

IN THE CROWN COURT AT WOLVERHAMPTON

Case No: T20047026

Harbour Buildings,
Waterfront West
Wolverhampton.

Monday 4 July 2005

Before:

HIS HONOUR JUDGE W WOOD QC

R E G I N A

v.

[REDACTED] GRO
KARL ADRIEN PAGE

Transcribed from tape by Ubiquis Reporting UK
Official Court Reporters
Cliffords Inn, Fetter Lane London EC4A 1LD
Telephone [REDACTED] GRO

MR S JOHN QC and MR W TATFORD appeared on behalf of the PROSECUTION

MR J COOPER appeared on behalf of the DEFENDANT PAGE

MISS E NICHOLLS appeared on behalf of the DEFENDANT [REDACTED] GRO

EVIDENCE OF KARL ADRIEN PAGE, Continued

A

(Discussion re administrative matters in the absence of the jury)

(The jury entered court)

(Judge addresses jury on administrative matters)

B

KARL ADRIAN PAGE
Cross-examined by MR JOHN, continued

C

Q. Might I take up, please, where we left off on Friday because there is an important correction to be made? Could you open the interview file at tab 1, page 4. Mr Page, you will remember that the very last question I asked you on Friday resulted from the answer that was recorded by you as having been given by you at the foot of that page. "Usually, like, I open up early because we have a gentleman who comes and does foreign currency. I open up for him because he has, like, a foreign currency office". Your answer, to put it in context, was that you were only talking about opening up your foreign currency office?

D

A. That is correct, but I think that you might find that I opened up for him because he has, like a foreign currency office – "office" should be me, "off us". It's probably my Birmingham accent.

E

Q. That is the correction I am about to make. The tape has been listened to and we are all agreed, and could I invite everybody, please, to make this amendment here and now. It is the bottom of page 4: delete the words "like a" – do you have a pen, Mr Page, because it is only right that it should be done on every copy?

F

A. Yes.

Q. Delete the words, "like a" and insert "lot of" and over the page delete the word "office" and insert the words "off us", so that it reads, "I open up for him because he has lot of currency off us".

G

So, I hope you will accept from me, Mr Page, that when I took you to that passage I did so in good faith in reliance on the transcript, but having had the tape listened to, the point was bad.

A. Yes.

Q. So, I apologise for that. I was not trying to trip you up. That is the way the transcript read. It

H

A was somebody, perhaps, further south doing the transcript. Can we then please recap very briefly as to where we were on Friday on the explanation that you were giving the jury for having stored bulk euros as you put it as AM? We can put the interview file away for this purpose and effectively what you were saying was this, that although you had been getting large amounts of euros in order

B to sell them to **GRO** for some time, you had not been getting such large amounts before about week 18?

A. That is -- week 18 being which week, sir?

C Q. Let us turn it up, please. 1129.

A. About that time, sir, and just after.

Q. Week 18 is the one that is highlighted there, as we know, because that is the week in which

D Mr Cartwright remmed out the £160,000. Now, the arithmetic can be done from the schedule that Mr Hutchings produces and is in the bundle, but would you agree that even before July you were getting in on a monthly basis figures such as 700,000, 800,000 very near to 900,000 euros a month?

A. Yes, sir.

E Q. And your answer, in effect, is this, that the start of your, as you put it, storing bulk euros as AM stock coincided with Mr **GRO** buying larger amounts still?

A. That is correct, sir.

F Q. We will look at those and submissions will be made on the figures in due course but help us about this, Mr Page, would you? Holding in the physical sense bulk euros in the AM safe is one thing, is it not? That is simply a storage place?

A. Yes, sir.

G Q. When euros come into the office, there is no need to book them into the office accounting system as AM stock; they should be booked in as bureau stock.

A. Yes, sir, they should be.

H Q. And granted that bulk euros coming in in the established pattern, which we are all familiar

A with, would be checked from their pouches and put into the Ford money changer, there would be no reason, would there, even if you were selling them on notionally to Mr [REDACTED] GRO [REDACTED] before he came in, for those bulk euros to be booked in otherwise than as bureau stock?

B A. I used to put them in as AM sir, bulk stock, as well as.

Q. As well as, Mr Page, will not work, as we discussed on Friday because that means that the office machinery would show the same amount being duplicated, firstly held in bureau stock and secondly held in AM stock. It does not work, does it?

C A. Well, I don't know, sir. That's -

Q. You do know, Mr Page, do you not, because you operated the system for year after year and we know how it works because we have heard the evidence of it. You cannot book in, take 500,000 euros, both as bureau stock and as AM stock or you duplicate that amount.

D A. That's what I did, sir. Anything waiting for Mr [REDACTED] GRO [REDACTED] or bulk currency left in the office I used to put on the AM stock, sir.

Q. As well as the bureau stock?

E A. As well as the bureau stock.

Q. That's an impossibility.

F JUDGE WOOD: What I have written then is, "I would book in any currency both as bureau stock and as AM stock" and I think I understand you to be saying that that is what you did when that currency had already been pre-sold to Mr [REDACTED] GRO [REDACTED]?

G A. Pre-sold, sir, or not sold at all but mainly it was pre-sold. We used to keep it in the AM stock, waiting for Mr [REDACTED] GRO [REDACTED] when he comes in.

H Q. What I am interested in is that currency which you have just been telling the jury you booked in both as bureau and as AM stock. What was that currency that you treated like that, please?

I A. The currency used to come in, sir. We used to book it in on the FM money changer and then we used to store it in the AM safe as AM stock.

A MR JOHN: Exactly. I entirely follow that. Let me re-word it. It is one thing to book in the currency through the FM money changer in the way that we have heard about many times.

A. Yes, sir.

B Q. Because that is recorded then on the system, although we know that it is not linked to Horizon. All right? That is one thing, is it not? So, you have half a million euros in from Hemel keyed into the Ford money changer as a receipt into the office?

A. Yes.

C Q. Storing it as AM stock means holding it physically in the AM safe.

A. Yes, sir.

D Q. Holding it physically in the AM safe because the bureau till drawer simply will not hold that amount is quite different from showing it in the office accounts by booking it in, keying it in as an AM stock receipt, quite different.

A. I did that, sir, because I had already pre-sold it on the Ford money changer.

Q. We are going round in circles, Mr Page.:

E JUDGE WOOD: Mr Page, may I try? I simply want to clarify the position. Are you saying that you ever recorded in the accounts the same money both as bureau stock, because it had been counted and put through the Ford money changer? Did you also record it ever as AM stock in the accounts?

F A. No, the only stock I used to put in the AM, sir, is what was already sold awaiting collection.

Q. Was it the same stock which you had also put down as bureau stock, having recorded it through the Ford money changer?

G A. Yes, sir.

Q. Then it does sound to me as if you are telling the jury that there would be foreign currency, presumably euros because that is all that [REDACTED] GRO [REDACTED] was buying at this stage?

H A. That is correct, sir.

A Q. Which you not only recorded as bureau stock but also recorded as AM stock?

A. Because he used to come in, sir. I used to book it into the Ford money changer, all right, and when Mr [REDACTED] GRO used to phone up I used to sell it and when I sold it I used to put it in the AM safe already pre-sold.

B Q. Yes, we understand that. Putting it in the AM safe does not have any effect on where that currency is shown in the office accounting system. You could have put that same currency pre-sold, as you have told us, to Mr [REDACTED] GRO in a secure bin rather than a safe. It would not have

C had any effect on where it is shown in the accounting system. That is the point.

A. But, it would have done, sir, because I've already sold it and he hasn't come in. I haven't received the money, have I, so that's why I used to put it in the AM as bulk currency.

D Q. You put it in the AM safe?

A. And stock, sir, as bulk currency because he has not come in and physically brought it yet.

JUDGE WOOD: I think that you are making it quite clear that you understand the difference between storing things in safes --

E A. That's correct, sir.

Q. And appropriating them under a certain heading in the accounts.

A. That is correct, sir, yes.

F Q. So, we can ignore the fact that it was, as it transpired, in the AM safe. Let us ignore where physically it was --

A. Ignore that, sir. That is correct.

Q. We are talking about where in the accounts it was allocated.

G A. It was allocated in the AM stock because Mr [REDACTED] GRO had not picked the stock up so I need to allocate where it is.

Q. I am going to ask just for a pause while I get my note right. I have written, "I would book in any currency both as bureau stock and as AM stock". I think I am going to cross out that sentence

A and start again. "All foreign currency was counted and recorded on the Ford money changer shortly after it came into the office".

A. That is correct, sir.

B Q. "If I had already sold a quantity of that currency", I shall put in brackets, "euros", "to Mr GRO" — then you finish the sentence.

A. It would then be put in as bulk currency on the AM stock, sir.

Q. Do you mind if I change the word "in" to "down"? It would then be "put down"?

C A. Okay.

Q. "... on AM stock as bulk currency"?

A. As bulk currency, sir.

D Q. Do you want to add to that or do you think that I have your answer down correctly?

A. No, the only thing is because I've already sold it through the machine sir, I haven't received the money so I need to put that down as stock.

Q. "The reason for this was that I had not yet received the money".

E A. That is correct, sir.

Q. I will call that the payment just to make that quite clear.

A. Okay, sir.

F MR JOHN: We are going to have to revisit the whole issue as to how the Ford money changer works, in that case, Mr Page. Let us take it stage by stage and if I get anything wrong, please tell me. At the end of each week a command 10 print is obtained by a member of staff from the Ford money changer?

G A. Yes, sir.

Q. That command 10 print summarises all the currency transactions that have been done through the bureau during the course of the previous accounting week?

H A. Yes, sir.

A Q. We must bear this in mind, must we not, that although the system has since changes, throughout the time that we are dealing with, the Ford money changer was a stand alone instrument?

B A. That is the only thing I would know, sir. I wouldn't know any different.

B Q. Right. Well, let us forget what has happened since, although we have heard about it. At the time, the FM money changer had no electric or mechanical connection with Horizon?

B A. No, sir.

C Q. That is the reason why, at the end of each accounting week, a command 10 print is required so that the clerk who is balancing the bureau stock can put the right figure into Horizon.

C A. That is correct, sir, yes.

D Q. And it is the command 10 print that will show the foreign currency equivalent figure which the clerk should input into Horizon?

D A. That is correct, sir.

E Q. In just the same way as a counter clerk who was (inaudible due to coughing) holding an ordinary stock, 03 counter stock, would balance her stock, run a print of that and the 03 stock figure would go into Horizon?

E A. That is correct, sir.

F Q. But throughout the week leading up to somebody pressing the button on FM and getting a command 10 print, all the bureau transactions would be recorded on the FM?

F A. That is correct, sir.

G Q. And during the course of the week, however many transactions there were in however many different currencies in whatever amounts would be recorded only on FM.

G A. That is correct, sir.

H Q. So, the bureau's position only becomes known – you understand what I mean – only becomes recognised by the Horizon system – at the end of the week?

A A. On a Wednesday evening, sir, yes.

