spoken to me to enquire how he would have to pay for a certain amount of euros, any time I served **GRO** he would actually be in the Post Office and he would tell me how many euros he wanted and I would then use the Forde Moneychanger to work out the sterling amount that he had to pay.

As stated in my first statement when I take a cheque from **GRO** he would normally write it out at the time of the transaction whilst he was at the office

As far as I can recall any transactions which I have conducted with **GRO** for the purchase of Euros, he has always paid for by Cheque, I personally have never taken a cash amount from him for such transactions nor part cheque and part cash, the full amount has always been in the form of a cheque.

As mentioned previously in the my last statement, I have been told to hold back the cheques in the Bureau till in relation to all cheques for Bureau transactions only including those for **GRO**. There have been two occasions that I can recall when I have taken cheques out from the Bureau till mid cash account week and prepared them for despatch meaning I have added their value to the BCV and REM'd them out which means I have entered the total number and value of cheques to be despatched into the Horizon computer system, however when Carl had found out I had done this he physically went to the bundle of cheques and removed only those relating to **GRO** which he then placed back into the Bureau till. These two occasions occurred sometime in June 2002 and I believe October 2002 though I cannot recall the specific dates nor can I now remember the number of cheques that Carl fished out or their value but they were large amounts.

Signature J S Batey

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Shirley Jayn BATEY

GRO comes in for an amount of euros for which he pays by one or more cheques, however, the times I have served him I would always put in the transaction as one amount on the Forde moneychanger even if two or more cheques were used. I do not recall **GRO** requesting the amounts to be broken down into smaller transactions nor has Carl asked me to enter them in as a number of transactions on the Forde moneychanger.

I have been shown a schedule identified as item number MP/3 by Mr Patel who has asked me to comment on five transactions for the purchase of euros on Friday 7th June 2002. There would appear to be 5 transactions one after the other amounting to 77,500 euros, I am fairly confident that I did not do that transaction as I would not have broken the full amount down into several smaller amounts.

Once **GRO** has purchased his euros he would leave the office, I have never had a reason to cancel or reverse one of his transactions on the Forde moneychanger and the only time I recall **GRO** handing back euros to Rugeley Post Office was once in about October 2002 time when he had just bought some euros from the Post Office and then it was noticed that the office did not have many euros left and so **GRO** **GRO** had loaned back a quantity of euros to the office, I think it was in the region of about 4,000 euros that he handed back though the full purchase price was still taken from **GRO**. I should add that he had not left the premises and I can not recall a time when he has brought back the euros to the office after having left the Post Office.

During the period of 2002, I would have been mainly responsible for placing the order

Signature J S Batey

Signature witnessed by M Patel

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

Continuation of statement of Shirley Jayn BATEY

of Foreign Currency from the Cash Centre in Hemel Hempstead and I would generally also book the money in when it arrived at Rugeley Post Office. This would entail collecting it from the Royal Mail building next door as the currency would arrive in several Royal Mail Special Delivery pouches, opening each pouch and verifying the amounts enclosed agreed with the enclosed advice note. I would then book this amount in onto the Forde moneychanger by entering the amount and type of currency into the machine together with the exchange rate supplied on the advice note from Hemel Hempstead.

There was a period in September 2002, I cannot recall the exact dates but Carl was away on Holiday for a week **GRO** and during this time I decided to despatch the Bureau cheques away properly on a daily basis. When Carl returned from his holiday he told me again not to send away any of the cheques taken for the Bureau transactions.

As mentioned in my previous statement, I perform some of the balancing for the Bureau on a Wednesday and then leave the remainder for Carl to complete. There is definitely one occasion which was during the latter part of last year (2002) when after a cash account week upon my arrival at the office on the Thursday of the new cash account week I had notice a number of **GRO** cheques were still in the Bureau till and I made mention of this to Margaret.

Signature J S Batey

Signature witnessed by M Patel