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Record of Taped Interview

Record of Taped Interview Summary

Person interviewed: KHAYYAU ISHAQ (KI)

Exhibit No: SB/14

Place of Interview: TRAINING ROOM

Number of pages: 14

BRADFORD DELIVERY OFFICE

Signature of interviewer producing record

Date of Interview:

Time commenced: 12.11

Tape reference no.: 071402

Time concluded: 12.55

Duration of Interview: 44 MINUTES

Interviewing Officers: STEPHEN BRADSHAW (SB)

ANDREW WISE (AW)

Other persons present: MUSA PATEL (MP)- SOLICITOR

Tape counter times	Person speaking	TEXT
0.30		Voice identification of everyone present KI re-cautioned and reminded of legal rights. The necessary form completed and signed -Solicitor present.
1.20	SB	The reason for the delay between the 2 is you had a little conference with your Solicitor and we were checking some things out with Chesterfield. Just to go on, from what we managed to get from Chesterfield we were just, I asked them to check your account the one that's known as the late account and that's anything that's outstanding to the Post Office or when we owe you money goes onto this account and the difference you know is whether we owe you or you owe us. What they tell me is you're correct on the October one the £1065 you did settle centrally that's correct, you did settle centrally the £479.00 in

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Record of Taped Interview - Continued

Tape counter times	Person speaking	TEXT
		January, other discrepancies your outstanding one from the audit the one just over £21,000 but for the two middle ones there's no mention of them being settled centrally.
	KI	Can I explain.
2.24	SB	Oh sorry and just before we go on prior to the recommencement of tape Mr. Wise explained how a branch trading statement works for Mr. Patel's benefit ok.
	KI	Can I just explain about GRO GRO GRO but coming back to these 2 statements that you're on about where it shows 3,000 and 4,000, these were done by the Clerk and we both did them together but I think he forgot to count the cash there was a surplus of cash that was on the side which he didn't include in this balance so that's why it showed a loss of 4,000 so the cash was still there in the office and we made good cash on that one and the same I think applies to this one 'cos sometimes I did leave him to do the balance on his own you know for training purposes and it looks like you know he misses out where the cash was stored you know in different places, he probably forgot to ascertain you know the cash discrepancies so I think really the 4,000 was there in the office but he forgot to count it into this and we run the branch trading statement, we'd already ran it so we couldn't include the cash in there so then it was made good cash to be included and I think that's what happened with this one as well and then obviously the 400 when I did it again I just you know sent it to central 'cos that's what I

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Record of Taped Interview - Continued

Tape counter times	Person speaking	TEXT
		was told you know, that's what I did.
4.40		KI confirmed he is happy to continue with the interview.
7.30		It was put to KI that he had said his Clerk only helped occasionally but had now suddenly done 2 on the trot where the same mistake happened twice but KI said he had no record of whether his Clerk worked until 5.30 when these 2 balances were done.
7.55	SB	So how would I know that that Clerk was in the office doing that balance with you 'cos I find it very strange that the same mistake happened. Now, and again 'cos that's 4,211 it may well be that it was £4,000 so in effect you may well have rolled a short, a small loss over right so but then you've still got the same thing you've got £300 and you've got 3,600. I don't think you've got 3,600 just sitting on the side if you had things in bundles of 1,000 it's trying to put them all in and I just find it difficult to comprehend that that mistake happened by a Clerk who only helped you occasionally has suddenly done two things.
	KI	We do have an ATM as well that used to take 3,000 as a bundle.
	SB	Yeah but the ATM is still all part of your cash right and I accept all that but the ATM, when everything comes in 'cos it shows there on there your 3,000 cash the ATM so (indistinct) on that one and then that one that's the cash on hand carried forward so you filled it up and you've got 3,000 in I accept all that, what I'm saying is, if that's to be believed - fine that happened in one month then all of a sudden it's happened the next month but you're saying it's just on the side. If you think it's on the side where on the side 'cos if you count your cash you've got bulk cash in

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Record of Taped Interview - Continued

