UKGI00012481

# Witness Statement

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

| | |
|---|---|
| **Statement of** | Diane Sarah Matthews |
| Age if under 18 | Over 18 (If over 18 insert 'over 18') |

This statement (consisting of four 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 23 day of March 2006

Signature

I have been employed by Royal Mail Group for 20 years. I am currently employed within Post Office Ltd as an Investigation Manager. Part of my duties are to investigate possible criminal offences committed against Royal Mail Group.

As part of these duties, on 13th October 2005 I attended Gaerwen Post Office accompanied by my colleague Stephen Bradshaw. The purpose of this visit was to investigate a shortage in the Post Office accounts.

Mr Hughie Noel Thomas, the Subpostmaster of Gaerwen Post Office, was taken to Holyhead Police Station where I conducted a tape recorded interview. The interview commenced at 19.52 hours where Mr Thomas was represented by his solicitor, Mr Eilian Williams of Tudor, Owen, Roberts & Glynne. Also present for the duration of the interview was Mr Bradshaw.

The following branch cash accounts for 2005/2006 were shown to Mr Thomas, week 29, 12/10/2005, which I now produce as item **DM1**, week 28, 5/10/2005, which I now produce as item **DM2** and week 16, 13/07/2005, which I now produce as item **DM3**. Mr Thomas confirmed

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Continuation of statement of DIANE SARAH MATTHEWS

he had produced these cash accounts and that it was his signature on the documents.

Mr Thomas signed the master tape seal number 37924 , which I now produce as item **DM8**. The interview was concluded at 20:36 hours. I have prepared a typed summary of the tape recorded interview which I now produce as item **DM9**.

Following the interview, I produced a schedule showing the balancing declared to error notices received at the Post Office. The purpose of this schedule is to show the errors made at the branch and how these figures are reflected in the cash account document. I now produce this schedule as item **DM5**.

This schedule comprises of 5 columns which are week number, date, error made, which is the value of the error, error notice brought to account which is the value of the error notice and balance result which is the overall figure declared in the cash accounts produced by Gaerwen Post Office.

Error notices are forwarded to the offices as a way of correcting a mistake made by in previous weeks. In order to make adjustments to the accounting document and to rectify the previous loss or gain, an entry is made on the Horizon computer till to compensate for the previous mistake, this is known as bringing the error notice to account. This should then result in the office having a loss or gain equal to the loss or gain shown when the mistake occurred. For example on the schedule in week 28, 5$^{th}$ October 2005, the office brought to account an error notice for £1,485 in respect of claiming a higher value of cheques despatched at the Post Office on June 29$^{th}$ 2005. In this scenario, you would expect to see the office show a similar loss value in his balance of June 29$^{th}$ when the actual balance declared was a gain of £151.69 and a similar gain value in his balance of October 5$^{th}$ where his actual balance declared was a gain of 0.96 pence.

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Continuation of statement of DIANE SARAH MATTHEWS

The Post Office operates a 52 or 53 week accounting year. Each week number starts on a Thursday morning and ends on a Wednesday night. All transactions undertaken on these days form the balance produced for that week number. Week number 1 would usually start at the end of March or beginning of April and continue on to week 52 or 53.

Again following the interview, I produced a further schedule showing the breakdown of zero transactions for On Line Banking. The purpose of this schedule is to analyse the zero transactions performed at Gaerwen Post Office and the reasons why the transactions have a zero value.

This schedule has a heading on the left with the dates of the transactions. Underneath this heading is the heading total number of transactions with the number to the right. The reasons for the zero transactions are listed on the left hand side. The comments section gives a breakdown of the transactions. For example from 18th November 2004 to 26th November 2004, a total of 70 transactions have a zero value. Of these 70, a total of 59 are due to the transaction being a balance enquiry only and no amount requested at this time by the customer. 4 transactions are for a change of PIN number, again no amount requested by the customer. 4 transactions for a withdrawal of funds, however the customer has entered an incorrect PIN number into the pinpad machine so transaction is declined and no funds paid to the customer. 3 transactions were declined due to the authorisation system being offline, this would be nationally and not confined to Gaerwen Post Office. I now produce this schedule as item **DM6**.

Again following the interview, I produced a further schedule showing zero transactions and next transactions. The purpose of this schedule is to show that where a transaction has a zero

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value, to show the reason for the zero and what the next transaction that was put through the system. For example if a PIN was entered incorrectly and a nil value shown, to show if the next transaction was the same type with the PIN entered correctly.

This schedule comprises of 8 columns. Node id, which shows on which counter position terminal the transaction was performed on. User id, which shows the person logged onto the terminal which the transaction has been entered on. Date, time, trans type for example a balance enquiry or a withdrawal, the amount requested, the HTxn number given by the system to identify transaction and the RespCD Description which is the response the system has given to determine if the transaction has been authorised or declined and the reasons for that response for example declined invalid PIN.

. I now produce this schedule as item **DM7**.

Signature

Signature witnessed by



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