

Witness Statement

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



Statement of Alan STUART

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

This statement (consisting of two 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 18th Day of December 2006

Signature A Stuart

I am the person named above and have been employed by Post Office Ltd for approximately 19 years. I currently work in Admin Support within the Post Office Ltd Audit Team. Up until recently, I worked as a Senior Auditor, whereby part of my duty was to visit Post Office Branches and reconcile the figures in the Post Office accounts with the physical cash, stock and paid vouchers actually on hand in order to establish that there is no loss of Post Office funds.

Post Offices use a fully automated computerised accounting system known as HORIZON. The Post Office accounting system is such that each Post Office Branch produces a monthly Branch Trading Statement. This monthly period is known as the Branch Trading Period. Each Trading Period consists of either four or five weeks, with each week running from start of business on the Thursday to close of business on the Wednesday. Each week is referred to as a Balance Period. A Final Balance conducted at the period end, detailing the cash and stock on hand as declared by the

Signature A Stuart

Signature witnessed by I Smith

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

Continuation of statement of Alan Stuart

Postmaster and including all transactions conducted in that period, should be printed and signed as correct by the Postmaster.

At the end of each Branch Trading Period a Trading Statement should be printed and signed by the Postmaster. The Trading Statement should be a true reflection of all cash and stock on hand and represent all transactions conducted in that period.

Each Post Office outlet should have a Branch Trading Calendar that indicates when to produce a Branch Trading Statement.

The system is also able to produce an Office Snapshot, which summarises the state of the accounts, and takes into account all transactions up to the time the snapshot was generated. An Office Snapshot can be generated at any time.

On 09 March 2006 I conducted an audit at South Warnborough Sub Post Office Branch (SPOB), Branch Code 092/904. Ms Elaine Ridge, Post Office Ltd Area Intervention Manager advised me that the Subpostmistress, Mrs Josephine Hamilton, was not well enough to attend the office. Ms Ridge stated that she had obtained from Mrs Hamilton the keys to access the Post Office and safe. Ms Ridge and myself, together with Mr Graham Brander, Post Office Ltd Investigation Manager then entered the Post Office, where I conducted a full audit of the accounts.

Signature A Stuart

Signature witnessed by I Smith

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

Continuation of statement of Alan Stuart

The final result of the audit was a shortage of £36,583.12. The bulk of the audit shortage was due to a £35,426.58 deficit in the cash. The other discrepancies were a £1,159.36 deficit in the stock and a £2.82 surplus identified as a difference in the foreign currency figures. I now produce a schedule detailing the resulting audit discrepancies as item reference number **AS/01** and have signed the identification label bearing that item number.

An Audit and Inspections Cash On Hand Summary was also completed during the audit to show the total value of each cash denomination that was on hand on 09 March 2006. I now produce this Cash On Hand Summary as item reference number **AS/02** and have signed the identification label bearing that item number. A Stuart

Signature A Stuart

Signature witnessed by I Smith