Q. Yes, when the command 10 print is dealt with?

A. That is correct, sir.

B Q. That is quite inconsistent with what you have told us about attributing to AM stock currency which had been sold to Mr [REDACTED] GRO [REDACTED]

A. No, it's not, sir, because I've still got to account for it. If I've sold that currency but I haven't received the money I need to account for it somewhere, so that's why I put in the bulk as bulk

C foreign currency and AM stock, or else there'd be a deficit in the office.

Q. Do you have 1129 still open, Mr Page?

A. Yes.

D Q. Before I look at the detail, I fear yet again, you would accept, would you not, that throughout your long interviews with Mr Patel, this explanation about your putting the money – I am sorry, let me start again. Throughout your long interviews with Mr Patel you never told him that you pre-sold currency to Mr [REDACTED] GRO [REDACTED] and then showed it as AM stock, did you?

E A. I was never asked, sir.

Q. What you did say was that bulk currency was held in the AM safe, which you sometimes referred to as AM stock, but you accept that that is a different thing?

F A. Yes, sir.

Q. And similarly the whole question of rounding up office balances when there was a surplus, that again is not something you ever mentioned in any of your interviews?

A. No, sir. I wasn't asked the question.

G Q. Well, you wouldn't be asked the question, would you, Mr Page? Think about it for a moment. You confirmed to me on Friday that when the cash account is finalised, if there is in fact a surplus shown or a shortage shown, that is what the cash account should verify. That is right, is it not?

H A. That is correct, sir.

A Q. I am only going through this again so that we can re-orientate ourselves with what you yourself have confirmed about this. The weekly cash account, even if there had been errors made by a counter clerk or even if there has been an old lady incident leaving per pension money and coming back for it later, I think you have agreed that the weekly cash account should show the position as it actually is not as in an ideal world it ought to be?

A. (No audible reply)

Q. In other words, when you balance the office, if it so happens, whether you can explain it or C whether you cannot explain it, a surplus is shown or a shortage is shown?

A. That is correct, sir.

Q. That is what the cash account should show?

D A. That is correct, sir.

Q. So, what you should not do, and you accepted this on Friday, is round up or, indeed, round down so as to make the cash account look as if the office balanced when in fact there was a shortage or a surplus?

E A. That is correct, sir, but we always used to show a surplus anyway, but I do agree with you, yes, sir.

MR COOPER: Your honour, I do rise with a degree of trepidation and will sit straight down if I am F being unreasonable, but we have gone over this before.

JUDGE WOOD: No, please proceed.

MR COOPER: Then so be it.

MR JOHN: The reason I have taken you back to it, Mr Page, is this, that when I asked you the G question a few minutes ago to ask you to confirm that you had never told Mr Patel in your interviews anything about rounding up so as to show the office in a different position than that which was in fact, accurate. Your response was to say, "Well, you weren't asked". Yes?

H A. I don't think we got on to final cash accounts and balancing, sir.

A Q. Well, you would not be asked, would you, because Mr Patel would be operating on the principle that your weekly cash accounts were accurately and honestly declared, not that they have been adjusted. That would be right, would it not?

B A. If you say so, sir, yes.

B Q. It is not really a question of if I say so. That is the reality, is it not? One thing that is absolutely clear to any sub-postmaster is that the cash account, the final cash account for the week, is an important document and however the office balances, if it balances perfectly, wonderful. If it

C in fact shows a shortage, the cash account should indicate that. If it shows a surplus, the cash account should indicate that. Yes?

A. That is correct, sir.

D Q. So, there would be no reason, would there, for Mr Patel to say, "Oh, by the way, while we're on this topic did you by any chance adjust your cash accounts so as to show a false position?" It is not really a very fair criticism, Mr Page, is it, to say that you were not asked that question?

A. No, sir, but it wasn't a criticism either.

E Q. All right. And if one looks at 1129 and the inflation column, which we have seen a number of times before, the rounding up in relation to people leaving money behind and coming back for it later, rounding up to exact sums of thousands week after week, cannot be explained by that, can it?

F A. I have explained it to you, sir. That's what I used to do.

Q. But it cannot be explained in these enormous figures, can it?

A. Yes, sir, I have already explained, sir.

G Q. You were asked by his Honour on Friday to consider that column and the fact that as week succeeds week, take it from week 22 onwards, the inflation figure goes up and up and up. You were asked to explain how people leaving money behind forgetfully could explain that the inflation figure would increase every week. Have you had any further thoughts over the weekend as to how

H that could be explained?

A A. The inflation figure increased, sir, because there was more currency kept behind because Mr [REDACTED] GRO was ordering more and more. I think I explained that on Friday as well, sir.

Q. But what you also said on Friday, and I would like your confirmation on this, please, is that you accept that the inflation figures here indicate that there should, on 14 January when the auditors went in, have been £282,000 worth of foreign currency.

B A. Yes, I have said that, sir and that is correct.

Q. And you have absolutely no explanation for its absence.

C A. No, that is correct.

Q. You see, when you were interviewed in January and April, as we looked at last week, you had a clear, concrete explanation, did you not? It was the £278,000 cheque, and your account there,

D which you said you were absolutely certain about, that Mr [REDACTED] GRO had had £282,000 worth of foreign currency.

A. I said that to him and I believed that to be true when I had the interview, sir.

Q. And is this the position, that you are now giving us a different account because you now

E realise that your expert accountant agrees with Mr Patel that there could not possibly have been that amount of euros accumulated?

A. That is correct, sir.

F MR COOPER: I am so sorry; I think it is rather the other way round, your honour, that Mr Patel agrees with Mr Liddell. It might be a small point but the nuance is important to us. It is we that brought this to the Crown's attention.

G MR JOHN: I do not want to enter into an argument about it but it is on the face of Mr Patel's witness statement, which was written well over a year before Mr Liddell's report.

MR COOPER: Not on these, but there it is, your honour. I am not going to detain the court with this perhaps technical point, but that is the point I make.

H MR JOHN: Your honour, may I just have a note made of that because I will deal with that at a later

A stage. It is not appropriate to argue it in front of the jury.

JUDGE WOOD: Yes.

MR JOHN: Before I move on I just want to take you to two more examples of what I will call same day transactions, Mr Page - you remember that we looked at some last week – to give this context

B again, and I summarise. Your evidence to the jury was that in the later period shown on the schedule, roughly the summer onwards, the routine would be that you would receive a telephone call from Mr [REDACTED] GRO [REDACTED], you would tell him how many euros you had available; you would then

C key that sale into the money changer.

A. Yes.

Q. And he would come in a day or two later.

D. A. The majority of times, yes.

Q. And you were really tying that to the second half of our period roughly?

A. It got busier like that, sir, yes.

Q. To the late summer and the autumn round to January, that became the pattern?

E. A. (No audible reply)

Q. In fairness to you, I do not think that you were saying that that happened on every single occasion.

F. A. No, sir.

Q. But what you were saying is that on the majority of occasions, that was the pattern?

A. That is correct, sir.

Q. Let us just look at two more examples and the jury can, if they wish, look at others in due

G. course. Could we start, please, by looking at page 988, and I am going to suggest that we have open at the same time 1523.

A. What was the first one again, please?

H. Q. 988, Mr Page. Let us be clear: I am simply taking examples otherwise we would be here for

A two days going through it all and I am not going to do that. Can we take 11 July 2002, please?

A. Would that be 987 then, sir?

Q. I am sorry, a slip of the tongue: 11 November. I should not be so off-key on a Monday morning. 11 November, forgive me. On 988 a sole transaction of euros at 0845, so in fact 0745, so in all probability that would have been you?

A. In probability, sir, yes.

Q. 350,000 euros at a sterling price paid of £212,000 odd. All right?

C A. That is correct, sir, yes.

Q. And if we then look, please, at the entry on 1523 - it is worth keeping two pages open if that is convenient - we see there that same transaction reflected on the bottom entry, a Monday, 11 November 2002, 350,000. All right?

A. Yes, sir.

Q. It appears to have been paid for by two cheques, one dated that same day.

A. Yes, sir.

E Q. And the other dated the 16th. There may be an issue on that so I am not going to labour that point. The point, however, that I would like you to focus on is in the Thomas Cook deposit column, again, 11 November 2002, 342,850 sold.

F A. Yes, sir.

Q. So, a figure, although not exactly the same, pretty close, would you agree, to the 350 that Mr **GRO** undoubtedly bought from you at 0745 that morning, sold to Thomas Cook's at some stage that day, 342,850?

G A. Yes, sir.

Q. So, again rather less and your evidence, of course, will be that none of that 7150 was retained by you?

H A. That is correct, sir, yes.

A Q. Very well. Can we look at one other example, please, and I will leave that topic. Again, back to 988, please, this time 17 December. We see that there are two entries there: 0834 and 0844 but as these are both GRO transactions would you agree that they were done effectively at the same time?

B A. Yes, sir.

Q. And again, because of the timing, almost certainly by you personally?

A. I would have thought so, sir, yes.

C Q. 152,175 euros in the first tranche at 1.63, 160,000 in the second tranche at 1.64. Just pausing there, can you explain that? You have given a slightly better rate for the second tranche.

A. Because the first one might have been euros that already came in earlier, sir, from the previous day and might not have been sold already, or whatever, just kept to one side, sir.

D Q. Would there have been any negotiation with Mr GRO

A. No, sir, there wouldn't.

Q. Him saying that he wanted a slightly better rate still?

E A. No, sir. There would be no negotiation at all.

Q. No, because you did not negotiate. You set the rate and he took the rate that you gave him.

A. It was just entirely my responsibility, sir, for the rates.

F Q. There never was any negotiation? That is your case, is it not?

A. That is correct, sir.

Q. And we see in the next column the sterling figures paid, 93,000 odd and 97,000, odd, so about 190,000 all told. Yes?

G A. Yes, sir.

Q. And the total of the euros, just so that we have it in mind if we bracket together those two sums, 312,175? Would that seem to be right?

H A. Yes, sir.

A Q. Then if we go then, please, perhaps keeping our fingers in the same page, to the equivalent entry which is on 1524, 17 December shown as the period when there was a restriction in force, about which we have heard: again, we see the total, which has been done for us here: 312,175 sold on that Tuesday 17th. Yes?

B A. Yes, sir.

Q. And again, that amount from the later columns we can see being deposited by Mr [REDACTED] GRO [REDACTED]

C A. At Thomas Cook, sir.

Q. Or on his behalf, I know not which, at Thomas Cook's but again although a lesser amount, pretty close to the amount that he bought from you that morning?

D A. Yes, sir.

Q. I say "pretty close", 6,250 euros less. So, it is another example: November, December, when it is quite clear, is it not, that the euros are being bought early in the morning, transacted by you and sold by Mr [REDACTED] GRO [REDACTED] to Thomas Cook's the same day?

E A. Yes, sir.

Q. Not waiting until the next day or the day after to pick them up but plainly going from your office inferentially either directly or more or less directly, to one of the Thomas Cook outlets?

