

# Royal Mail Group

## ROYAL MAIL GROUP – CONFIDENTIAL

### Record of Taped Interview

#### Short Descriptive Notes

#### Record of Taped Interview Summary

#### Full Taped Interview Transcript

(delete as applicable)

**Person interviewed:** LYNETTE JANE HUTCHINGS (LH)

**Place of Interview:** CONFERENCE ROOM – EASTLEIGH HANTS

**Exhibit No:****Number of pages: 20****Signature of interviewer producing****Date of Interview:** 20.4.11**Time commenced:** 11.23**Tape reference no.:** 073451**Time concluded:** 12.07**Duration of Interview:** 44 MINUTES**Interviewing Officers:** GRAHAM BRANDER (GB)

GARY THOMAS (GT)

**Other persons present:** IZZY HOGG (IH) - SOLICITOR

Tape counter times	Person speaking	TEXT
		Voice identification of everyone present and the nature of the enquiry explained. Permission to tape record given.
3.00		LH cautioned and reminded of legal rights. LH confirmed her Solicitor explained the caution. LH told (1) she is not under arrest, (2) is free to leave, (3) is entitled to legal representation and advice including the right to speak with a Solicitor and (4) is entitled to read the Police and Criminal Evidence Act 1984 Codes of Practice setting out the rules and rights governing the conduct of this interview. Form GS001 completed and signed - Solicitor present.
5.40		The Royal Mail Employee Rights to a Friend at an interview or search form GS003 completed and signed. Offer of friend – friend declined.
7.40		LH was interview regarding an audit short of £10,814.83 and a

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8.40

IH

prepared statement was read out:-

I am Lynette Hutchings, this statement is my version of events and I have asked my Solicitor to write it down. We migrated to Horizon on line in approximately May/June 2010. At the time of migration all accounts balanced. Ever since we have been with HOL the balances have been wrong. When I talk about we, I also refer to my husband who assists me in the Post Office. At no stage have we stolen money from the Post Office nor are we aware of making mistakes in our day to operation of the system. Because of this we always believed that incorrect balances would be sorted out through transaction corrections. When I altered the cash declarations this was not done in order to create a financial gain for myself or a loss to the Post Office. I genuinely believed that there was no loss and that the balances would be corrected in the fullness of time. The only reason the cash declarations were altered was to enable me to operate the Post Office. I am unable to explain why the balances are incorrect but would give examples of some of the difficulties as follows:- the helpline was difficult to access and unreliable, secure stock created unexplained discrepancies on a weekly basis. The screen on the stock unit needed recalibrating on occasions due to the cursor sticking. The back office printer was replaced because it was unreliable. The small counter printers stuck and not produced expected receipts, one monitor crashed and the power pack had to be replaced. Only myself and my husband work in the Post Office. My log in code is LHU and my husband's was SHU. We only ever used our own log ins and did not know each other's passwords. I did not sign any trading statements. At no time did I act dishonestly and that's been signed by Lynette and dated with today's date.

10.48

GB

Just going down it says that you migrated to Horizon on Line May/June 2010 and at the time of the migration all the accounts balanced but shortly before, I found out you actually migrated on

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		the 5 <sup>th</sup> July 2010 so that's now the date we've established for when you migrated to Horizon on line so are you saying up until the 5 <sup>th</sup> July that the accounts always balanced?
	LH	No comment.
	GB	Right so pretty much the prepared statement's saying you were aware of discrepancies in your accounts and it seems to me that you were inflating the cash to hide these discrepancies, is that correct?
	LH	No comment.
	GB	Ok and it was your belief that you were doing that because you felt that transaction corrections would be issued to you in respect of those discrepancies; is that correct?
	LH	No comment.
11.58	GB	Ok did you actually declare the discrepancies on your monthly branch trading account?
	LH	No comment.
	GB	Ok. If you did declare them on your branch trading statement what do you think would have happened?
	LH	No comment.
	GB	Are you contractually required to repay all losses with immediate effect?
	LH	No comment.
	GB	Ok had you had actually declared those losses on the account, do you think that the Post Office would have asked you to have made good those losses straight away?
	LH	No comment.
	GB	Ok when these losses started to occur, were you in a position to repay those losses at that time.
	LH	No comment.
	GB	If you're not declaring the losses, how do you expect the Post Office to know the branch is short
	LH	No comment.

