



"Stephen Dilley"

GRO

27/09/2006 19:13

To: <ruth.simpson@postoffice.co.uk> GRO
cc: "Tom Beezer" <tom.beezer@postoffice.co.uk> GRO
<mandy.talbot@postoffice.co.uk> GRO, <andy.r.pearson@postoffice.co.uk> GRO
<carol.king@postoffice.co.uk> GRO, "Richard Morgan" <richard.morgan@postoffice.co.uk> GRO
GRO

Subject: Draft witness statement of Ruth Simpson: Post Office Limited -v- Castleton

Dear Ruth,

Thank you for kindly taking the time to discuss this matter earlier today.

As discussed, I attach a draft witness statement based upon our conversation, for your approval. (I will email you the exhibit separately). Please can you review the statement carefully and make sure you are 100% happy with it. Please let me have any comments/amendments you wish to make, no matter how small. Please could you also let me have your response to the questions in ***bold italics*** at paragraph 12.

I look forward to hearing from you as soon as possible.

Kind regards,

Stephen Dilley

Solicitor

for and on behalf of Bond Pearce LLP

DDI: [REDACTED] GRO

Main office phone: [REDACTED] GRO

Fax: [REDACTED] GRO

www.bondpearce.com

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Filed on behalf of the: Claimant/Part 20 Defendant
Witness: R Simpson
Statement: 1
Exhibit: RS1
Date made: 28.09.2006

IN THE HIGH COURT OF JUSTICE

Claim No: HQ05X02706

QUEENS BENCH DIVISION

BETWEEN:-

POST OFFICE LIMITED

Claimant/Part 20 Defendant

-and-

LEE CASTLETON

Defendant/Part 20 Claimant

WITNESS STATEMENT OF RUTH SIMPSON

I, RUTH SIMPSON, of First Lane Post Office, 168 First Lane, Hessle, East Yorkshire, HU13 9EU WILL SAY AS FOLLOWS:

1. I am currently the subpostmaster of the First Lane Post Office, 168 First Lane, Hessle, East Yorkshire. I have been the subpostmaster there since 7 October 1999. Before that, I was a bank manager at the Yorkshire Bank since July 1976.
2. I make this Witness Statement from facts within my own knowledge unless otherwise stated. References to page numbers in this Witness statement are to page numbers of Exhibit "RS1" to this Witness Statement.
3. On Tuesday 23 March 2004, I was asked by Catherine Oglesby, then the Retail Line Manager, if I could take over the running of the Post Office branch at 14 South Marine Drive, Bridlington YO15 3DB (the Marine Drive branch) on a temporary basis. Ms Oglesby explained to me that the subpostmaster, Mr Castleton, had been suspended following an audit that day that had shown that the Marine Drive branch had incurred substantial unauthorised losses. I agreed to take over as temporary subpostmaster and remained in that role until Wednesday 21 April 2004.

Assistant

4. I brought in Lynn Croft, who I employed at the First Lane Post Office, to act as my part time assistant whilst I was the temporary subpostmaster. Lynn worked on Mondays with me at the Marine Drive branch.
5. Mrs Castleton worked in the retail shop at Marine Drive. I believe that there were 2 or 3 other ladies who also worked in the shop. One of them was Christine Train who I believe had previously been employed by Mr Castleton to work behind the Post Office counter whilst he was the subpostmaster.
6. Whilst Lynn Croft was working and serving customers we would each use a separate computer terminal. The Marine Drive branch operates as a shared stock unit so all the transactions done on the two computers are pooled into one

shared stock and cash account. During Lynn's days off, if necessary I would log on to both computer terminals and serve customers from both of them because this helped me to more quickly deal with high volumes of packages.

Cash Accounts

7. The Cash Accounts for the period when I worked as a subpostmaster are at pages 1 to 24. In summary, they show that:
- (a) Cash Account week 1, week ended Wednesday 31 March 2004, shortage of £101.95 (page 1) (I will explain the reason for this below);
 - (b) Cash Account week 2, week ended Wednesday 8 April 2004, surplus of £19.38 (page 7);
 - (c) Cash Account week 3, week ended Wednesday 14 April 2004, £10.76 shortage (page 13); and
 - (d) Cash Account week 4, week ended Wednesday 21 April 2004, £0.02 surplus (page 19).
8. It is difficult to remember now why there was a shortage of £101.95 for the week ended 31 March 2004, but I think this was because my assistant may have left something in the stack and erroneously paid out a pension twice. (When a customer comes to the Post Office counter to do a transaction, the person serving them enters the product type and quantity the customer wishes to purchase by using the touch sensitive screen or the keyboard. Each customer's transactions are recorded in a list called a "stack". Once the customer has been served, the stack is cleared).