F A. Yes, sir.

Q. We can put that away for the present. When you first started doing business with Mr [REDACTED] GRO [REDACTED], he did not have RPX Plastics, did he?

A. I wouldn't know, sir.

G Q. We had it in evidence because the certificate of corporation was put to one of the witnesses,

that RPX was only incorporated in, I think, October of 2001 and you were dealing with him from 1999?

H A. I presume that was right, sir, about 1999.

A Q. So, when you first started dealing with him it was Irish punts, you have told us, and Dutch gilders?

A. Dutch gilders, sir, yes.

B Q. What kind of business did you think he was in then?

A. He told me he was in plastics, sir.

Q. So, as far as you were concerned he was in plastics right from the start?

A. Yes, sir.

C Q. And you told us last week that soon after, or perhaps it was right away, when he began dealing with you, you asked the police over the road about him?

A. No, sir. I remembered asking the police about him. I don't know when it was, how long ago after he started; I don't know, sir.

D Q. Just forgive me a moment while I turn up my note of what you said about this.

A. I think I may have asked the police, sir, as he was getting busier and busier.

Q. I do not want to be unfair to you. Just give me a moment. Yes, this note is right, Mr Page.

E You will tell me if you think that it is not. "I think it was the beginning of 2000 when Mr [REDACTED] GRO [REDACTED] started dealing in euros that I spoke to the police."

A. Okay, sir. If I said that, I presumed it at the time to be correct.

F Q. I am not going to tie you as to 1999 or 2000. We will not fall out over that, but they did not know anything about [REDACTED] GRO [REDACTED] or anything untoward.

A. (No audible reply)

Q. Now, why was it at that stage that you thought it necessary to make inquiries of the police?

G A. Well, I used to be down – I say down – I used to be in contact with the police quite regularly and I think that Mr [REDACTED] GRO [REDACTED] may have been coming in or just leaving the Post Office and I asked the policeman about it. I said, "Do you know that gentlemen?" It was only in passing, sir. It wasn't – I had nothing to be worried about or anything untoward.

A Q. That is why I am asking these questions. Why was it that you asked any police officer, "Do you know anything about this man?"

A. I just asked as a matter of just seeing if they had heard of him.

B Q. At the time when you made this inquiry, can you remember roughly how long you had been dealing with Mr [REDACTED] GRO [REDACTED]?

A. No, sir I can't.

C Q. But you had already been selling him large quantities, although not the volume we have heard about, or Irish punts?

A. And Dutch gilders, sir.

D Q. And Dutch gilders, but a stage came when for some reason – this is what I am asking your help about – you thought it advisable to ask the police whether they knew anything about him. Now, why was that?

E A. Sir, I can't really answer that. As I said, it might have been in passing that he was just coming out of the office and the policeman was there, or anything. I didn't especially make a visit to the police about it.

JUDGE WOOD: Are you saying that you remember this?

F A. Yes, sir. I remember talking to the police about him, sir, because I used to talk to the police about (inaudible) – but it may be that he was coming to the office because the police used to be in our office quite a while, sir.

Q. You say it may be that they were coming to the office. That is why I am asking whether you do remember.

G A. I know I asked the police, sir about --

Q. And by the police you mean that you spoke to a member of the police force?

A. The local police officer, the bobby, sir.

H Q. Again, just so that we all have a proper picture of this, your evidence is that there was an

A occasion which you recall when you spoke to a policeman?

A. If they knew a Mr [REDACTED] GRO [REDACTED] sir, yes.

Q. Yes, and I think you told us that that was at a stage when he, Mr [REDACTED] GRO [REDACTED], was just leaving.

B

A. Something had triggered the conversation off, sir, yes. It was more informal than a formal chat, sir.

Q. Yes, and you were speaking to the local police --

C

A. Officer, sir, yes.

Q. -- bobby, as you put it?

A. Yes, sir.

D

Q. Meaning a beat officer?

A. A beat officer, sir.

Q. Who you had encountered before and knew?

A. I knew all the police officers, sir.

E

Q. Right. Thank you for giving me a fuller picture. I have got that.

MR JOHN: I just want to get a mental image of this, if I can, Mr Page, because you do actually recall this conversation?

F

A. Yes, sir.

Q. There is no doubt in your mind --

A. I did have the conversation, sir.

Q. And I am not going to tie you down to the words that you used, but there is no doubt that you made this inquiry?

G

A. No.

Q. And when you say that Mr [REDACTED] GRO [REDACTED] was just leaving the office at the time --

H

A. He could have -- something triggered the conversation, sir, whether he was leaving or coming

A to the office or I'd just dealt with him or I'd just had some euros in or I needed to make a phone call, sir.

Q. Just help us about this, if you can. Did you point him out to the local PC?

B A. No, sir.

Q. So, did you make a visit across the road to the police station, because it is just across the road, is it not?

A. No, sir. I think I might have spoken to him outside the Post Office actually, or, as I said, they

C used to come into the Post Office daily because we used to end up in the Post Office having --

Q. Right, and this would be just the local uniformed bobby?

A. That is correct, sir.

D Q. A PC?

A. I think he would be more than a PC, sir.

Q. Right. A uniformed officer?

A. Yes, sir.

E Q. Not anybody in CID?

A. No, sir.

Q. Not the officer in charge of the station?

F A. I don't think so, sir.

Q. At this stage you knew Mr [REDACTED] GRO [REDACTED] name?

A. Yes.

Q. Did you know his address?

G A. I don't think so, sir, no.

Q. Because what you told the jury, you see, was this, that you told the police that he lived at the top end of Rugeley.

H A. It's Slitting Mill, sir, that's all I knew.

A Q. Slitting Mill, sir. I didn't know his -

A. The top end of Rugeley, yes.

Q. And the reference to the top end of Rugeley, you explained for those of us who do not know the area, is because that is where the smart people live, is it?

B A. No, sir. I said "affluent area", sir.

Q. So, the information that you were able to give this uniformed officer was "This man's name is [REDACTED] GRO [REDACTED]; he has been coming here changing money with me at the bureau for some time"?

A. Yes, sir.

Q. Am I right so far?

D A. That is correct, sir.

Q. And he lives at the top end of Rugeley?

A. Yes, sir, and I believe I told the police because Mr [REDACTED] GRO [REDACTED] told me he had a plastics company and he was doing – he had an office or warehouse down the bottom end of Rugeley in

E Power Station Road.

Q. But you did not supply this police officer with an address for him?

A. No, sir. As I said, it was more an informal conversation than formal.

F Q. But what was the point of it, Mr Page? That is what I am driving at. What was it that put it in your mind, however coincidental it may have been that you bump into the bobby outside the office, what made you think -

MR COOPER: That is comment, your honour, in my submission.

G MR JOHN: I am sorry, what is a comment?

MR COOPER: "However coincidental it may be".

MR JOHN: I am sorry; I certainly did not mean it to be a comment. (To the witness) You were

H telling us that it was coincidental?

A A. Yes, sir, it triggered the conversation.

Q. So, you did not seek out the officer?

A. No, sir, we usually talk about an hour – well, half an hour every day, sir.

B Q. I am not trying to take an unfair point here. You happened to see the officer. That is what I meant by coincidental

A. Yes, sir.

Q. And having happened to see him, what I am investigating with you is this: what put it into

C C your mind, "I'd better ask this policeman whether he knows Mr [REDACTED] GRO [REDACTED] whether there's anything against him"?

A. As I said, sir, something triggered the conversation off. Whether Mr [REDACTED] GRO [REDACTED] had just

D D come or gone or I needed to get back and order some currency or a member of staff told me that Mr [REDACTED] GRO [REDACTED] had been on the phone, I can't remember, sir.

Q. Would this be fair, that you asked the officer this question because you had a concern?

A. I don't think so, sir, no.

E Q. Well, why ask the question then?

A. I just asked the question, sir. It doesn't mean I had a concern. I asked a police officer

F questions regarding other members of the public who came in. It does not mean that I've got a concern, sir.

Q. Well, why did you find it necessary to say to this police officer, "Here's the man's name. He's got a warehouse at place X, he lives at the top end of Rugeley. Do you know him?"

A. Because I did, sir. I asked the question.

G Q. Yes, we know you asked the question. We have got that clearly in our minds. What I am asking you now is why did you ask him. You are not asking the local postman. You are not asking the greengrocer. You are asking the policeman. Why are you asking the policeman, "Do you know this man?"

A A. Because I did, sir. That's why.
Q. That is not an answer.
A. I don't see how much more I can add to that, sir.

B Q. You were suspicious of him.
A. I wasn't suspicious, sir, no.
Q. You did not even have an address to give him, to give the police officer.
A. Well, some of the conversations I've had with the police officer about certain individuals in

C the Post Office I wouldn't have an address for, sir, no.
Q. Did you expect him to do some kind of check against Mr [REDACTED] GRO [REDACTED] ?
A. No, sir. The only reason I asked was whether he knew the gentleman. That's all.

D Q. So, this is nothing to do with the fact that he happened to be a police officer, then?
A. Yes, sir. I asked the police officer if he knew Mr [REDACTED] GRO [REDACTED] .
Q. But all you were telling him was a name and a geographical area where his warehouse was and a specific part of Rugeley where he lived where affluent people do?

E A. A local gentleman, a local businessman and I was speaking to a local PC who's been in Rugeley for at least 35 years, and I asked him the question whether he knew him.
Q. And he simply said "no", did he?

F A. Yes, sir. He said he had never heard of him or come across Mr [REDACTED] GRO [REDACTED] .
Q. And did the officer ask, "Well, why do you want to know?"
A. I think he did, sir, yes.

G Q. What did you tell him?
A. I said because he used to come in and buy large amounts of euros.
Q. And had that struck you as odd?
A. No, sir.

H Q. Because one of the features, of course, about your dealings with Mr [REDACTED] GRO [REDACTED] with two

A exceptions that you have dealt with, is that he always paid by cheque and he always went away with cash.

A. Yes, sir.

B. Q. And he never brought any of the cash back as holidaymakers or others might.

A. A. No, sir.

Q. · Why did you never set Mr [REDACTED] GRO up as a corporate customer registered in the way that we have heard about?

C. A. I wouldn't know how to do that, sir. I'd never been told about -- I knew about corporate customers but I wouldn't know how to go about it.

Q. Picking up the phone would be a good start, wouldn't it?

D. A. Yes, sir, it probably would have been, yes. In hindsight I should have done that, sir.

Q. Yes, because if he had been registered as a corporate customer, he would have been entitled to an annual rebate based on the length of his turnover, would he not?

A. I only found that out during this trial the same as the jury, sir.

E. Q. You see, when you were asked about this by Mr Hutchins, who rang you up, you remember --

A. A. Yes, sir.

Q. He asked you if he was registered as a corporate customer, did he not?

F. A. Yes, sir and I said, if I remember correctly, that I said, yes, he's a local corporate customer and really I should have said that he's a local businessman.