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	GB	Because obviously if you make an error along the lines of the 2 additional errors that are outstanding in what we call the 'late account' these relate to where the cheques that you've taken in the branch, and I'm saying you, which could be, you could be your husband, so I'm using 'you' as a general term, the cheques that you've taken at the branch, the £1500 one was actually remitted out twice so obviously that's given you an extra £1500 worth of credit so that's obviously an error which the Post Office are aware of and obviously you'll now receive a charge for that £1,501 do you understand that?
	LH	No comment.
13.23	GB	But if you're not telling the Post Office or doing something that's an error, how do the Post Office know that you're actually short?
	LH	No comment.
	GB	Ok. You say that you always used your own log ons and your password, I've not been to Rowlands Castle Post Office, are you able to tell me how many counter serving positions there are?
	LH	No comment.
	GB	Ok so you say you used your own log ons and you didn't know each others passwords, would you always log off or apply the temporary lock when not serving?
	LH	No comment.
	GB	Ok and you're saying it's just yourself and your husband worked so at any time that you've been Sub-Postmistress, have you ever employed any other staff albeit for just like a casual basis?
	LH	No comment.
	GB	Ok 'cos what I'm trying to do is obviously you've got, with those errors we've got an amount of nearly £11,000 £10,814.83 missing, what I'm trying to ascertain is I believe somebody's stolen that money and what I'm trying to ascertain is who's responsible so if it's not you responsible it would help me if I knew for absolute certainty whether there was anyone else other than you or your husband

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		who worked there during your time as Post Mistress?
	LH	No comment.
	GB	Ok so it says in your prepared statement that your husband would assist you. In what capacity, was it just serving customers or what else would he do in the Post Office?
	LH	No comment.
14.59	GB	Who dealt with the end of day cash declarations?
	LH	No comment.
	GB	Assuming that you would play a part in doing the cash declarations; did you actually fully count all the money in the branch each day?
	LH	No comment.
	GB	Ok. When you actually did your cash declarations, other than when completing a branch trading statement, did you declare the true amount of cash you've had in the branch or did you actually inflate it to hide what was currently short?
	LH	No comment.
	GB	Ok did you only inflate the cash to hide a shortage when you complete the branch trading statement?
	LH	No comment.
	GB	Ok so who would actually complete the monthly balance at the branch?
	LH	No comment.
	GB	Did your husband assist in any way with that at all?
	LH	No comment.
	GB	Did he assist in any way with doing the daily cash declarations?
	LH	No comment.
15.56	GB	What days is the Post Office open
	LH	No comment.
	GB	Ok did you work every day and hour it was open at the Post Office?
	LH	No comment.
	GB	Did you have a specific day off?
	LH	No comment.

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	GB	Did you have any day off?
	LH	No comment.
	GB	And what about your husband what days and hours did he work there?
	LH	No comment.
16.26	GT	In respect Lynette of obviously answering all the questions going no comment obviously that's your right to do so, you've taken advice from your Solicitor, do you think this is going to be actually assisting the Post Office going forward if you are the innocent party in what you're trying to suggest here?
	LH	No comment.
17.07	GT	In respect of the equipment you talked about in the, or the equipment is talked about in the prepared statement about some various pieces of equipment being swapped out etc when obviously faults occur as they do in equipment, can you confirm if any equipment was ever swapped out prior to Horizon on Line or is only since you've brought in Horizon on Line?
	LH	No comment.
17.30	GT	Ok in respect of the migration on the 5 <sup>th</sup> July, could we confirm then that on the 5 <sup>th</sup> July you were happy at the migration that all the cash and stock were correct at that time?
	LH	No comment.
	GT	Ok if you have transferred over to online and let's say hypothetically on the first occasion, whether that be in day one, week one a month later or whatever, the first occasion that you discovered there was a discrepancy, did you not consider to actually show the discrepancy as you would have genuinely prior to Horizon on Line, what made you make the inflation on that very first occasion then as shortage?
	LH	No comment.
	GT	Would you have inflated previously prior to Horizon on Line figures if there was a discrepancy or would you have actually shown



