

Post Office Ltd

**POST OFFICE LTD- CONFIDENTIAL
Record of Taped Interview**

Record of Taped Interview Summary

Person interviewed: GRANT IAN ALLEN (GA)
Place of Interview: MEETING ROOM 1
CLIPPERS CASE
SALFORD

<p>Exhibit No: Number of pages: 10 Signature of interviewer producing record</p>
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Date of Interview: 19.4.12
Tape reference no.: 073554
Interviewing Officers: STEVEN BRADSHAW (SB)
Other persons present:

Time commenced: 11.10
Time concluded: 11.53
Duration of Interview: 43 MINUTES
ANDREW WISE (AW)

Tape counter times	Person speaking	TEXT
		Usual introductions made, caution administered and explained. Forms GS001 & GS003 completed. GA declines the presence of a Post Office friend or Solicitor.
4.40		An audit took place on the 2 nd February 2012 at Winford Post Office where GA confirmed he was the Sub-Postmaster under the name of Alco Limited who were responsible for making good losses.
5.15	SB	Ok so on the 2 nd February there was an audit, what can you tell us about?
	GA	On the audit the audit team came in and basically just before we opened, said they were doing an audit which was fine. I started obviously told us that we couldn't open etc etc etc. I then called the Senior audit the one in charge.
5.38	SB	Was that Richard, Richard Cross?
	GA	Yes into the office and explained to him that it will be short and

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Tape counter times	Person speaking	TEXT
		explained the reasons why it was short was because I had not been able to put in losses that occurred that had accrued over the last 18, 20 months.
6.10	SB	Anything else you recall happened on the day?
	GA	Well they did the audit they found it obviously the losses were there on show they weren't hidden anywhere it was blatant for them to see when they did the cash decs etc.
6.31		GA confirmed they have individual stock units. He continued they took over on the 17 th November 2009 then relocated the branch on the 6 th March 2010.
7.16	SB	So what day did you think these losses started occurring?
	GA	Between the November and the end of January which was the end of my financial year we had accrued losses of £1,400 which were made good, that is showing in my accounts with my auditor obviously with the paperwork.
	SB	Right is that November 09 to January 10?
	GA	Yes.
8.36	SB	So in March 2010 all the accounts were straight?
	GA	Yes.
	SB	Ok so what happened then from March 2010?
	GA	Well March 2010 first of all we relocated, Romec totally cocked up the relocation the rewiring of the relocation. It took approximately 4 weeks for Post Office, Romec etc to rectify the problem. Throughout those 3, 4 weeks we were running at about 50 efficiency going up slowly where only half the systems are working when they wired it all in wrong and within those 3 weeks we had already suddenly accrued just under

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10.46	SB GA	<p>£3,000 of losses. Now my thing was well originally was well ok fine keep that to one side I'm not going to put it in because it may be where the system's cocked up and things haven't gone through etc etc etc because there was basically nothing going back to Post Office head office, it wasn't communicating because it wasn't wired in properly. We had our pay station disconnected turned off because if that isn't, on the old scanning bar codes, if that wasn't done and you were about 4, 5 days late scanning and putting the money in obviously to the Post Office it showed up but we did it exactly as soon as the print out came off it was scanned and put in but because there was nothing transferring at all we had customers coming in complaining that people had said they hadn't paid bills etc etc because everything was storing in the branch and not transferring up to the main frame because of this rewiring problem so of course initially my thing was ok the 3,000 it's going to be in there somewhere it's going to come back we're going to have an error correction notice you know something's happened something's this that the other, it didn't but at the same time obviously after having the relocation and paying out nearly 100,000 for the relocation and all the new, you know basically.</p> <p>The refit?</p> <p>The whole thing yeah it was a shell when we moved in there, I didn't have money to put in for that in the meantime to be able to do it and so my thing was well leave it there and hopefully you will get you know error correction notice or something's going to come back to us to you know someone's going to see something somewhere, we couldn't find it anywhere and with the system not communication. Then fine it did communicate all went up right ok, well ok now it's all gone up we may find something coming back. We couldn't find anything anywhere we'd</p>

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		<p>written the place apart. We then continually had small losses, nothing major. I think we had a couple of £500 ones which the staff the members of staff could not, didn't have a clue where it had gone couldn't say what happened. Printing off everything trying to see if they had done pay out twice if they hadn't cashed off something after someone's come and drawn their money out on their card account. If they hadn't cashed it off the next customer comes along puts the card in and does it they aren't paying attention and they've had it because we had it done, we did have that done where I know about one of the staff said "oh I paid that woman too much money". Lucky enough she knew the woman and went round her house and said "I paid you too much money you should have had this much, the rest of it was from the previous customer" so with that happening once, the chances are it's happened more than once.</p>
12.24	SB	Right but that's human error isn't it?
	GA	Yeah.
12.31	SB	With you being on an individual stock unit you would be able to identify which clerk is having the losses?
	GA	Yeah.
12.45		<p>GA said he did speak to his clerks about the errors and checked the CCTV. He said one Clerk was £500 out and no transaction of that amount was done. He said they were never over and the losses therefore built up. By the end of the first year he said he knew he could not put the losses in or even pay the rent.</p>
16.25		<p>GA said the staff were not responsible for their losses as it was not in their contract.</p>