Q. Someone whom you had set up locally but wasn't registered.

G. A. Maybe, sir, yes, but Mr Hutchins, with only 37 or how many corporate customers you've got in the UK would have realised that anyway.

Q. Oh yes, well exactly because he had his list, did he not?

A. (No reply)

H. Q. Did you not register him as a corporate customer because you did not want any particular

A attention to be drawn to the arrangement that you had with this man?

A. No, sir. In hindsight, sir, I should have passed him straight on as it was getting busier, to the Post Office and let them deal with the gentleman.

B Q. Because you were not giving rates as preferential as this to anybody else, were you?

A. No, sir because nobody was coming in and buying the volume of euros that he was.

Q. Let us just take that up for a moment, can we? Can I ask you to look at your interview, volume once more? Tab 2, page 9, please. Half a dozen lines down. You are saying here to Mr

C Patel in your January interview that you set a preferential rate just for Mr [GRO] Answer:

“For when he buys in that amount, yes.”. “Right. Do you do it for any other customer?” Your answer: “I do slightly for somebody who come in, like, if he’s going to come in and do, like a lot,

D like I’d up it from, say, 1.49 to 1.5 or 1.5 to 1.52”. So, is this fair that what you are trying to convey to Mr Patel there is that another customer who came in, who was going to do “like, a lot” as you put it, you would give them a rate but you would only put it up marginally?

E A. That is correct, sir. I think presumably the gentleman I was talking about may be the company in Stone or maybe the gentleman who came in and going on a coach load to Holland.

Q. But somebody doing a lot?

A. Well, not as much as Mr [GRO] sir, no.

F Q. No, but still what you might call a bulk customer?

A. Not as in the same volume of Mr [GRO] sir, no.

Q. No, no, because I think we can all agree that no one was doing the same volume as Mr [GRO] but the rates you were referring to here in your interview, these are just marginally G better than the authorised rates, are they not?

A. Yes.

Q. Would you then go in the same tab to page 17? About two thirds of the way down the page H you are asked about the £360,000 cheques presented by Mr [GRO] in January. Question from

A Mr Patel: "He'd pre-ordered that money, hadn't he?" Answer: "He phones up. He comes in to say, 'Well, I need, and I'll be in on Friday and how much can you get for me?' or he phones up on a mobile, which I told you about yesterday". "You did, yes", Mr Patel agrees. "The reason why he's got my mobile number is because he may phone me when he supposedly is abroad or out of hours

B and he phones me". Did you have any other customer to whom you spoke on your mobile about bureau exchange rates?

A. No, sir, but a few customers had my phone number for different other things, sir.

C Q. Yes.

A. I'd never hid the fact that Mr [REDACTED] GRO had my mobile number, sir and used to phone me on it.

D Q. I've just asked the question and you have confirmed that he is the only customer who would have your mobile number and would ring you up in relation to sales and rates. If, as you told the jury, you were exercising your discretion in fixing the exchange rates for Mr [REDACTED] GRO why did you not negotiate?

E A. In what way, sir?

Q. Well, if you gave him a slightly less generous rate, shall we say 9 per cent preferential rather than 10 per cent preferential over the authorised rate he would still have got a very large profit,

F would he not, and you would have made more money for the Post Office.

A. Yes, sir.

Q. So, why did you not try that?

A. Well, as I said, I'd been doing that for quite a while with Mr [REDACTED] GRO and I thought that

G was okay.

Q. Or is the reason that there was no need to negotiate rates with Mr [REDACTED] GRO because you knew that you were offering him better rates than he could get at any financial institution anywhere

H in the country?

A A. As I said earlier, sir, I wouldn't know that because I'm not into the money market.

Q. No. You suggested that he would have gone elsewhere if you had not given him these rates. Have you got any suggestions to offer as to where he might have got better rates than the ones you were offering him?

B A. No, sir, I haven't. I said he may have gone elsewhere. I presume he would have gone elsewhere.

Q. You see, you dealt with other businessmen at the office, Mr Page. How many businesses always pay in cash and at this kind of level in your experience?

A. Pay in cash, sir?

Q. Hmm. Well, this gentleman, whom you tell the jury you had no idea was, in effect, playing the money markets to make a lot of money --

D A. Yes, sir.

Q. He was always coming in for cash. How many businessmen in your experience do all their trading in cash?

E A. I wouldn't know, sir. I was just, you know, in the post office. I don't know what goes on in day to day business, in other business matters, sir. I wouldn't know.

Q. You see, did you ever have a concern that there might have been money laundering going on?

F A. No, sir. I didn't think I did, no.

Q. Because Mr Hutchins asked you about that, did he not?

A. He said "Has he filled in" -- I think he asked me if he's filled in a money laundering thing.

Q. And do you remember what your answer was?

G A. And I think I said, "Yes". I'm sure when he first came in my wife took his passport and everything.

Q. Well, let us remind ourselves what you said in interview. Tab 3, please, page 23, about eight lines up from the bottom. Mr Patel asked you, "As for the forms that you were supposed to

A complete for money laundering, do you?" Your answer, "I don't think I've filled one form in because I've had no reason to believe that there's been a problem with the money laundering." And Mr Patel goes on to argue the point with you and we need not bother, but that is what you were saying, then, that you had never filled out a form for him?

B A. I didn't think I'd filled one in, sir, no.

Q. And over the page at 24, about half way down the page, you are asked by Mr Patel, "He's still doing large transactions?" "Yes". "You've said that". "Yes, over large transactions" and you are asked, "Okay. Have you filled out the form?" Answer: "No". When you were asked by Mr Patel what I am asking you now, why, "Because I didn't think it was relevant because I'd had no problems, full stop, with him".

C D A. That is correct, sir, yes.

Q. So, did you fill out a form or didn't you?

A. My wife had filled a form out, sir.

Q. You did not say that at the time, did you?

E A. No, sir.

Q. Or is it convenient for you now to say that you followed the proper procedure when in fact you did not?

F A. No, sir it's not convenient. The first time I realised that my wife filled out a form was during this trial, actually, when Mr Hutchins turned up and I think Mr Hutchins said about an old form. JUDGE WOOD: I am just going to pause there while I make sure my note is right. "I now say that my wife did fill in a form. I have learnt that during this trial." Is that right?

G A. That is correct, sir, yes.

Q. Does it follow from that that during the time when you were selling euros to [GRO] you did not believe that a form had been filled in?

H A. That is correct, sir.

A Q. So, I shall write, "At the time of the transactions, I was unaware as to whether a form had been filled in".

A. Yes, I think the form then, sir, is no way what it probably would be now, sir.

B Q. I have just finished that. What was the last thing you said?

A. I think that the form which my wife filled in would be probably nowhere near the proper money laundering form that you have to fill in now, sir. I think it was his passport, sir, and it could have been his driving licence or something like that.

C MR JOHN: But you did not know that at the time?

A. No, sir. I am going to move to another issue now if your honour has finished on that point?

JUDGE WOOD: Yes, I have no other questions.

D MR JOHN: Thank you very much. (to the witness) Is it your evidence, Mr Page, that Mr ██████████ never asked you to hold cheques back?

A. That is correct, sir.

E Q. Would he have any reason to know when he first started doing business with you that your bureau cheques were all being held back to the end of the accounting week?

A. I wouldn't have thought so, sir, no.

F Q. Perhaps I can be more direct about it. Did he ever ask you, "When do you bank your cheques?"

A. He may have done, sir. I can't remember.

G Q. That could have been quite important, could it not, for him to know how long it would take for one of his very large cheques to go through the system?

A. It may have been for him, sir, yes.

H Q. But unless he asked, how would he have known that it had been your established practice for bureau cheques but not for any others to hold them back to the end of the accounting week? How would he have known that?

A A. I wouldn't know, sir.

Q. Unless, of course, the two of you discussed it.

A. He may have asked me, sir, but we didn't discuss it, no.

Q. Do you recall last week that you were asked how the practice developed that the bureau cheques were held back?

A. That is correct, sir; yes.

Q. In fact, there were not very many cheques that went through the office at all, were there?

C A. On the bureau side?

Q. Yes.

A. Not during the winter but it got busier over the Easter period, sir, and then during the summer period and school holidays, yes. Maybe 10 or 15, not hundreds, sir, no.

D Q. Ten or 15 per?

A. Week, sir.

Q. Because the bulk of transactions going through the office would be either cash or debit cards, E would they not?

A. On the bureau side, sir?

Q. Yes.

F A. Yes, sir.

Q. You see, the explanation which you gave last week for developing the practice of holding back the bureau cheques was that you were worried about making a mistake on large figures.

G A. On the remming out of the cheques, sir, yes. It wasn't just that, sir. We used to keep everything back until the end of the week and check and double check.

Q. Yes, but it takes just the same amount of time to check that you are keying in the right figure when the customer is in front of you as it does to do it at the end of the week, does it not?

H A. Yes, sir, but we made sure that everything was kept back to the end of the week so that we

A could balance it all in one go.

Q. You know that the rule was, and I accept what you say, that it was bureau cheques generally that were held back not just Mr [REDACTED] GRO but you knew that the rule was that they should be despatched daily.

B A. Yes, sir, they should have been.

Q. That is the example that Mr Patel gives us about the utility bill, that the customer would want to know that the bill had been paid.

C A. That is correct, sir.

Q. Similarly, of course, if you are dealing with a very large value cheque, if it is held back for a week or more instead of being put through the system at once, the Post Office is losing money on that.

D A. Yes, sir.

Q. Because if that was being done, for instance, in every office of the 17,500 then in the country on a routine basis, there would be a very large amount in interest lost every day, would there not?

E A. Yes, sir. I remember being audited once on a Thursday and one of the auditors making a comment about having the cheques left in the drawer and I explained to him why they were left in the drawer and he said, "Well, you shouldn't be doing that but I can understand why".

F Q. Your evidence last week, in fact, was this – just coming to that very point – "The auditors thought it was a good idea", you told us. Who was that who told you that it was a good idea to hold

G A. I can't remember the specific auditor, sir. He said, "You shouldn't do but I can understand why if you are struggling balancing your bureau, why you do it".

Q. Was that Mr Davis, who did the June audit?

A. Well, I wouldn't know, sir. As I just said, I don't know which one it was. It may have been – well, I wouldn't know in June, sir, because I wasn't there. It was obviously my previous audits.

A Q. You see, Jane Batey, while you were away on holiday, tried to despatch daily, did she not?

A. She said in September, sir, but I didn't go away in September.

Q. Let us not split hairs about precisely when you were on holiday. She said that she tried to follow the rule while you were away. She knew the rule as well as you did; they should go daily.

B A. Yes, sir.

Q. Well, if she tried to do it, why didn't you?

A. Because I wanted, as I said, because of the matter of the practice that we had in the Post

C Office, for the bureau, everything to be kept all in the drawer, the bureau drawer, so that we could balance it properly on a Wednesday evening.

