

## Witness Statement

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

**Statement of** Penelope Anne Thomas

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

This statement (consisting of    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                    day of                            20

Signature

A

I have been employed by Fujitsu Services, Post Office Account, formally ICL Pathway Ltd., since 20 January 2004 as an Information Technology (IT) Security Analyst responsible for audit data extractions and IT Security. I have working knowledge of the computer system known as Horizon, which is a computerised accounting system used by Post Office Ltd. I am authorised by Fujitsu Services to undertake extractions of audit data held on the Horizon system and to obtain information regarding system transaction information processed on the Horizon system.

B

Horizon's documented processes relate to each Post Office outlet. They state that at each Post Office, there are counter positions which each have a computer terminal, a visual display unit and a keyboard and printer. This individual system records all transactions input by the counter clerk working at that counter position. Each clerk logs on to the system by using their own unique password. The transactions performed by each clerk, and the associated cash and stock level information are recorded by the computer system in a stock unit. Once logged on, any transactions performed by the clerk must be recorded and entered on the computer and are accounted for within the user's allocated stock unit.

C

The Horizon system provides a number of daily and weekly records of all transactions input into it. It enables Post Office users to obtain computer summaries for individual clients of Post Office Limited e.g. National Savings Bank, Girobank, Driving Vehicle Licence Agency and the Department of Working Pensions (DWP). The Horizon system also enables the clerk to produce a weekly balance of cash and stock on hand combined with the other transactions

Signature

Signature witnessed by

## **Witness Statement**

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

Continuation of statement of      Penelope Anne Thomas

performed in that accounting period.

D

Where local reports are required these are accessed from an icon on the desktop menu. The user is presented with a parameter driven menu, which enables the report to be customised to requirements. The report is then populated from transaction data that is held in the local database and is printed out on the tally roll printer. The system also allows for information to be transferred to the main accounting department at Chesterfield in order for the office accounts to be balanced.

E

The Post Office counter processing functions are provided through a series of counter applications: the Order Book Control Service (OBCS) that ascertains the validity of DWP order books before payment is made; the Electronic Point of Sale Service (EPOSS) that enables Postmasters to conduct general retail trade at the counter and sell products on behalf of their clients; the Automated Payments Service (APS) provides support for utility companies and others who provide incremental in-payment mechanisms based on the use of cards and other tokens and the Logistics Feeder Service (LFS) which supports the management of cash and value stock movements to and from the outlet, principally to minimise cash held overnight in outlets. The counter desktop service and the office platform service on which it runs provides various common functions for transaction recording and settlement as well as user access control and session management.

F

Information from counter transactions is written into a local database and then replicated automatically to databases on all other counters within a Post Office outlet. The information is then forwarded over ISDN (or other communication service) to databases on a set of central Correspondence Servers at the Fujitsu Services data centres. This is undertaken by a messaging transport system within the Transaction Management Service (TMS). Various systems then transfer information to Central Servers that control the flow of information to various support services. Details of outlet transactions are normally sent at least daily via the system. Details relating to the outlet's stock holding and cash account are sent weekly. Details are then forwarded daily via a file transfer service to the Post Office accounting department at

Signature

Signature witnessed by

## **Witness Statement**

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

Continuation of statement of      Penelope Anne Thomas

Chesterfield and also, where appropriate, to other Post Office Clients.

G

An audit of all information handled by the TMS is taken daily by copying all new messages to archive media. This creates a record of all original outlet transaction details including its origin - outlet and counter, when it happened, who caused it to happen and the outcome. The TMS journal is maintained at each of the Fujitsu Services Data Centre sites and is created by securely replicating all transaction records that occurred in every Outlet. They therefore provide the ability to compare the audit track record of the same transaction recorded in two places to verify that systems were operating correctly. All exceptions are investigated and reconciled. Records of all transactions are written to audit archive media.

H (HB)

With one exception the Horizon system records time in GMT and takes no account of Civil Time Displacements. However, there is an exceptional category of transactions, 'Transfer In' events, recorded in the Transaction Logs, which are shown in local time and are therefore subject to changes from GMT to BST and BST to GMT at appropriate points in the year. This is due to an anomaly within the programme code which has the effect that during the period where GMT is in force the 'Transfer In' log entries are recorded in GMT and while BST is in force the 'Transfer In' log entries are recorded in BST instead of GMT and will show a one hour forward displacement in time from other transactions being recorded in the logs.

(HA)

The system clock incorporated into the desktop application on the counter visual display units is configured to indicate local time. This has been the situation at (INSERT PO) (FAD ) since (INSERT INSTALLATION DATE) when the Horizon system was introduced at that particular Post Office.

j

The Order Book Control System (OBCS) software, linked to the Horizon system was developed in conjunction with the DWP. OBCS provides details of DWP order books on the national stop

Signature

Signature witnessed by

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)

Continuation of statement of      Penelope Anne Thomas

payment list, and, enables data regarding the movement of order books, and, encashments to be captured on their behalf. Each Horizon terminal at a Post Office counter has access to the national stop list through OBCS, when a barcoded DWP order book is scanned at the Post Office counter, or the order book details are manually keyed into Horizon at the Post Office counter. Each night, the national stop payment list is updated from information supplied electronically from the DWP computer centre. National stop payment list data is held centrally within the Horizon system, and is available to all Post Offices. However, certain information from the national stop payment list is also downloaded to individual Post Offices for faster access; this download process is called polling. The polling of individual Post Offices also involves receiving details of order book movements and encashments at Post Offices, centrally within Horizon, for onward transmission to the DWP.