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		correct balances at that time as well?
	LH	No comment.
	GT	Have you ever had transactional corrections come back over the number of years that you've actually been in the Post Office as the Post Mistress?
	LH	No comment.
18.38	GT	The reason I ask that is because obviously if you had had genuine transactional corrections come back at the time of transferring over to Horizon on Line, I put it to you that you wouldn't have known whether there was a genuine transaction that was likely to have come back so let's say hypothetically you had a £200 shortage and you showed a £200 shortage, it's possible that transaction correction could have come back had you shown that, is that not correct?
	LH	No comment.
	GT	Ok in respect of obviously we have Izzy today and you have prepared a statement etc, is there any reason I could ask you why you have actually got Izzy Hogg as your Solicitor and not somebody from (indistinct) do you not have any solicitors locally?
	LH	No comment.
19.34	GB	This is a cash declaration taken at 17.45 on the 16 <sup>th</sup> March 2011 and it showed a total amount of 29,572.20, I'm just going to show you that cash declaration there now for you and Izzy to take a look at and 16 <sup>th</sup> March was the last branch trading statement completed at Rowlands Castle prior to the audit on the 30 <sup>th</sup> March. Now it's my understanding that the Post Office would close at 17.30 is that correct?
	LH	No comment.
	GB	So we've got a cash declaration done at 17.45 and it shows £29,572.20p. now later on that day when that was actually entered, it actually did show a, so what I'm doing now is again a print out that was sent to me by the auditors that went out to the branch on

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		<p>the day, this is what we call an Event Log Balancing and again all this does it just like identify the amounts that have been declared in respect of cash and stock on the system so on, let me just try and find that. Ok so 17.45 yeah we got another amount declared and then at 17.53 same amount is being declared and then at 17.54 on 16<sup>th</sup> March, this is all user name LHU001 and I think you confirmed in your prepared statement that was your user name, it showed a discrepancy of £11,714.15p. Ok can you give me any explanation as to why it was showing that sort of discrepancy at that time?</p>
	LH	No comment.
21.40	GB	<p>Ok and in your prepared statement you said you were aware of these discrepancies and you, I think it's saying it's in the cash. A bit further on that day and again as I say this is when you are doing your end of month branch trading statement, at 17.57 that day you declared a cash for £41,286.35 which is an increase of pretty much the discrepancy of £11,700 so obviously if you're short you should declare it and then obviously if you're saying you were going to actually make it good by cash you should put that amount of cash in shouldn't you?</p>
	LH	No comment.
22.35	GB	<p>As per your contract well you always get the option obviously to actually settle it by cheque or settle it centrally, are you aware of those options?</p>
	LH	No comment.
	GB	<p>Ok but on this it's saying that you've obviously declared £29,572.20, there was a discrepancy in account of £11,714.15p then later on at 17.57 increased the cash by that discrepancy of £41,286.35p, did you actually put that amount of money into the Post Office till?</p>
	LH	No comment.
	GB	<p>Ok now after that amounts been declared, you then get a compensatory surplus discrepancy of £11,714.15 so your original</p>