Q. It could just as easily have been done as you went along, could it not, put in with the BCBs along with the cheques from the other counter stocks?

D A. You could have done, sir, variously(?), but we didn't do that.

Q. Or was it, in fact, part of the arrangement that you had with GRO that cheques would be held back and he had confidence in you that you would do so?

E A. No, sir. I had no arrangement with Mr GRO at all.

Q. Because in interview you said that the bureau cheques had been going in as regular as clockwork, did you not?

F A. On a Wednesday, sir, yes. I didn't say "daily", sir. I admitted that they only went on a Wednesday or Thursday morning.

Q. Would you look at tab 2, page 28, please? Mr Patel towards the bottom of that page that you have just agreed with me, "Your trying to make money for the Post Office has lost interest on the

G 360,000." "I am using yesterday's cheque. There's other cheques. Right?" and Mr Patel says, "If you bank that cheque, if you look at where it was presented" – your answer: "If you look at – well, say the last six months, how often have cheques been going in? Have you checked that?" "I haven't but I will be." And your answer in the knowledge that Mr Patel had not yet checked was

A "Yeah, as far as I can, as far as I am aware, they've been going in as regular as clockwork." Did you mean to imply by that that they were going in as regular as clockwork for anything up to six days late?

B A. Regularly every Wednesday, sir. I never denied the fact that they went in on a Wednesday, the cheques went in every Wednesday, sir.

Q. Let us just follow what is said because Mr Patel comes back and says, "Well, that's not what your staff just told me today" and then your response is, "Sometimes they go in on a Wednesday C because the time's needed until Wednesday because I need, I do them myself on Wednesday but that's down to me because I do the bureau because it's down to procedures as in time I've got to do it. I'm not trying to dishonest anybody". So, it was your decision?

D A. It was my decision to keep all the cheques back on a Wednesday in the bureau, sir, yes.

Q. I just want to come to your evidence about the cheque dated 2 January, so if you can just keep the interview folder open for the moment please and we will just turn that cheque up so that we can have it in mind – it is page 249 in the jury bundle. I know that we have seen this a number of times E before. You rely on the date, I understand, as being important. That is the cheque that you told the jury last week Mr [REDACTED] GRO gave you on 3 January. We will not quibble about whether it was the 2nd or the 3rd, but following a conversation you had with him at that time when he handed it over to F the effect that the three earlier cheques which he had given you before Christmas might bounce?

A. That is correct, sir, yes.

Q. I just want to be clear about this before we move on. You are quite clear in your own mind, G are you, that the first time that Mr [REDACTED] GRO told you that those three large cheques - we have the cross-reference to 982 noted already, the first time he told you that those three large cheques that he had given you before Christmas might bounce was when he handed this one over to you?

A. That is correct, sir.

H Q. So, on the 2nd or the 3rd January?

A A. That is correct, sir.

Q. So, you had no idea before that that there was any risk that those three large cheques on 982 would bounce?

B A. No, sir.

Q. You did not know at all until he had that conversation with you on 2nd or 3 January?

A. Yes.

Q. Right. Put that to one side while we keep the 2nd and 3 January date in our minds and can we C go to your interview again, please, at tab 1, page 13? Let us just see what you say at the bottom of that page. This, of course, is the very first interview that you have with the police. At the bottom you say, "He had some cheques. The Post Office phoned up. They had some cheques. Three D cheques bounced on him over Christmas." "Did they" "But he told me before he gave me a cheque to cover it, yes, so when the Post Office got in touch with me about these bounced cheques, they've got in touch with me and when they send a letter through I just covered it with the cheque he gave me."

E A. That is correct, sir, yes.

Q. Now, are you saying there that you had that cheque before Christmas or after Christmas?

A. He told me – he told me that he gave me – he told me that's why he gave me a cheque to cover the three cheques. That's the way I read that, sir.

F Q. You had, in fact, put those cheques through, I think, on the 27th?

A. That was the balance that week(?) sir.

Q. I am going to just deal with Mr Geraty and Mr Coney now. We can put that – perhaps you G had better keep it. I want to understand what you are saying now about the knowledge of your line managers, as you say you were offering heavily preferential rates to Mr [REDACTED] GRO [REDACTED]. Do I understand correctly that you are not saying that Mr Coney knew about this?

H A. Mr Coney – I told Mr Coney that I had a business customer who bought large amounts of

A foreign currency off me, yes, sir. I don't think I mentioned anything --

Q. Nothing more than that?

A. No, sir, not preferential. I don't think so, sir.

B Q. Because when you were interviewed you said in relation to Jim Coney, and I am quoting now, "I've mentioned it. He didn't authorise". So that we can understand your case properly, Mr Coney, who, of course, came on the scene later -

A. After Mr Geraty, sir, yes.

C Q. And then Mr Geraty and as far as you were concerned, you never discussed rates with him?

A. No, sir, I don't think I did, no, sir.

Q. And you certainly are not suggesting to the jury that Mr Coney knew that you were offering, if I can use the phrase, "off the book rates" to Mr [REDACTED] GRO

D A. Well, I presumed they might have known that from passing on from my office to Mr Geraty. I wouldn't keep asking every retail network manager.

E Q. Let us just be clear about it. You presume what you wish. What I am concerned with is this. There is no suggestion from you that Mr Coney was told by you, "I'm offering heavily preferential rates to a man who does large volumes of transactions" and Coney said, "That's fine by me"? We can forget that?

F A. That is correct, sir.

Q. And so far as Mr Geraty is concerned, he was God as far as you were concerned?

A. He had just started in the Post Office, sir, and you passed everything through him.

G Q. You remember Mr Geraty when he came here, I am sure?

A. Yes, sir.

Q. He was actually rather flattering about you, was he not?

A. For Mr Geraty, sir, yes.

H Q. Yes. He was asked by Mr Cooper whether he was impressed generally with the way you were

A conducting business at the office and he agreed that he was, so impressed that he let you attend meetings at Lichfield.

A. With other branch officers, sir, yes.

B. Q. Where sales and performance were discussed, yes?

A. Yes, sir.

Q. And Mr Geraty was further asked to confirm that the Rugeley office started to perform equally as well as the Kellick(?) office.

C. A. Excuse me, Mr John. I don't think Mr [REDACTED] GRO is very well.

MISS NICHOLLS: Perhaps Mr [REDACTED] GRO could leave court? I am sure that -

JUDGE WOOD: Yes, I am afraid that I cannot see him because of where Mr John is. I really do not know whether he has a coughing fit or anything worse.

D. MR JOHN: It is right that you should draw it to my attention. I cannot see.

A. I am sorry, your honour, I just thought --

JUDGE WOOD: Are you all right, Mr [REDACTED] GRO ?

E. THE DEFENDANT [REDACTED] GRO My apologise.

JUDGE WOOD: Nothing to apologise about at all. If you feel that you would like to leave the court, as you know, you have my permission to do so but if it was just a cough, we will stop worrying.

F. THE DEFENDANT [REDACTED] GRO I think it will be better if I --

JUDGE WOOD: Just as you choose.

G. THE DEFENDANT [REDACTED] GRO I don't want to halt the proceedings.

JUDGE WOOD: We will carry on then, if we can.

MR JOHN: Yes, thank you, Mr Page. That was kind of you. And Mr Geraty was pressed on the question of your performance, how impressed he was with you, and the fact that your office was starting to perform as well as Kellick, which is a bigger office, a much larger office. Do you

A remember?

A. Yes, sir.

Q. And Mr Geraty confirmed that the performance in Rugeley was good.

A. For sales, sir, yes.

B Q. Yes. So, he is not a man, I suggest to you, who had come here to do you down, Mr Page.

MR COOPER: Your honour, that is a matter, in my submission, for the jury.

JUDGE WOOD: Well, it is right, is it not, for the witness to be asked questions about the attitude

C of Mr Geraty? I agree that it would not be right for him to ask Mr Geraty's mental processes, but I

suppose that what Mr John is going to wish to say to the jury is, "Here is a gentleman who didn't

have it in for this defendant, who seemed to be broadly on his side" and it seems right that he

D should be able to put that point to the witness if he is going to make it in his speech because it may

be that the witness will, as it were, disagree. Yes, I do not think that the question is improper, Mr

John. What you have said, and I have recorded it, is, "He seemed to be favourably impressed with

your sales performance at Rugeley".

E A. That is correct, sir, yes.

MR JOHN: So impressed that he made a suggestion that you could go to a meeting at Lichfield and so on?

F A. Yes, sir, meetings. It was a continuous thing, sir.

Q. If he thought that you were useless, Mr Page, no doubt he would have said so.

A. No, but part of these meetings was just to educate myself and my wife, sir – well, me and my wife first started going but then it was just myself.

G Q. But by the time that Mr Geraty came on to the scene, you had already been transacting with

Mr [REDACTED] GRO for some time.

A. No, sir.

H Q. Well, how long had he been there?

A A. Mr Geraty orchestrated us getting the bureau, sir.

Q. Mr Geraty did that?

A. Yes, sir.

B Q. So, how did the topic of preferential rates, rates which were unauthorised by the Post Office, come about? Who raised it?

A. We raised it to Mr Geraty because Mr [REDACTED] GRO [REDACTED] came in after we started having the bureau and we asked Mr Geraty – a gentleman came in who wanted to buy large amounts of euros– Dutch gilders and punts, and we wanted to know if we could give him preferential rates.

C Q. This is gilders and punts?

A. Gilders and punts, sir, yes.

D Q. Of course, if he was transacting at over £5,000 you knew that you could give him a special rate. You did not need to ask Mr Geraty that, did you?

A. No, sir.

E Q. Now, is your evidence to the jury that you asked Mr Geraty if you could offer him rates which were over and above the special rates?

A. That is correct, sir, yes.

Q. And he said, "That's fine"?

F A. Yes, sir.

Q. In the knowledge, as a line manager, that that was dead against the rules?

A. Well, I wouldn't know that, sir, as far as whatever he said went. I don't know what he can and cannot say to me, sir.

G Q. Well, you know what the book says, do you not, because we have been through it. You ring up First Rate, except on a Saturday when the rate is actually published and in front of you.

A. Yes, sir.

H Q. Now, you help us if you can. Is there anything of which you know which would help Mr

A Geraty if it came out that he had been authorising you to break the rules? Is there anything that would help him in that so far as you are aware?

A. No, sir.

B Q. Were you bothered, on your evidence, Mr Page, that on the face of the rules you couldn't go further than the special rate, that here was a manager saying, "That's all right as long as there's no comeback"?

A. I wouldn't know, sir. As long as Mr Geraty said it was okay, that was good enough for me and my wife, my ex-wife.

Q. Did you ever think to ask him for a little memo to say for somebody who is really a very big customer, that would be all right?

D A. No, sir. In hindsight I should have done, I think.