Tape counter times	Person speaking	TEXT
9.26	KI	your safe and you count your working cash the drawer. And we have a small safe as well for cash.
	SB	Yeah but everything will be counted wouldn't it. In your main safe we've got the bulk with all bits of paper on with the amounts.
	KI	Yeah.
	SB	What about the small safe have you got bundles of cash with amounts on?
	KI	There were usually just cash put in there to be used on the counter.
	SB	To go back to your balance right, you look in your main safe the big safe, we'll use 20's, you see the 20's and say there's 20,000. Then you go into your smaller safe and there's some £20 notes there, are they counted?
	KI	They should be counted.
	SB	No are they counted, I know what should happen?
	KI	I obviously didn't count the entire cash myself.
11.00		KI states that one of the drawers wasn't counted and it happened on 2 occasions.
11.54	AW	Before we move on from the trading statements, just to tie it up to the point of where the audit was, earlier on you suggested that the £400 from the last account there was the loss that was found, the initial £500 loss that was found at the audit but Chesterfield and you have confirmed you settled that centrally so that loss can't be the one that you said were found at the audit, do you remember saying that earlier?
	SB	What we said is, I think whether I've mislead you, I said that loss was the one for the audit and you agreed, I think that's what Andrew's saying,

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Record of Taped Interview - Continued

Tape counter times	Person speaking	TEXT
13.12	KL	<p>you agreed that that loss was the one of the audit.</p> <p>That was included in the audit I think because it wasn't, it was settled centrally the 400 and 'cos it's wrote in, 'cos I got a memorandum from him I don't know what he did but, there it says 'outstanding amount previously (indistinct) centrally is included in this amount'.</p>
	SB	<p>That's right that makes your total shortage at the branch 'cos you haven't made good the 479 by deduction from your wages, that's the total shortage, we're actually only dealing with that one, the figure on the actual day.</p>
	AW	<p>Yeah so they bring that back into the account at the audit which causes the loss again.</p>
	SB	<p>Yeah. I think the way of looking at it just to clarify the point is that one's an audit shortage on the day and one is the amount owed by you to the Post Office hence why (indistinct). Well that's fine we'll put them to bed and we'll sort them out. Right let's just go back to the balance now 'cos this is where the crux of everything is, it's all about we've got a shortage of just over £21,000 that's all about the stamps. Now the stamps come in ok and you put them in your big safe.</p>
	KL	<p>In the big safe yeah.</p>
	SB	<p>And you come to balance, we've exhausted the bit about your stamp book but we know you count them and all your other stamps are in the back aren't they? How do you know how many's in the safe?</p>
	KL	<p>We go on the previous figure.</p>
	SB	<p>Where do the figures come from?</p>
	KL	<p>It was on a sheet on paper, I mean obviously there's not a sheet of paper there now but it was there.</p>
	SB	<p>So all sheets of paper (indistinct)</p>

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Record of Taped Interview - Continued

Tape counter times	Person speaking	TEXT
15.21	KI	Back tallying yeah. Basically the stock there yeah so say there was like 10 pieces of you know stamp books there, we would put them on the sheet of paper and then when we took it out from there cross it off from there and that's how we would account for those stamps, we wouldn't physically go in and count each one you know each book.
	SB	But at some stage initially you've started off with a figure that's correct yeah so if you didn't have a stamp in the place and we used 10 sheets of first class for the example, you would then get 10 sheets in.
	KI	Yeah.
	SB	And on there you would write a piece of paper with 10.
	KI	10 yeah and then put them in the back.
	SB	Right and put them in the back. When your user sheet drops to 9 and then when you get more stamp sheets back in it will go back up to 19 and so on and backwards and forwards but in your mind if you've got 30 sheets in the safe you've got 30 sheets, your stamp book you count them individually.
	KI	Yeah they 1 penny 2 penny.
	SB	Yeah right yeah and you add them altogether and then you do your balance and the, do you check the amount of stamps you've got on hand and stamps by I mean all your stock, stamp books etc, do you check that against any print out from the Horizon? How do you get the balance how do you know what the stamps you've got is right?
	KI	We would take the figure from the back, cross reference it with the figure on the counter and we would print out the snapshot, balance snapshot.
	SB	Right so you do print out a snapshot? <i>F C.F. p.520</i>
	KI	Yeah.

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Record of Taped Interview - Continued

Tape counter times	Person speaking	TEXT
	SB	Right 'cos you said before you didn't.
	KI	No not all the time but we do print one.
	SB	When you do a balance?
	KI	Yeah.
17.17		KI said he would make an adjustment if there was a discrepancy.
18.05		KI clarified that when balancing, he relies on the figure on the sheet rather than counting all the stamp sheets. He said he never physically counted the stock and could not recall receiving any transaction corrections relating to stock.
20.50		KI was shown some snapshot figures of stock showing what is outstanding.
21.34		KI was also shown an 'adjustment to stock' print out.
22.01	SB	And what you actually had, there's the adjustment to stock and that's how much too much stock.
	KI	Was that before the audit?
	SB	That's, based on your figures what you've put in when you've been balancing, that's what that's snapshot's saying so me and Andrew come in as the auditor's done on this day. When we counted everything you would expect to find that amount of cash, any cheques and that amount of stock on the printed bit right and that's how you do your balance and that's how and all an auditors doing is doing a balance, he's doing exactly what you're supposed to do once a month and we would go