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		negative discrepancy declared would then be balanced out by the surplus you've declared by keying in a cash figure of £11,700.00 greater than what you've cashed in at 17, sorry what you'd entered at 17.45 so when you declared the cash and it was out how did you actually, what did you do on the Horizon system to make it show a balance?
	LH	No comment.
	GB	Because let me have a look at the branch trading statement for 16 <sup>th</sup> March. Right ok I've got a large selection of branch trading statements here which I have briefly referred to with this solicitor earlier and these trading statements, I don't propose to go through all of them but they actually run from 11 <sup>th</sup> of the 10 <sup>th</sup> 2006 up until the last completed branch trading statement 16 <sup>th</sup> March 2011 so on the branch trading statement ending 16 <sup>th</sup> March 2011, the actual discrepancy shown is zero so I'm just going to show you that document there and you can see at the bottom there's no discrepancy. Can you explain to me why you didn't actually show the £11,000 discrepancy?
	LH	No comment.
24.55	GB	Which would have obviously then alerted the Post Office and then they would have sought to get the money made good in the same fashion that had they have issued you a transaction correction?
	LH	No comment.
	GB	Ok. Did you not declare it because you knew the Post Office were going to ask you to make it good and you weren't in a position to make it good at that time?
	LH	No comment.
25.23	GT	Can I just come in and ask then in respect of the Horizon on Line transfer over in the July, obviously the trading statement that you referred to there was one of March time wasn't it and obviously we believe there to be an £11,714.00 discrepancy at that time. Can I ask you if when you went over to Horizon on Line if it was suddenly

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		in the very first month that that £11,700 discrepancy occurred or was it a build up of let's say 1,000 in month one, 2,000 in month two, by Christmas it was up to 7,000 by the March it was 11, was it a small build up or I mean you know this would help us greatly here to know if it was a one off lump sum or whether it was a slow build up of slow losses?
	LH	No comment.
26.11	GB	Right just going back to the cash declarations I referred to on the 16 <sup>th</sup> March and I showed you the cash declaration for £29,572.20, the auditors recovered quite a number of cash declarations slips but for some reason they didn't have one for the amount of £41,286.35, can you think of any reason why that cash declaration slip wasn't there?
	LH	No comment.
	GT	Ok would it have been destroyed on purpose?
	LH	No comment.
	GT	Is there a reason why it wouldn't be with all the other cash declarations?
	LH	No comment.
	GB	Right well that last cash declaration done on the 16 <sup>th</sup> March before the system was (indistinct) was the one for the 41,200 so I'm just going to, on this, this overnight cash holding breakdown which you've got in front of you there which I supplied your Solicitor with a copy with, I'm just going to be referring to that now.
	GT	There's no specific reason why the cash declaration for the £41,000 shouldn't be in the office though was there?
	LH	No comment.
27.27	GB	Ok this schedule details a breakdown of the amount of cash declared on the final declaration made at the office before the horizon system (indistinct) overnight and it runs from the 7 <sup>th</sup> April 2010 and it goes up to the 6 <sup>th</sup> of the 4 <sup>th</sup> 2011 but I'm only interested in the figures up to the 30 <sup>th</sup> March 2011 which was the date you

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		<p>were suspended. Now just to, as I say I've explained to your Solicitor but just so we can cover what this schedule means.</p> <p>Obviously we've got a date, self explanation, on the Collections column, the actual amount against the date was the actual day that a cash remittance was actually collected from you branch, does that make sense?</p>
	LH	No comment.
28.16	GB	<p>Ok and then where it says 'Cash in pouches' that's the day that it was actually remitted out of the horizon system so if we look at like the first time we've got some figures in there so on the 12<sup>th</sup> April that's suggesting, or not suggesting it's saying that on the 12<sup>th</sup> April somebody at Rowlands Castle Post Office has remitted out £16,000 in cash on Horizon and then the next day on the 13<sup>th</sup> April that's collected and when the Collection Officer will swipe his card that will be cleared off Horizon. If we look a bit further down to the 27<sup>th</sup> of the 4<sup>th</sup>, we haven't got a cash in pouch slip for that £2,000 we've just got a collection for £2,000 so what that tells me is the fact that £2,000 would have been remitted out and collected on the same day i.e the 72<sup>th</sup> of the 4<sup>th</sup> 2010 ok does that make sense?</p>
	LH	No comment.
29.21	GB	<p>So back to the 16<sup>th</sup> March which I think the second to last page we'll see the actual, sorry let me explain the following figures is just a breakdown of the actual denomination of notes that were declared so obviously 50's, 20's unusable notes and obviously a total for that amount declared, does that actually make sense that schedule?</p>
	LH	No comment.
30.05	GB	<p>Right so on 16<sup>th</sup> march we see the total figure is £41,286.00 which was the last cash declaration made that evening. Now on the cash declaration that you made at 17.45, the total amount is £29,572.20 and if we look, showing you that cash declaration slip again, if you look at the amount in the £50 notes you'll see it says £100, can you see that there but if we actually look at the amount of the £50 notes</p>