MR JOHN: Your honour, I think that there is a note. I am sorry. Can we just look in that connection at 1513 in the jury bundle? Put the interviews away. You know, Mr Page, that there are going to be arguments about this in due course that the jury will hear but you know how this schedule has been compiled, do you not, that it shows what would have been the special rate if FRTS had been asked for it as opposed to the rate that you in fact transacted with Mr [REDACTED] GRO [REDACTED] so that we know what we are talking about on this schedule.

F A. Yes.

Q. And let us just look very briefly at the figures. Just let us look at 1513 and the First Rate special rate, which we see in column 5. Running our eyes down the page in broad terms the rates between March and May are 1.61, 1.6, 1.62, 1.63, 1.60 down to at lowest about 1.56. That is right, G is it not? I am rounding, of course.

A. Yes, sir.

Q. And if we look across two columns to what is described as the [REDACTED] GRO [REDACTED] rate, you are H offering on almost every occasion about 10 points better, are you not: 1.61 becomes 1.71.

A A. Point 1, sir.

Q. Yes. Sometimes not quite so good: at the foot of the page 1.57 becomes 1.65 but still a substantial difference. Yes?

B A. Yes, sir.

Q. And as we can see from the final column, and I appreciate that there are arguments on this, there is a loss of profit, as you see, alleged to the Post Office on every single occasion. Yes?

A. According to those figures, sir, yes.

C Q. Let us just look at one other thing, please, at 986, to see what these marginal rates actually look like. As you have pointed out, looking at the schedule we were just examining about 0.1 up, so one-tenth, and if we look at 986, can we just do a comparison, please, of the under 5,000 rate and the special rate, the other 5,000. Can you just look at those two columns for me?

D A. Yes, sir.

Q. The special rate, of course, being in bold. Then again, if we just allow our eyes to run down the page we can see here, can we not, that even the ordinary customer coming in for £10,000 worth of euros are getting a better rate, though it is not much better, is it?

E A. It is slightly better, sir, yes.

Q. Take the first line: 1.56 becomes 1.578. 1.557 becomes 1.574. It is better but it is not hugely better is it?

F A. No, sir.

Q. No. Your rates, in effect, in terms of differences are something like 50 times better than the authorised rates, are they not, in terms of margin?

G A. If you say 50 times, sir. I couldn't --

Q. Because if 1.56 goes up to 1.57, that is one hundredth, whereas what we are talking about with you is a tenth, is it not?

H A. (No audible reply)

A MR JOHN: Your honour, I have a little way to go. I am in your honour's hands as to --

JUDGE WOOD: If that is a convenient point to break, I think we probably should break now.

MR JOHN: I do not have very much more, everyone will be relieved to hear.

B JUDGE WOOD: Thank you. Let us seek to sit again at five past two, if we can, and at that stage we will just make sure that we have agreed times. I will ask that the final print, as it were, of what we will be sitting this week and next will be available to us all.

(Luncheon adjournment)

C MR JOHN: Mr Page, I hope you will forgive me if I come back to one point which I dealt with earlier and I did not finish. It is my fault entirely and I apologise to all concerned. It relates to the issue of when you were told by Mr [REDACTED] GRO that there was a risk, likelihood, probability, D however one phrases it, of the three cheques he had given you before Christmas bouncing over that period. So, you remember the issue that we dealt with?

A. Yes, sir.

Q. And your evidence is that you had no idea that there was any risk of those cheques bouncing E until either the 2nd, which is the date the cheque bears, or 3 January.

A. One of the two days, sir.

Q. One of the two, and I took you to one passage in your interview in which you said that.

F A. Yes, sir.

Q. What I should have done is to have taken you to another passage. It is my fault. I apologise for that and ask you to turn that up now. So, if you could put the jury bundle away, take up the interview file, please and turn to tab 4.

G MR COOPER: Your honour, there is a rather annoying, for both of us, buzzing noise, and it is an electronic noise. It is coming from the speaker. I do not know whether anything can be done about it.

H JUDGE WOOD: Is there something we can do about that at all?

A MR COOPER: When I was referring to an annoying buzzing noise I was referring to the speaker, your honour, not my learned friend.

MR JOHN: I assumed it was me.

B JUDGE WOOD: Yes, managing to take offence. (Laughter) No, I agree that it is irritating. For now, you were giving us a page reference.

MR JOHN: Shall we move on, buzzing or otherwise?

JUDGE WOOD: Yes.

C MR JOHN: (To the witness) It is tab 4, page 5. Just so that we can remind ourselves what we are dealing with, I asked you this morning, Mr Page, about an earlier passage, which was in your January interview. We are now moving on to April, by which time, I think you would agree, you had had months to think about the matter.

D A. Yes.

E Q. So, this is your interview. Now you have legal representation. You have solicitors with you on 23 April and I am going to ask you to look, then, at tab 4, page 5 when this same issue of the bounced cheques is raised by Mr Patel. Can I ask you to look, please, at the middle of the page?

F Mr Patel says, "Three cheques that bounced. These were for transactions which were done back in December." Answer: "As far as I know, yes. I haven't seen the corresponding cheques". And then

G we have this, a question from Mr Patel: "Okay, when did you first become alerted to the fact that these three cheques were going to bounce?" "He told me maybe just before Christmas or

H Christmas". "Sorry, you say 'he'. Do you mean Mr [REDACTED] GRO [REDACTED]?" "Yes, Mr [REDACTED] GRO [REDACTED]" So, to give the full context, "He told you that there was an inkling that they were going to bounce?"

G "Something to do, because he deals a lot in Corus, they haven't put the money in". So, just pausing there before we turn the page, which we will in a moment, what you are then saying there, Mr Page, in April, having had the time, as I suggest, to think about it, is that you became alerted to the fact that those three very large cheques were going to bounce or that you had a inkling that they were

A going to bounce, maybe just before Christmas or Christmas. You agree that there is an inconsistency there?

A. The only inconsistency there, sir, is because I did not know when the cheques were issued, and as I say there, I didn't know when the corresponding cheques – I hadn't seen the cheques, but I know for a fact that Mr [REDACTED] GRO [REDACTED] only told me there may be a problem with the cheques after he issued the cheques, sir.

Q. When you were asked about it in January, Mr Page, you were quite clear about it then.

C A. Yes.

Q. When you were asked about it in your January interview, which of course, was very much closer to the time – because you are interviewed in January on 13th and then 14 January and what you are being asked about then is a cheque which is dated 2 January.

A. I didn't know it was 2 January when he interviewed me in April, sir; I forgot.

Q. Forgive me. Can we just put it in context? When you were interviewed in January you were being asked then about an incident when [REDACTED] GRO [REDACTED] comes in, according to you, on 2 or 3

E January with a cheque that we have looked at.

A. Yes, sir.

Q. And that that, you tell the interviewers, is the first that you knew that there was any risk that those three big cheques would bounce.

A. That is correct, sir.

Q. So, you are only being asked to think back less than a fortnight.

A. Yes, sir.

G Q. Now, here in April, having had three months to think about it and you were asked the same question, you say, "Maybe just before Christmas or Christmas", which would mean, would it not, if this is right, that you had accepted those three very large cheques in the knowledge that you were putting them through the system as they were on the 27th and in the knowledge that they might

A bounce?

A. That is incorrect, sir. I don't accept – I only found out about three bounced cheques after Mr

[REDACTED] GRO had told (inaudible) ...

B Q. My apologies, Mr Page. I am not going to labour it. If what we see you saying here is correct, it would mean that you accepted those cheques in the knowledge that they were likely to bounce.

A. With this interview we are doing now, sir, I was uncertain at the time.

Q. Do you accept the proposition I put to you?

C A. Yes, I do, sir but I was uncertain at the time.

Q. Just to tidy this up so as to be fair to you about it, if we go over to page 6, Mr Patel, five lines down: "You were taking large cheques". Your answer: "Yes, but as I said, I'd been taking large

D cheques for quite a period of time". "Right." Your answer: "So, he said that he hadn't been informed by his bank and he was going to have a word with his bank and get in touch with me but I've got no reason to disbelieve him or anything because as I have said, I have been dealing with

him for three years and no problem". And then this: Mr Patel: "Right, okay. Do you say that this

E was prior to Christmas when he was", "It may be prior to Christmas or just in the Christmas week".

So, again --

F MR COOPER: I am sorry to interrupt. I wonder if my learned friend, in fairness and in balance, as I know he will without hesitation, would just read the next answer as well, perhaps, so that we have some context.

MR JOHN: Certainly. I was not proposing to leave it out.

MR COOPER: I am grateful.

G MR JOHN: "Right", says Mr Patel, and you go on, "I can't, yeah. Maybe around about that time".

And we go on, "When did the cheque team at Chesterfield get in touch with you?" "They phoned me maybe just after Christmas or in between Christmas and New Year". And we can see that

H afterwards, it is quite right, you are then asked, "When did Mr [REDACTED] GRO [REDACTED] give you this cheque?"

A "Well, I presume it's the 2nd because it's got the 2nd on there." So, it is apparent, is it not, that at this stage and the April interview, you have actually got the cheque in front of you?

A. He may have just showed it me then, sir, yes.

B. Q. But the context is this, that what you are saying is that the indication to you from Mr

B **GRO** that these three big cheques might bounce was either prior to Christmas or in the Christmas week?

C A. It was after Christmas, sir, because you can see from all the conversations on that page and one there, I couldn't even remember exactly when Chesterfield phoned me, sir.

D Q. That's why I have read on, as I have been invited to but you see the point, do you not?

E A. Yes, I do, sir.

D Q. Put that aside. I have only a limited number of areas to deal with you. Did it ever occur to you, Mr Page, on your evidence, that Mr **GRO** coming in, as we can see from the schedules, two or three times a week over a substantial period of time with very large cheques was making a lot of money out of this?

E A. I didn't look at it like that, sir, no. I presumed that being a businessman he must have been making some money.

F Q. Because businessmen, no doubt you would agree, have a variety of sources of finance available to them.

A. I believe so, sir.

G Q. Bank loans, things of that kind, but here was a man who was in business, we know, coming in sometimes sending other people to pick up large amounts of cash in euros on his behalf. Did it seem to you that here was a man who must be making a lot of money out of this, otherwise why the point?

H A. I didn't know if he was making a lot of money, sir. I presumed he was making a profitable business.

A Q. Just consider this, Mr Page, would you? A man who is in a plastics business because from what you have told us, as far as you knew that was all he was ever involved in.

A. That is correct, sir, yes.

B Q. If he is coming in sometimes three times a week buying from you very large volumes of euros in cash, you did not think he was going over the Channel three times a week to put that money into his plastics business there, did you?

A. I don't know what he was doing with it, sir.

C Q. Well, did you think about it?

A. Not really, sir, no.

Q. He obviously was not going to his bank to get this kind of money. He was coming to you.

D A. Yes, sir.

Q. So, can we just get this clear? As far as you were concerned, did it strike you as at all strange that this one man was coming in with these very large sums sometimes several times a week and that he must be making a lot of money out of it?

E A. No, sir. As I said since I've been standing up here, that he came in over a long period and his business got busier and busier and I presumed that he was probably making a profit but how large a profit I wouldn't know, sir.