K

I have access to reports that monitor faults, polling failures, equipment failures and calls for advice and guidance logged by the Horizon System Helpdesk. During the ??? to ???, there were ?? calls from **name & fad code** to the Helpdesk. None of these calls relate to faults which would have had an effect on the integrity of the information held on the system.

L

When information relating to individual transactions is requested, the data is extracted from the audit archive media via the Audit Workstations (AW's). Information is presented in exactly the same way as the data held in the archive although it can be filtered depending upon the type of information requested. The integrity of audit data is guaranteed at all times from its origination, storage and retrieval to subsequent despatch to the requester. Controls have been established that provide assurances to Post Office Internal Audit (POIA) that this integrity is maintained.

During audit data extractions the following controls apply :

1. Extractions can only be made through the AWs, which exist at Fujitsu Services, Forest Road, Feltham, Middlesex, Fujitsu Services, Lovelace Lane, Bracknell, Berkshire and the two Fujitsu Services Data Centres. These are all subject to rigorous physical security controls appropriate to that location. Specifically, the Feltham and Bracknell AWs – where

Signature

Signature witnessed by

## **Witness Statement**

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

Continuation of statement of      Penelope Anne Thomas

most extractions take place – are located in a secure room subject to proximity pass access within a secured Fujitsu Services site.

2. Logical access to the AW and its functionality is managed in accordance with the Fujitsu Services, Post Office Account Security Policy and the principles of ISO 17799. This includes dedicated Logins, password control and the use of Microsoft Windows NT security features.
3. All extraction's are logged on the AW and supported by documented Audit Record Queries (ARQ's), authorised by nominated persons within Post Office Ltd. This log can be scrutinised on the AW.
4. Extractions are only made by authorised individuals.
5. Upon receipt of an ARQ from Post Office Ltd they are interpreted by CS Security. The details are checked and the printed request filed.
6. The required files are identified and marked using the dedicated audit tools.
7. Checksum seals are calculated for audit data files when they are written to audit archive media and re-calculated when the files are retrieved.
8. To assure the integrity of the audit data while on the audit archive media the checksum seal for the file is re-calculated by the Audit Track Sealer and compared to the original value calculated when the file was originally written to the audit archive media. The result is maintained in a Check Seal Table.
9. The specific ARQ details are used to obtain the specific data.
10. The files are copied to the AW where they are checked and converted into the file type required by Post Office Ltd.
11. The requested information is copied onto removal CD media, sealed to prevent modification and virus checked using the latest software. It is then despatched to the Post Office Ltd Casework Manager using Royal Mail Special Delivery. This ensures that a receipt is

Signature

Signature witnessed by

## **Witness Statement**

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

Continuation of statement of      Penelope Anne Thomas

provided to Fujitsu Services confirming delivery.

M

ARQs 111-120/0506 were received on 18 May 2005 and asked for information in connection with the Post Office at Rose Hill (FAD 173137). I produce a copy of ARQs 111-120/0506 as Exhibit PT/01. On various dates and at various times between 18 May 2005 and 24 May 2005 I undertook extractions of data held on the Horizon system in accordance with the requirements of ARQs 111-120/0506 and followed the procedure outlined above. I produce the resultant CD as Exhibit PT/02.

N

The report is formatted with the following headings:

ID – relates to counter position

User – Person Logged on to System

SU – Stock Unit

Date – Date of transaction

Time – Time of transaction

SessionId – A unique string relating to current customer session

TxnId – A unique string relating to current transaction

Mode – e.g. SC which translates to Serve Customer

ProductNo – Product Item Sold

Qty – Quantity of items sold

SaleValue – Value of items sold

Entry method - Method of data capture for OBCS Transactions (0 = barcode, 1 = manually keyed, 2 = magnetic card, 3 = smartcard, 4 = smart key)

State – Method of manual keyed Entry Method (4 = encash, 5 = non-barcode)

IOP - Order Book Number

Result – Order Book Transaction Result (1 = OK, 2 = impound, 3 = unreadable, 4 = invalid)

Foreign Indicator – Indicates whether OBCS payment was made at a local or foreign outlet (0- Local, 1- Foreign). The foreign indicator defaults to a '0' for all manually entered transactions.

Signature

Signature witnessed by

## **Witness Statement**

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

Continuation of statement of      Penelope Anne Thomas

The Event report is formatted with the following headings:

Groupid – FAD code  
ID – relates to counter position  
Date – Date of transaction  
Time – Time of transaction  
User – Person Logged on to System  
SU – Stock Unit  
EPOSSTransaction.T – Event Description  
EPOSSTransaction.Ti – Event Result

P

The CD (Exhibit PT/??) was sent to the Post Office Investigation section by Special Delivery on DATE 2005.

Q

There is no reason to believe that the information in this statement is inaccurate because of the improper use of the computer. To the best of my knowledge and belief at all material times the computer was operating properly, or if not, any respect in which it was not operating properly, or was out of operation was not such as to effect the information held on it. I hold a responsible position in relation to the working of the computer.

Any records to which I refer in my statement form part of the records relating to the business of Fujitsu Services. These were compiled during the ordinary course of business from information supplied by persons who have or may reasonably be supposed to have personal knowledge of the matter dealt with in the information supplied, but are unlikely to have any recollection of the information or cannot be traced. As part of my duties, I have access to these records.

Signature

Signature witnessed by