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		on the 16 <sup>th</sup> March in relation to the £41,286.00 cash declaration done afterwards.
	GT	That's £50 yes.
	GB	You'll see that the figure's £11,800 which is obviously £11,700 greater than the £100 you declared at 17.45 so was that how much the cash was out at that time?
	LH	No comment.
	GB	There was a £1000 stock issue so that would suggest to me that the cash, allowing for the 2 cheque remittance errors I talked about would have been round about that amount out at that time so is that how you inflated the cash over a period of time when you had discrepancies by inflating the £50 notes?
	LH	LH
31.47	GT	Is it fair to say that between closing when this cash declaration with the 29,000 at 17.45 hours obviously we believe you close the Post Office at 17.30 so at this cash declaration at 17.45 and then the subsequent one that was inflated by £11,700 off the top of my head I think was about 17.57, 17.56 a few minutes later, would it be fair to say that you hadn't taken a, or you hadn't had another customer in that would have brought you £11,700 of £50 notes?
	LH	No comment.
	GT	I mean you know that's the question if it's gone from £100 to £11,700, I think it would suggest as you've put in your prepared statement that that was the way that you have possibly on this particular trading statement inflated your trading statement to show the correct balance by inflating the figures by 11,700 and it wasn't due to a customer is that right?
	LH	No comment.
	GB	One further thing I need to explain to you on this schedule as we go through it. If we just look at the front page again on the schedule so if we look down on the 12 <sup>th</sup> April 2010 it says 'cash in pouches £16,000' and you'll see the £50 notes are saying 16,050, what that

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		means is, so that the Post Office knows how much cash is in hand at a Post Office, that £16,000 you remitted out just so it's included in the figures that 16,000 would have automatically be included by the computer system into the £50 note column so on the 12 <sup>th</sup> of the 4 <sup>th</sup> it's not saying you've got £16,000 and £50 of £1 notes, what that says is you've got a remittance awaiting collection of £16,000 and you've declared that you've got £50 of £50 notes on hand does that make sense?
	LH	No comment.
34.00	GB	Does that make sense to you Izzy what I just said about that
	IH	Yeah.
	GB	Ok right so whenever we see a large figure in the £50 notes what we need to do is see if there's currently in anything in cash in pouches so we see the next day it's collected so it's no longer in cash in pouches and we see that the £50 notes drop down to £150 yeah so that says that you've obviously declared £150 in £1 notes. The next day on the 14 <sup>th</sup> April 2010 you'll see that it jumps up to £4,450,00 can you give an explanation for that?
	LH	No comment.
	GB	Because you can see there's no cash remittances waiting to go and the 14 <sup>th</sup> April, it may not come as a surprise to you to know that was actually the date that you completed the branch trading statement so that suggests to me that the £50 notes have jumped from £150 to £4,450 and that on, when you've balanced and the following day you've declared an amount of zero so what I'm suggesting to you was that the accounts were 4,000 well roughly £4,450 out at that time is that correct?
	LH	No comment.
35.25	GB	'Cos obviously at that time you hadn't moved onto Horizon on Line that was in July 2010 so are you absolutely certain as per your prepared statement that there weren't any discrepancies of this nature prior to Horizon on Line?

