

2POST OFFICE LTD CONFIDENTIAL: INVESTIGATION, LEGAL
POLTD/0809/0126OFFENCE: Audit Shortage – Cash Loss £27,811. 98

Name: Julian WILSON

Rank: Sub-Postmaster Identification Code: 1

Office: Astwood Bank SPOB FAD Code 346 / 246

Age: 59 Date of Birth: GRO

Service: 5years 10 Months Date Service Commenced: 07/11/2002

Personnel Printout: At Appendix: C

Nat Ins No:

GRO

Home Address:

GRO

Suspended/Contract for Services Suspended: 11/09/2008 on the authority of Glen Chester Contracts Manager.

To be prosecuted by: Royal Mail Group (including Post Office Ltd)

Designated Prosecution Authority: Dave Pardoe, Senior Security Manager Fraud Strand

Discipline Manager: Glen Chester Contract & Services Manager.

Corporate Security Criminal Law Team

This case concerns an audit shortage of £27,811.98 discovered at the Astwood Bank Post Office on the 11th September 2008 by Mr David Patrick, Mr Kevin Watkins & Mrs Faith Lavender Post Office Ltd Auditors.

On arrival at the Post Office they introduced themselves to the Postmaster Mr Julian Wilson and explained that they were there to conduct an audit on behalf of Post Office Ltd. Mr Wilson allowed them access to the secure area and immediately informed them that there would be a shortage in the cash of around £27,000. He explained to them that it was due to an accumulation of shortages he had experienced at the Post Office over the last 5 years or so. He explained he had been inflating the cash on hand figures to show that the office accounts would balance weekly and more recently on the monthly Trading Period.

Upon confirmation of the shortage by the auditor the Postmaster was advised that he was precautionary suspended on the authority of Mr Glen Chester Post Office Contracts Manager pending further investigation. I was also contacted at this time and I asked the auditors to obtain

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a signed statement confirming these facts from the Postmaster and an Event Log Balancing printout from the Horizon Computer System that covered the period 1st August 2008 to 11th September 2008. A copy of the signed statement and Horizon printout can now be found associated at **Appendix "B"**.

I spoke to Mr Wilson and informed him that I would need to conduct an interview with him and explained to him his Legal Rights and the Post Office Friend Rule. Mr Wilson advised me that he would be requiring both these rights and he gave me the name and contact details of his Solicitor at Astwood Law. He said he would also use his Post Office Federation Representative Mrs Donna Evans as his Post Office Friend. It was at this point that I contacted a Mr Graham Clarke and made arrangements for the interview to be conducted at his offices of Astwood Law Solicitors on Monday 15th September 2008 at 14.30 hours.

I can now confirm that prior to the interview on the 11th September 2008, along with my colleague Mr Graham Brander I attended the home address of Mr Wilson at **GRO** **GRO** and conducted a voluntary search of both his premises and vehicle. I can confirm that three entries were made on the Search Record of the items seized and these items have subsequently now been copied with the originals now returned to Mr Wilson. Copies of the Search Records can now be found associated at **Appendix "B"**. The search commenced at 11.11 hours and concluded at 12.08 hours.

The Post Office is located in a small urban area near Redditch, Birmingham. Mr Wilson employed assistants at the Post Office and a copy of the Postmaster and Assistant's details held are now associated at **Appendix "C"**.

Following the completion of the searches Mr Brander and I later made our way to Astwood Law Solicitors Offices. Prior to commencement of the interview I gave a disclosure to Mr Wilson's Legal Representative Mr Clarke. It was at this stage that we became aware that Mr Clarke was not a Solicitor who specialised in Criminal Law but Mr Wilson confirmed that he was aware of this fact but still wished Mr Clarke to represent him.

Prior to the interview I explained to Mr Wilson how the tape machine worked and why two tapes were used. At 15.07 hours, along with Mr Brander I commenced a tape-recorded interview with Mr Wilson in accordance with the Police and Criminal Evidence Act 1984 Codes of Practice. Following the general introductions Mr Wilson was cautioned and I completed the GS001 at 15.08 hours and a copy of this is now associated at **Appendix "B"**. The GS003 Post Office Friend form was completed at 15.13 hours and a copy of this is now associated at **Appendix "C"**.

The interview comprised of two tapes, reference no's 50313 and 50314 and concluded at 16.33 hours. I have now prepared a summary of these tapes, copies of which can be found at pages 5 to 25 of this file.

The Master Tapes are secured at my office in Poole, whilst the working copies are associated at **Appendix "B"**.

During the interview Mr Wilson did not admit to theft or misuse of the Post Office money but did admit to False Accounting over the last 5 years due to losses he had been experiencing. He denied he had used any of the money to credit his bank account or pay his mortgage or to pay suppliers. He has shown various Trading Statements available to me from 11th April 2007 to 20th August 2008 and he confirmed that they all showed false cash figures. These Trading Statements have been associated now at **Appendix "B"**. Mr Wilson explained how this had been common practice

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for the past 5 years or so. He was asked if he had considered theft by his employees given the fact it appeared the shortages were a regular occurrence with no explanation or corresponding errors ever appearing apparent. He said he had not believed this to be the case.

The period of offending in this case could not be fully established other than Mr Wilson admitted he thought it would have been over 5 years between 2003 and September 2008.

Following the interview, I asked Mr Wilson a number of questions for the sole purpose of completing NPA 01 and CS033 (Antecedents) forms. Copies of the NPA 01 and CS033 forms can be found at **Appendix C**. A copy of my notebook in respect of the interview on the 15th September 2008 can now be found at **Appendix "B"**.

I do not envisage any difficulties in obtaining statements in this case, should they subsequently be needed. Likewise, I have no reason to question the reliability of any potential witness. All envisaged enquiries have now been conducted in respect of this case.

A copy of the final Audit Report produced by Mr David Patrick is now associated at **Appendix "B"**.

The loss known to Post Office Ltd is £27,811.98, and I can confirm that this full amount is still outstanding at this stage.

I contacted Mr Ged Harbinson the Post Office Ltd Financial Investigation Manager in respect of this case, due to the amount involved and the Financial Investigator in this case is now Mr Graham Ward. Mr Wilson explained how he would wish to repay the Post Office the full amount of money missing but was not in a position to do so at that stage. He informed me he would be looking to sell his business and he would then be in a position to repay the Post Office at that point.

All original exhibits in this case are currently retained at my office in Poole.

Electronic copies of this report and the tape summaries have been sent to the Post Office Ltd Casework Team along with the discipline report.

There did not appear to be any further failings in security, procedures or product integrity that directly affect this case.

These papers are now forwarded to you for sight and advice on the sufficiency of the evidence as to whether criminal charges should be brought against Mr Wilson.

As this was a Stakeholder Notification case the appropriate form was e-mailed at the outset and a copy is associated at **Appendix "C"**.

Please feel free to contact me should you require any further information or clarification on any of the points raised in this report.

GRO

Gary Thomas
Fraud Advisor

GRO

2 December 2008