F Q. And as far as you were concerned, he had a warehouse in the Rugeley area?

A. As far as I know, sir, yes.

Q. He had business connections in France?

A. Yes, sir.

G Q. Did you seriously think that he was taking hundreds of thousands of euros over to France two or three times a week and then coming back for more?

A. What he was doing with those euros I didn't know, sir. Whether somebody was meeting him in England or in Rugeley I honestly don't know.

A Q. Did it seem to you that what he must be doing is dealing in currency?

A. To do his business, sir, yes.

JUDGE WOOD: No, I think that what Mr John meant was dealing in currency in the sense of making profit out of the exchange.

B A. No, sir. I just thought it was part of his business, sir. Whether it was dealing in cash or in plastics, I don't know.

MR JOHN: Your evidence to the jury has been that you were anxious to be seen to be competitive

C with other people within the Rugeley area.

A. That is with the day to day running, sir, yes, for Joe Public, normal people.

D Q. Have I understood correctly that part of the way in which you dealt with that was to keep an eye on the rates that were being offered down the road at the Co-op Travel?

A. Yes, sir, I kept an eye on that, sir.

Q. You kept an eye on that, did you?

A. (No audible reply)

E Q. What did you find when you kept an eye on the Co-op travel rates?

A. In what way, sir?

F Q. Well, the idea, as I understand your evidence is this, that you would keep an eye on the rates that were being offered by other bureaux de changes locally -

A. Yes, sir.

Q. So that you could offer better rates, slightly preferential – your words in interview – slightly better to Joe Public.

G A. Yes, sir.

Q. And in order to make sure that you were competitive, one of the things that you did – you will tell us, no doubt, if there were others – was that you would keep an eye on the rates that Co-op Travel were offering.

A A. Not just the Co-op Travel, sir.

Q. All right, but Co-op Travel was one of them?

A. Yes, sir.

B Q. Now, when you looked at the Co-op Travel rates during this period, did you notice anything that struck you?

A. What period are you on about, sir?

Q. The whole period with which this jury are concerned, March 2002 round to January 2003.

C A. In what way, I mean, by the change in the Co-op? What do you mean by that, sir?

Q. Let me explain if it is not clear. You wanted to make sure that whatever the authorised rate on the daily fax from First Rate was that you could better it for Joe Public. If there were other rates being offered in the area that were better, you would adjust your rates.

D A. That is correct, sir.

Q. We will come to the documents in a moment but would it surprise you to know that for every single day in which transactions are recorded in this case the ordinary, under £5,000 rate published

E on the fax sheet from First Rate was better for a customer than anything they could have got from Gwen Talbot at Co-op Travel without you making any adjustment at all?

A. What about Going Places and Lunn Poly, sir?

F Q. I beg your pardon?

A. Because Going Places is in Rugeley, sir, and other people.

JUDGE WOOD: The answer was, "What about Going Places", that is a travel agent, is it?

G A. Yes, sir.

Q. "And Lunn Poly".

A. Yes, I think Lunn Poly, sir.

MR JOHN: But you said in interview -- you did not mention Going Places and you did not mention

H Lunn Poly in interview, did you?

A A. If you say so, sir, no.

Q. Well, I will be told if I am wrong but one of the things you did say in interview was that you kept an eye on the Co-op rates.

B A. Yes, I kept an eye on them, sir, yes.

Q. In order to adjust not to the kind of level that you were allowing to Mr GRO but to adjust to Joe Public the published rates in a way that would mean that you would be bettering the Co-op?

C A. Yes, sir.

Q. Well, let us have a look because my suggestion is that on no single day was Co-op offering a better rate than the published rate that you got over the fax.

D JUDGE WOOD: Mr John, would you mind if I encourage you to short circuit that thinking that if it is not true it would be demonstrated in some other way? You have made the point to the witness. I rather suspect that he has not gone through the documents to establish that you are right.

E A. I have no reason to disbelieve Mr John but I am just saying that I kept an eye on everything, sir.

MR JOHN: Thank you. I am quite happy to short circuit it. That is the proposition I put. If I am in error I am sure that Mr Cooper or the jury will spot it but the suggestion I make is that if one compares the Co-op Travel schedule, which just for reference purposes is 1510, their ordinary standard rate for customers coming off the street with MPC, our master schedule, every single day that we are concerned with, the fax sheet from First Rate will show that the Post Office was already being more generous to the consumer than the Co-op were. So, I will leave that where it is and I will be taken up on it and no doubt chastised if I am wrong.

G JUDGE WOOD: The point that you want Mr Page to address is I think, Mr Page, that you are now saying that you went to other places, such as Lunn Poly and Going Places. Are you?

H A. I didn't need to go to other places, sir. They all had boards outside with the rates.

A Q. Yes. Is your evidence that you found those rates to be more favourable than the Co-op and therefore you were adjusting the rate at your bureau to be more favourable than those? Is that what you are saying?

B A. That is correct, sir, but in interview, and I stand corrected now, sir, I would have thought the Co-op as well, but I do stand corrected.

MR JOHN: Yes. Two points arise from that and then I will move on because I take entirely on board what your honour said about it. The first point is this. Insofar as Lunn Poly and Going Places C are concerned, if it turns out that you did not mention either of them as competitors against whom you were measuring your own rates, they were not mentioned in interview, are you aware of any document in existence which would back up what you say about the rates?

D A. No, sir.

Q. Secondly, if the proposition that I put to you is right, and I appreciate that we are putting that on the back burner for now, there would have been no need for you to adjust the standard rate for Joe Public at all because you would already be offering them better than the Co-op.

E A. That is correct, sir.

JUDGE WOOD: I suppose that it might be interesting to know if you thought that the best rate in town apart from your own bureau was available at Going Places or Lunn Poly, if that was your F general impression, why when you ran out of euros for the bureau did you go to the more expensive place to buy them? Do you see the point?

A. Yes, I do, sir. I went to the Co-op because I knew the lady in the Co-op.

MR JOHN: That would mean that you would be selling at a worse rate.

G A. I'd sell the rate to the public that I bought them in at, sir, yes.

Q. So, no profit at all on any basis?

A. No, sir, because you find that the Co-op usually stock more currency than anybody else. That was only - one of the reasons why as well, sir.

A Q. Following up his Honour's question, if either you ran out of euros or were running short, one of your staff needed to go down to Gwen Talbot and pick up some euros there. You do not dispute the evidence of your staff that they would be buying at – I hope I may use the phrase – the ordinary punter's rate?

B A. That is correct, sir, yes.

Q. I should not perhaps, but there we are. And you would then sell off at that very same rate?

A. The same rate, sir, yes.

C Q. Because if my proposition is right, you would then, because you had run short or you had run out, actually be selling to the public at a rate which was less good for them than your own fax would have shown?

D A. That is correct, sir, but as I said, I went to the Co-op because they had a separate bureau department like, say, Lunn Poly or Going Places but there used to be somebody permanently in the bureau at the Co-op, sir.

Q. Let us just tidy that up if we can in case there is some gloss on this. You have not suggested so far, I think, that your staff ever went to Lunn Poly or to Going Places if you ran short?

A. No, sir.

Q. And that would be right, would it?

F A. That is correct, sir.

Q. The only place that your staff went to, if you were running out, if you were low, if you had none, the only place they would go is Gwen Talbot?

A. That is correct, sir.

G Q. You have seen, Mr Page, and I am not going to take you through it again, the schedule which shows the purchases made by Mr GRO of euros from Rugeley and the deposits?

A. Yes, sir, they were gone through earlier.

H Q. Yes, and you have seen that on a number of occasions some of them plus, some of them

A minus, the amounts deposited at Thomas Cook's the day after the same day as he bought from you, sometimes the day after, were marginally less than he had bought from you?

A. Sometimes less, sir and -

B Q. Sometimes less and sometimes more, I accept that. You would accept, would you, that there were a number of opportunities for Mr [REDACTED] GRO to leave with you a very small slice of the euros that he was buying as a thank you for the rate that you were giving him? *

A. No, sir. He never did that and I wouldn't even contemplate taking anything like that, sir.

C Q. You accept that on the figures the opportunities plainly existed?

MR COOPER: That surely is a matter for the jury. That is speculation and a matter for the jury. This witness can only say what happened.

D JUDGE WOOD: I do not see that it is a question which is improper. It is a question that can be put to the witness and demonstrated if necessary. We have been in this area of the case already, have we not, Mr John?

MR JOHN: Yes. If criticism there be, it is repetition rather than the impropriety of the question?

E JUDGE WOOD: Yes, there is nothing improper about the question.

MR JOHN: And one thing that we know now, Mr Page, is that Mr [REDACTED] GRO in the course of 10 months made the best part of £1 million by the simple expedient of buying euros from you and

F going to one of a number of branches of another commercial institution, if not within hours certainly within days and you had absolutely no idea of that?

A. None at all, sir.

Q. Making the best part of £1 million in a year in this way is a fortune, is it not?

G A. I would say that it is more than a fortune, sir, yes.

Q. And all you got was a bottle or two of wine?

A. That is correct, sir.

H Q. Two more matters, Mr Page. The first is this. You accept that the arrangement you had with

A Mr [REDACTED] GRO because of the regularity and the volume of the transactions meant that he got a far better rate than anybody else ever did?

A. That is correct, sir, yes.

B Q. Very occasionally, as we will see when we examine the schedules, somebody who came in and did a euro transaction shortly after Mr [REDACTED] GRO may have got the same rate. Would it be right that sometimes you might forget to turn the money changer back to the proper rate?

A. Not back, sir, just input the other rate, sir. I may have forgot to have done, that, sir.

C Q. You are quite right. That is a better way of putting it. Would that be correct?

A. That is correct, sir.

Q. That on occasions you would do a large transaction with Mr [REDACTED] GRO, key it in at, say, 1.61; five minutes later another customer might come in for 100 euros -

A. And have that rate, sir, yes.

Q. And it would be keyed in at the same rate accidentally?

A. Because we hadn't changed it back, sir.

E Q. And later in the day somebody might pick that up?

A. That is correct, sir, yes.

Q. You were very anxious, Mr Page, were you not, to make it clear to the succession of retail line managers that you were doing a good job at Rugeley?

A. Trying to do a good job, sir, yes.

Q. And it has been emphasised through cross-examination of a number of witnesses that sales were important?

G A. To both myself and the Post Office, sir.

Q. Indeed. So far as authorised benefit to you was concerned, all you got, even if you were selling 500,000 euros was something a bit over a pound?

H A. That is correct, sir.

A Q. But no doubt you thought, as I understand your evidence, that this would be making money for the Post Office?

A. That is correct, sir, yes.

B Q. I am not going to go over the evidence of the various retail line managers, but with varying regularity you saw them, did you not? They would come to you. They would spend sometimes hours at the office. You would meet them elsewhere along with other sub-postmasters and so on?

A. Not with the sub-postmasters, sir, all the post – the branch managers.

C Q. Other branch managers?