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	LH	No comment.
	GB	'Cos I think you actually said you always balanced prior to Horizon on Line didn't you in your prepared statement?
	LH	No comment.
35.51	GT	It wasn't that you were £4,000 in the April of 2010 and you'd inflated the 50's as we suggested in the March of 2011 to cover up the shortage in the amount of money that was missing in April 2010?
	LH	No comment.
	GB	'Cos at the moment I've only asked our Cash Management Team to supply us with data about a year and obviously they've gone back to the 7 <sup>th</sup> April 2010 so I can go back and it may well be that I find other situations whereby come balance day the £50 notes have been greatly inflated prior to that day. Just going to have a look at the branch trading statement for the period ending 14 <sup>th</sup> April 2010. This covers a period running from the 17 <sup>th</sup> March 2010 to the 14 <sup>th</sup> of the 4 <sup>th</sup> 2010. I'm just going to show you a branch trading statement now and you can see that there's no declared discrepancy ok. Do you want to just slide that back 'cos I've only got one copied at the moment and I just want to refer to the cash dec then I'll pass it back. Right on these trading statements at the top it says cash on hand brought forward from the previous branch trading statement and about half way down it says 'cash on hand carried forward', that's the amount declared on that day i.e. the 14 <sup>th</sup> of the 4 <sup>th</sup> . The amount of cash declared is £25,438.48p, would that have been a true amount of cash on hand at Rowlands Castle Post Office at that time Lynette?
	LH	No comment.
	GB	Would that have been an inflated cash figure at that time?
	LH	No comment.
37.37	GB	Ok and would it have been an inflated cash figure as at that time you were approximately £4,450 short in the accounts?



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	LH	No comment.
	GT	Well we can confirm that the figure on the ONCH figure of 25,438 confirms with what is on the trading statement.
	GB	Ok.
	GT	If it's not, if it wasn't an inflated figure and we believe that it is a true reflection of the accounts back in April prior to Horizon on Line, obviously that would suggest as I suggested with the 11,700 increase in the 50's that at some point between your cash declaration on the 13 <sup>th</sup> April and your final cash declaration on the balance day of the 14 <sup>th</sup> April that you would have had a customer or received into the Post Office some at least £4,300 worth which is a difference from the 150 to the 4450 of £50 notes so would it be fair if we were to get copies of let's say Giro business deposits or customers that day that it would show us that we had, or you had received into Rowlands Castle £50 notes to the value of over £4,000?
	LH	No comment.
38.53	GB	Ok if we go further down the schedule Lynette and then just another example where to fully explain how the cash in pouches figures can affect the amount shown as being on hand in the £50 notes. If we look at the 19 <sup>th</sup> of the 4 <sup>th</sup> 2010, you'll see that you've got a figure of £8,800 in the £50 notes but of that 8,800, 8,500 is represented by a cash remittance that you've got awaiting collection ok but then moving further down the next date I want to talk to you about is the 28 <sup>th</sup> April on the same page and you'll see that the amount in £50 notes declared is £4,400, this is exactly 2 weeks after you've completed your branch trading statement on the 14 <sup>th</sup> of the 4 <sup>th</sup> so it would have been a Wednesday which I mean once upon a time we used to actually balance on a Wednesday. Do you still do balances within a branch trading period?
	LH	No comment.
39.55	GB	Ok but either way if you look at the £50 notes on the 27 <sup>th</sup> April you'll