The two computers

9. I have been asked to confirm whether I experienced certain problems with the Horizon computer terminals whilst I was the temporary subpostmaster at the Marine Drive branch. I remember there were no problems other than the usual trivial problems you tend to experience with computers on occasions. In particular:
- (a) I did not come across instances where the 2 computer terminals did not appear to communicate with each other.
 - (b) On occasions when the touch sensitive computer screen is dirty, it will not accept commands and you have to use the keyboard to enter information instead. However, the screen did not freeze whilst I was subpostmaster at the Marine Drive branch.
 - (c) On one morning I had to reboot the computer because the screen went blank. I am not sure why this happened but think this might have been because something was not plugged in.
 - (d) I do not recall the card swipe device failing to work whilst I worked at the Marine Drive branch. This may have happened once during my 7 years as a subpostmaster.
 - (e) There were no instances of the Overnight Cash Holding (ONCH) figures doubling up whilst I was at the Marine Drive branch. I believe that the only time this could happen is through user error, if the operator mistakenly inputs the same information twice.
 - (f) There were no occasions when I entered transactions on the system that were then lost.
10. I have been asked whether any of the computer equipment was changed whilst I was at the Marine Drive branch. I do

not remember any equipment being changed at the time.

National Lottery cash

11. There were two things at the Marine Drive branch that struck me as being strange at the time. One related to the National Lottery cash. The National Lottery terminal at the Marine Drive branch is in the shop rather than behind the Post Office counter. As the shop stayed open later than the Post Office counter, it would continue to sell lottery tickets and this meant that before open of the Post Office business the next day, I would use the shop till receipts to input details of the lottery transactions into the Horizon computer terminal. When I came into the branch each morning, I would find the lottery cash that the shop had received overnight left in a bag just under the Post Office counter door together with the lottery till receipt. The Post Office counter door was old and there was about a foot gap between the bottom of the door and the ground. I was therefore concerned that the lottery cash was being left just under the door, because it was not secure and a customer could have taken it. On one occasion (I cannot recall precisely when), the lottery printout (showing about £50 worth of sales) was there but there was no lottery cash. I therefore asked Mr Castleton to make this amount good from the shop, which he did.

Car auction deposits

12. A car auction in Bridlington would deposit thousands of pounds of cash each week into their girobank account. (Typically each deposit was of £8,000 or £9,000). What was unusual is that I tended to find the cash in a carrier bag just under the Post Office counter door when I arrived to open the Post Office counter in the morning. Given the large gap under the Post Office counter door, it was a very large amount of cash to leave in an insecure place. There was no covering note stating how much cash there was and me or my assistant Lynn Croft had to count it and to pay it into the customer's account. I think that the paying in book may have been kept permanently behind the Post Office counter rather than being completed by the customer. I do not recall meeting this customer, but I was very concerned about this and told Mr and Mrs Castleton that I was unhappy about it. *[Do you remember what Mr and Mrs Castleton said in response or whether the procedure changed after you told Mr and Mrs Castleton that you were unhappy?]*

21 April 2004

13. Due to other commitments, I finished working as temporary subpostmaster on Wednesday 21 April 2004. Mr Greg Booth took over as temporary subpostmaster after me and he came to meet me on 21 April 2004 at the Marine Drive branch so that I could handover to him. I was not involved with the Marine Drive branch any further afterwards.

I believe that the facts stated in this witness statement are true.

Signed
RUTH SIMPSON

Date.....

Filed on behalf of the: Claimant/Part 20 Defen-
Witness: R Simp
Statemen
Exhibit:I
Date made:28.09.2

IN THE HIGH COURT OF JUSTICE
No: HQ05X02706

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QUEENS BENCH DIVISION

BETWEEN:-

POST OFFICE LIMITED

Claimant/Part 20 Defenda

-and-

LEE CASTLETON

Defendant/Part 20 Claima

WITNESS STATEMENT OF RUTH SIMPSON

Bond Pearce LLP
Ballard House
West Hoe Road
Plymouth
PL1 3AE

Ref: SJD3/348035.134

DX: 8251 Plymouth

Tel: GRO

Solicitors for the Claimant/Part 20 Defendant

Filed on behalf of the: Claimant/Part 20 Defendant
Witness: R Simpson
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IN THE HIGH COURT OF JUSTICE

Claim No: HQ05X02706

QUEENS BENCH DIVISION

BETWEEN:-

POST OFFICE LIMITED

Claimant/Part 20 Defendant

-and-

LEE CASTLETON

Defendant/Part 20 Claimant

WITNESS STATEMENT OF RUTH SIMPSON

This is the exhibit RS1 referred to in the Witness Statement of Ruth Simpson dated
2006.