A. That is correct, sir, yes.

Q. But Mr Geraty you saw on a number of occasions?

D A. That is correct, sir, yes.

Q. Mr Coney you saw on a number of occasions?

A. That is correct, sir, yes.

E Q. And, indeed, we have seen, I think you would agree, some fairly tough letters from Mr Coney?

A. Yes, sir.

F Q. One in particular which we dealt with weeks ago now but which was very critical of certain of your operating procedures?

A. Yes, sir.

G Q. Did you ever say to Mr Coney or to Mr Geraty or latterly to Mr Irvine, "Well, I may be falling down in all these areas but I'm making you a fortune through this one customer"? Anything like that?

A. No, sir.

H Q. Because that might have defused some of the more routine complaints, might it not?

A. It may have done, sir, yes.

A Q. It never occurred to you to say, "I've got a customer here who, over the past 10 months, has put over seven million quid through this office so I can't be all that bad"? Did it ever occur to you to say that to any of the RMOs?

B A. No, sir.

B Q. You were not very anxious for them to know, were you?

B A. That's a lie, sir. I had nothing to hide at all.

C Q. Two final matters, please. The first comes back to the £282,000 or £282,000 or foreign currency equivalent. On your account, Mr Page, if we look at the inflation schedule – you do not have to turn it up again because it is well known to us all now – that £282,000 worth of foreign currency ought to have been in the office.

D A. It should have been, sir, yes.

E Q. And it was not.

E A. That is correct, sir.

E Q. And the explanation for that was that you would have sold it through the machine and was waiting for Mr [REDACTED] GRO to pick it up.

E A. That is correct, sir.

F Q. So, if that is right, that transaction would appear on the Ford money changer till roll because you would have put it through.

F A. Yes, sir.

F Q. And it does not.

G A. Well, when I did the cash account the previous Wednesday, sir, that money was in - the sterling equivalent in euros was in the AM stock at that amount, sir.

H Q. If what you have told this jury, which to remind ourselves is very different, I suggest, from what you said when you were interviewed – your explanation is that £282,000 worth of euros had been keyed in by you to the Ford money changer as if the sale had been done.

A A. That is correct, sir.

Q. And that the money should have been there waiting for Mr. GRO to pick it up.

A. Euros would have been there, sir, on the Wednesday ready for collection.

Q. Now, what we find is this agreed by you, agreed by your expert, that the money was not there?

B A. That is correct, sir.

Q. And that that £282,000 transaction is nowhere recorded.

A. That is correct, sir.

C Q. And what is the answer to that, Mr Page?

A. I don't know, sir.

Q. Last question. You had a diary which you kept for bureau transactions, specifically, as I understand it, in relation to customers who ordered currency in advance and were due to pick it up?

D A. That is correct, sir, yes.

Q. The necessity for the diary was, tell me if I am wrong, was firstly as a reminder to you as to what rate had been agreed?

E A. A reminder that a certain person had ordered some foreign currency and pick up may be two or three days or maybe a week later, so we make sure that we order it for them when they came in.

Q. And it had the second important purpose that if, for whatever reason, such as 13 January when

F you were picking up your Audi, you were not there, the staff were due to know that the customer was due to come in for this amount.

A. That is correct, sir, yes.

Q. The size of the diary, that kind of size?

G A. Yes, sir.

Q. A4?

A. (No audible reply)

H Q. Colour?

A A. It could have been black, sir.
Q. Anything written on the front, any coloured label, "Bureau diary"?
A. I couldn't tell you, sir.

B Q. Was the last time that you were in the office before you were arrested?
A. Wednesday – Monday midday, sir.
Q. I just want to be accurate about which day of the week that would have been, which I should know.

C A. The 13th, a Monday, sir.
Q. And when you were in there on the 13th we know that the transactions were done, were they not?

D A. In the morning, sir, yes.
Q. The biggest transaction ever, if it had gone through, that you had with Mr [REDACTED] GRO 584,000 euros.
A. That is correct, sir, yes.

E Q. You dealt with that?
A. Yes, sir.
Q. Was the diary there?

F A. I would have presumed it was, sir, yes.
Q. And on the 14th we know that with a search warrant, the office was searched.
A. It was searched on the 13th, sir, in the evening.

G Q. Very well, the 13th in the evening; you are quite right. And you have never seen that diary since?
A. No, sir.
Q. Any explanation for that?

H A. No, sir.

A Q. If that diary had been recovered would it have shown beyond any doubt, Mr Page, that the rates that you were offering to Mr [REDACTED] GRO were way, way beyond that which you allow to anybody else unless there had been an error after he had come in and bought a lot and you had then sold a few to somebody else?

B A. Yes – well, I gave Mr [REDACTED] GRO preferential rates but Mr [REDACTED] GRO – we wouldn't put his information, not all his information, in the diary, I wouldn't have thought. Sometimes we did and sometimes we didn't.

C Q. On the morning of Monday 13 January that diary was there and by the evening when it was searched it was no longer there?

A. I don't know, sir. I wasn't there when it was -

D Q. And you have never seen it since?

A. I have not seen it since, sir, no. I was not allowed back into the back of the Post Office until November 2003, sir, to clear my any personal belongings that were left.

E Q. I said that was the last point. The last point, in fact, is this, because it has been pointed out to me that I should put this to you in terms, and that is this. You have told us about a conversation that you had with a police officer.

A. Yes, sir.

F Q. We went through that in some detail this morning.

A. Yes, sir.

Q. Does that officer have a name?

A. PC Bob Leigh, I think it was.

G Q. Bob Leigh. So, it was a PC, was it, not a more senior officer?

A. I can't remember, sir, but I think that Bob Leigh is now in charge at Rugeley, I think.

Q. Is he still there at Rugeley?

H A. He could well still be there, sir, yes.

A Q. I should make this clear to you before I sit down, that I suggest that you never asked any police officer whether they knew Mr [REDACTED] GRO whether there was anything known against him, whether he was somebody that you ought to be suspicious about.

B A. Yes, I did, sir. I did ask the question.

MR COOPER: Your honour, I am conscious that we have to finish at three o'clock today but I will make a start.

JUDGE WOOD: Please do, yes.

C Re-examined by MR COOPER

Q. Can I deal with one matter that was raised with you, please, Mr Page, concerning Co-op rates compared to Post Office rates and see exactly what evidence we have before the jury on that and D how my learned friend cross-examined? Could you turn to page 1509 of the jury bundle? There we see the document entitled "Co-op Travel Rugeley, euro exchange rate". Do you have it, Mr Page?

A. Yes.

Q. If we apply our attention to the second column, the last three dates in the period of time that E the Crown are concerned with, 3 January 2003, 7 January 2003, 13 January 2003, let us just conduct that exercise now as to whose rates were better and whose rates were worse. All right? That is what we are doing now. So, if we look at the rate of the Co-op on 3 January 2003, 1.4730, F do you see it?

A. Yes, sir.

Q. Let us turn now to page 259, please, of the bundle and see the Post Office rate and please G apply your attention to the euro towards the bottom: Post Office rate 1.4744. It might assist the jury in this exercise as the Crown raise it, to write, if they might, on page 1,509 opposite the Co-op's rate, 1.4730, the Post Office rate at the time which was 1.4744, and if we do the same exercise for 7 January 2003, the Co-op's rate, 1.4744 – I beg your pardon, 1.4740 – is that right, Mr Page?

H A. (No reply)

A Q. Are you following this with us, Mr Page?

A. Yes, I am sir.

Q. Is that right?

A. Yes.

B Q. 1.4740. If we turn to page 256 of the bundle and look for the euro again for the Post Office, we see the figure 1.4755. Do you see that?

A. Yes, sir.

C Q. So, it might assist just to write opposite on page 1509, 1.4755, and finally on 13 January 2003 the euro rate for the Co-op at 1.4600, let us for completeness look at page 251.

MR JOHN: That does not help you.

D MR COOPER: I know it does not – my learned friend quite -

MR JOHN: I am sorry, I should not have said it.

MR COOPER: No, I realise that it is a point to make in balance, but I make it in fairness to all parties. Page 251, the euro currency again, and in fairness we bring, through you, Mr Page, the

E jury's attention to the rate for the euro, 1.4583. Is that right?

A. Yes.

Q. Now, if we bring that all together, in two of the instances that the Crown bring to your

F attention is it right that the rate offered by the Post Office is better?

A. That is correct, sir.

Q. Thank you. There are some matters, Mr Page, that I am going to spend a little time dealing with in re-examination and I am conscious that I have five minutes this afternoon. I do not want to

G start on something that is going to start too long so let me find something that will be relatively swift. You have been asked questions and reference has been made to both bureau work that you did and retail work that you have done in the Post Office. Is that correct?

H A. That is correct, sir, yes.

A Q. Let us just remind ourselves of the differences. Bureau work, I think we understand from your questions, involve the bureau de change and currency, is that right?

A. That is correct, sir, yes.

B Q. What does retail --

A. The retail side, sir, is -- actually in the Post Office book, the public side, sir.

Q. Keep your voice up, please, Mr Page. What does retail involve?

A. The retail side, excuse me, your Honour, belongs to the postmaster and what we tend to do is

C sell confectionary, cards, gifts and items like that which go along with themselves.

Q. Bear with me. You say that the retail side of the business is whose?

A. It belongs to the postmaster, sir.

D Q. It belongs to the postmaster?

A. That is correct, sir, yes.

Q. What do you mean when you say that the retail side of the business belongs to the postmaster?

A. Any money made on that, sir, belongs to the postmaster. The postmaster has to fill the

E shelves, present the goods just as if it was owning his own corner shop.

Q. Any money made belongs to the postmaster?

A. That is correct, sir, yes.

F Q. When you were telling my learned friend -- it seems some time ago now -- about money that you were taking -- do you understand?

A. Yes, sir.

G Q. Was that from the retail side or the bureau side?

A. The retail side, sir.

Q. From the retail side. Thank you. Your money?

A. That is correct, sir.

H MR COOPER: Would that be a convenient moment, your honour?

A JUDGE WOOD: If it is convenient for you that is entirely satisfactory. Thank you very much. I remind you that you are still giving evidence and must not therefore discuss the evidence in the case with anyone. We will resume in accordance with the note that we already have, members of the

B jury. Thank you very much indeed. I will rise now. There is one thing that I will mention to the Bar, which is that we were thinking about a convenient time for legal discussion and I was going to suggest that that could be Wednesday afternoon of next week, just so that we can put that into the lawyers' diaries. The jury, of course, have that afternoon off, I think.

C MR COOPER: I need not detain the jury but might I address your honour on that timetabling?

D JUDGE WOOD: Yes, of course.

MR COOPER: Your honour might anticipate what I might have to say in terms of professional difficulties.

JUDGE WOOD: Good idea. We will let the jury go for now.

(The jury left court)

(Discussion re administrative matters and timetabling)

E (The court adjourned until 10.30 am on Wednesday, 6 July 2005)

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