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		see that the amount of £50 notes declared is £250. On the 28 <sup>th</sup> of the 4 <sup>th</sup> they jump up to 4,400 and then on the 29 <sup>th</sup> after the trading period is completed and you're in a new trading period they drop down to £550 so did you actually inflate the amount of £50 notes that were really on hand on that date?
	LH	No comment.
	GT	If you didn't inflate the £50 notes on the 14 <sup>th</sup> April, the 28 <sup>th</sup> April is it possible that your husband could have inflated them or?
	LH	No.
	GT	Would you have checked his?
	LH	No comment.
	GT	And just quickly before we move on then Graham, would it be similar if we looked at the Horizon, we have access obviously to all transactions of Horizon, would it be same as the question previously, we would find that you'd had a customer come in with at least around £4,000 worth of £50 notes again, it may be that you have a regular customer on a Wednesday who brings in lots of 50's in a genuine situation so would we find that out?
	LH	No comment.
41.07	GB	On the flip side did you have any customers that wanted to be paid out large sums of £50 notes?
	LH	No comment.
	GB	Because the, what I'm referring to as what I believe is an inflated figure, is only inflated for one day or it looks like it's only inflated for one day 'cos it looks like on day one if you like somebody's brought you in all these £50 notes and come day 2 somebody else has taken them off your hands because as you'll see from the schedule they're not being remitted out the next day and they drop right back down again. Ok so if you want to turn the page over Lynette and we're now looking at the 19 <sup>th</sup> May 2010, it's about a third of the way down, you'll see, well look at the 18 <sup>th</sup> May first, the amount of £50 notes declared is £450, you had a collection that day of £15,000

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		and then on the 19 <sup>th</sup> May they jump up by £5,000 to £5,450 but there was no cash remittances in the system that day so can you give me an explanation as to why on the 19 <sup>th</sup> May 2010 the £50 notes had jumped up by £5,000 in the declaration?
	LH	No comment.
	GB	Did you declare an extra £5,000 in the £50 notes to cover a shortage of that amount at that time?
	LH	No comment.
42.30	GT	Was that a trading statement 19 <sup>th</sup> May?
	GB	Yeah sorry that was, sorry good point end of branch trading statement I'll show you that one because there's a pattern forming at the end of the branch trading statement, 19 <sup>th</sup> May.
	GT	I mean on the face of it, it looks to me Lynette that on the April trading statement you were out £4,000 short and you inflated your £50 notes by 4,000, by the 19 <sup>th</sup> May you're now 5,000 short so you've inflated your £50 notes by 5,000, would that be the case?
	LH	No comment.
43.17	GB	Ok this is a branch trading statement and it covers the period 14 <sup>th</sup> April 2011 to the 19 <sup>th</sup> May 2010 and again it shows Nil discrepancies I'm just going to show you that now Lynette. Ok if I can just have that back so I can read out the cash figure please. The actual cash.
	GT	I think the cash carried forward figure was the confirmed one from the previous one that the cash declaration was done on.
	GB	As Gary says the carried forward figure is £25,438.48 which is what we referred to.
	GT	As declared on the previous one.
	GB	Previous example of where I believe the cash has been inflated when you've completed a branch trading statement. The cash on hand for this branch trading statement as I say ends 19 <sup>th</sup> May 2010 is £26,806.36 but there's no declared discrepancies. Would that have been a true amount of cash on hand at Rowlands Castle Post

## Royal Mail Group

### ROYAL MAIL – CONFIDENTIAL Record of Taped Interview – Continued

		Office at that time Lynette?
	LH	No comment.
44.18	GB	Had you inflated the cash on hand when producing that branch trading statement by around £5,000?
	LH	No comment.
	GB	Can you give any explanation as to why your £50 notes suddenly jump by £5,000 from the 18 <sup>th</sup> May to the 19 <sup>th</sup> May, it just so happens that's when you complete the branch trading statement and then the day afterwards when you're in a new branch trading period it drops down to £550 in £50 notes, can you explain that?
	LH	No comment.
	GB	Ok looking on that same page Lynette towards the bottom about 7 or 8 lines from the bottom on the 2 <sup>nd</sup> June 2010 you can see that there's no cash in pouches waiting to be collected and we can see the £50 notes have gone up from £2,000 to 4, sorry to £6,050, can you give any explanation why that's jumped up by £4,050?
	LH	No comment.
	GB	And again that was 2 weeks after, it be a Wednesday 2 weeks after your last branch trading statement and on the 3 <sup>rd</sup> June it drops down to £2,000 can you give an explanation for that?
	LH	No comment.
		Master tape seal signed on number 073451
		Interview terminated at 12.07