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Tape counter times	Person speaking	TEXT
	AG	<p>down and we would get your Euros travellers cheques out. We get your first class stamp, your stamp books and we will count out the number and we will compare it to a snapshot. We will also throughout the day keep asking you "is this all your cash, is this all your stamps" to make sure that what we're putting in we've got correct right. So when they've gone in and adjusted it, that's the amount of money and again that's the first one on sorry, the first one on the day and that's probably where your 17,000, 18,000 comes from. We will again double check with them.</p> <p>So on the snapshot it tells you on the printed figures what the Horizon system says you should have in that branch. The auditors have counted your stock and they've written next to the printout of how many you actually have and they then go into adjust stock and amend the figures to what you actually have on hand because that's what you're holding in the branch then that generates the report that shows the £17,000 discrepancy by adjusting the stock to what you actually have in the branch.</p>
24.06	KI	You see I wasn't shown this in the audit.
24.25		KI was informed he would not be shown this in the audit.
26.45		It was put to KI that he was 102 sheets of self adhesive second class stamps out worth £410 per sheet.
27.40	MP	I think either you've sold them and not accounted for it, that's one possibility.
	AG	If that's the case, you've sold them to the customer and not accounted

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Tape counter times	Person speaking	TEXT
29.08	MP	for it but you've had money in off the customer so your account should show money over because you've got money you can't account for. Yeah that's one possibility or somebody's nicked them without your knowledge, that's another possibility (indistinct) probably never had that in the stock.
		And I don't think they've been in the stock, I think that's been used to hide shortages in your accounts 'cos there's just too many. 102, 160, 149, 130.
		Mr Ishaq, have you got any explanation for those figures that's what Mr. Bradshaw's looking at?
	KI	I went on the figures, can I just I just went on the figures from the safe, we went on those figures, those could have been incorrectly done and you know the stamps were there and they've not been knocked off the sheet or alternatively there's another possibility where I had other employees working for me and when I was away abroad for a month, basically they closed the Post Office down and walked out. At that particular point in time they could have you know taken those.
		Right when did they close the Post Office and walk out?
		They walked out in February 2009 so I could have been carrying that from there.
		Right you could have but unfortunately for every could you could not.
		He's thinking aloud with you.
	AW	Just going back another year to July 2008 when you took over the Post Office you signed and you checked every bit of cash every bit of stock in that branch?
		I didn't sign every bit of cash and I didn't do that.
	AW	You took ownership of that branch.

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Tape counter times	Person speaking	TEXT
	KI	The auditors, I took ownership of the branch yeah I signed the piece of paper to say I'll take ownership of it, I did not physically count any stock coming in.
	SB	But you're also when you signed, what Andrew's saying to you, when you sign to take ownership, you sign to say that what's on that piece of paper is every stamp and every penny.
	KI	But there were 2 auditors there that were doing the audit.
33.30		KI could not say how many second class stamps he sells to customers but it was put to him that he should have an idea. He continued that he does have businesses that come in every week to buy sheets of stamps.
34.03	SB	Right so every week somebody buys 1 sheet right so when you get, when you get your stock in and this pouch and the (indistinct), how many stamps do you normally get in?
	KI	It depends I mean we used to get the in bulk.
	SB	I know yeah it's a stock order that comes in isn't it, a stock order comes in so how many bulk stamps?
	KI	Probably 50 sheets we would order.
	SB	Right would you order 50 sheets of second class self adhesive if you're selling 1 a week?
	KI	We ordered a lot of sheets in over Christmas because last, the year before that we ran out of second class stamps, you know people are buying like 100's, you know 40, 50, 60 at a time in that period.
	SB	They're in sheets of 100 you don't cut them down.
35.32	SB	I'll tell you what I'm trying to say is I think you've covered up losses and you disguised shortages in the branch whether you used the cash for

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Tape counter times	Person speaking	TEXT
		your own means to prop up the business or whatever, you've used that and then you've increased the stamps to cover shortfalls in that, because if it's the year before and you've sold out, to go back to what Andrew said whether it be 2008 or 2009, you've sold out at Christmas.
36.00	KI	There's different types of second class stamps not just business sheets.
	AW	Just going back to that Christmas before, if you've sold.
	KI	But what I'm saying is I was there present at the Post Office, now those women were there with me, they used to do all the balance I never even touched the balance after it was handed over to me.
36.20		KI said he had 2 women working for him who left on the 26 th February 2009 after which he informed Post Office then did a cash declaration at the end of the day when he found 'some amounts that were unaccounted for'.
37.16	SB	Ok so you've done a cash dec and it was an amount that you were unhappy with?
	KI	Yeah.
	SB	Right but you will have made that good.
	KI	Yeah.
	SB	If you can't remember I'm assuming it's below 4 figures 'cos (indistinct) thousands of people have walked out on you but it may well be over 4 figures right so that money will have been made good ok, that money will have been made good, you didn't bother checking your stock, now we move onto Christmas and Andrew will carry on.
37.43	AW	So you said earlier you didn't check them stamps from when these ladies left in 2009, what stamps did you run out at Christmas 2009?

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Tape counter times	Person speaking	TEXT
39.04	KI	Just the normal second class you know sheets that you get, sheets of now they sell adhesive 50, they used to come in sheets before.
	AW	So is it the bulk sheets that are on here?
	KI	No it's the.
	AW	50 x 2 nd class.
	KI	There 2 nd class stamp 1316 here on your balance snapshot.
	SB	Right they're the ones you ran out of?
	KI	Yeah the year before.
	SB	Oh the year before.
	KI	So then what I did was instead of giving people 100's from here is to give them business sheets you know if they're asking for 120 you just give them 100 and then the small business.
	SB	That's fine and I accept that if that's the case you know it's how you sell to keep the customer happy and move it but you ran out, you will have used your sheets up.
	KI	No we didn't run out of business sheets that's what I'm trying to say, we ran out of the normal second class stamps, we didn't run out of business sheets 'cos we normally would get in Christmas special seconds as well which are like 2 10,000 you know self adhesive stamps, 11,000, 20,000 stamps there you're talking about, you're not talking about 1, 200 stamps.
	SB	How busy is your Post Office?
	KI	It's fairly busy in Christmas.
	SB	Everybody's increases over Christmas but what we're getting at here is something like 400 sheets of stamps that are outstanding that if you're declaring them anyway you know you're selling the stamps makes no odds where you go to your stock to give to the customer their 1 st or 2 nd

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Tape counter times	Person speaking	TEXT
41.17	KI	class stamps
	KI	But what I'm saying.
	SB	You're using them. Hold on, you're using them so if you're declaring that you've got too many of these you will still show surpluses in your account 'cos you're saying you've got more stamps that add up to cash because what happens is your stamps go down by 1 and your cash goes up, but when you sell out if you're just selling stamps, when you've sold all your stamps your cash of what you did have would have been met.
	KI	But sometimes you do get unexplained losses as well in the business.
	SB	Right but no we've gone through the losses right we've gone through the losses we've accepted what you said but we tried to get to the bottom of it but we've gone through and we have to check.
	MP	I think if you just summarise what the position is I think otherwise we're going to be going round in circles. You're suggesting one thing and he's.
	SB	Just to show that's the stock on hand completed by the auditor for these amounts ok and that's what was accepted by the interim Sub-Postmasters as being correct and the interim Sub-Postmasters will check so there was only 300 when we got to the stamps, there was only 1200 1 st class stamp sheets not 1500 ok so the amount the auditors found has been accepted by another party so that's what you had in there. Right just to finish up there's a couple of other things. The 2 forms we need to fill in afterwards it's the bit about the voluntary search. We would like to have a voluntary search of your home address and any vehicles that belong to you in connection with this enquiry it's to see whether there's any stamp sheets.
	MP	I think he lives with his father anyway so.
	KI	I live with my father so.

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Tape counter times	Person speaking	TEXT
	MP	It's his property so he can't give consent because it's not his property and do you have any vehicles?
	KI	Yeah.
42.30		KI gave permission for the Officers to search the vehicle.
43.10		The interview was summarised and MP agreed it was a fair summary.
44.45	SB	I have to inform you that you may be prosecuted, you do not have to say anything but it may harm your defence if you do not mention when questioned, if you do not mention now something which you later rely on in Court, anything you do say may be given in evidence. Do you wish to say anything or clarify any further points?
	KI	No.
		Master tape seal signed on number 071402
		Interview terminated at 12.55
		Explanatory notice regarding the tapes given to KI