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Tape counter times	Person speaking	TEXT
17.00		GA said they balanced weekly. He said John or Karen would do the final balance. They all balanced their stocks on a Wednesday night.
20.37	SB	So just to go back to the beginning, you mentioned to the auditor that it would be about £10,000 short?
	GA	Yeah.
	SB	Why would it be £10,000 short how did you know it was going to be £10,000 short?
	GA	Because what I would do is transfer any losses from their stocks, it would normally transfer to the one stock so it be over to John's or Karen's, the following day I would either give them the cash to put in from my stock to do that and take the loss on my stock that's why it was my stock was the one, if that's what you're getting to that's why it was my stock, the loss was all on my stock.
21.36		GA said his stock unit was K but he could not recall the staff's stock units.
23.32	SB	When it come to declaring your cash on a daily basis?
	GA	Yeah.
	SB	What did you do about your case?
	GA	There was a line on the bottom on the used notes.
	SB	Unusable notes?
	GA	Unusable notes unusable coins that's where I would keep that figure.
24.04	SB	So each time you done that do you know you were falsifying documents that's actually a criminal offence.
	GA	Fucking hell.

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Tape counter times	Person speaking	TEXT
	SB	Do you know that?
	GA	No.
24.25		GA states he believed it was a breach of contract.
24.36		GA said John would print off the branch trading statement. GA did not sign it.
31.25		GA said he is happy for the officers to check his bank accounts and his and his wife's personal accounts. He said they have only ever taken £589.00 a month each out of the business. He continued that his wife then decided to leave and return to her Mum's in GRO . They sold a cottage they were renting and for the last 6 months he lived in an office in the back of the shop strip washing and only seeing his wife at the weekend, all to make ends meet. He said he was screaming at the Post Office telling them he could not afford to pay the rent and sent accounts and facts and figures regarding wages etc to try and get them to look at it all. GA admits he did not contact anybody about his losses.
38.28	SB	I have to ask you have you stolen this money?
	GA	No.
	SB	Have you used in your own mind borrowed the money because what you've sort of said is?
	GA	No.
	SB	That you've got financial difficulties because of everything that.
39.00	GA	One thing I've always done yeah one thing I've always known is because before this job I was an Area Manager for Costcutter and a Business Development Manager for Bookers we dealt with a lot of Post Office, people with Sub-Post Office and then the role I had I was looking after

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Tape counter times	Person speaking	TEXT
		<p>clients and some of them had been done or were being done and I had to go and close their accounts and everything 'cos their credit accounts with us so I'm in there trying to get the money that they owed us knowing that they're going to lose the business because they were caught or being suspended etc so I know one thing, you don't nick from the Post Office full stop so I can safely say hand on heart and that's why I'm quite happy for anybody to go and see my personal bank accounts, business bank accounts, business accounts because I've been paying myself 589 a month. We have no money anywhere and simple as that I've lost everything. I lost an inheritance from my GRO the sale of my house all went into this business and one big thing and that's why I'm behind with the rent, I was behind with the council tax, er with the business rates. If I was nicking money to keep that happy it would have been, needed to be a damn site more than that, that is just purely because I didn't have the money coming in to do it from the losses and when you get to that far when you've got a business you're struggling you're trying to pay things and you've got these little bits, piles on top of each other. I was trying to struggle my way out of it and fight my way out of it basically, get the business working because I piled everything, everything I fucking owned has been piled, excuse my language, has been piled into that business. I've left with nothing. I'm back at my mother-in-law's house with my wife.</p>
40.20	SB	Right so what you're saying to us is all these losses are all down to?
	GA	Yeah it's just losses that couldn't be put back in. Like I said that 5,000 where you said originally, you originally had about £5,000 was the relocation costs of moving the lottery, Romec and all that stuff of relocating the premises to from 24 Dingle Walk to 19A Dingle Walk.
40.54	SB	Right so on the day of the audit Richard the auditor he took a, he made

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Tape counter times	Person speaking	TEXT
		a what's known as a record of conversation between yourself?
	GA	Yeah.
	SB	And this is RC1. I began an audit at the branch, while I was printing the reports the Postmaster, Franchisee Mr. Grant Allen took me to a separate room. He told me that his stock would be over £10,000 short. He said he had been unable to make good losses and was adjusting the cash on hand figures to hide the shortage. He went on to say that he had asked for an (indistinct) from Post Office Limited as (indistinct) to pay for the rent of the rent of the shop. The actual loss of the branch on the day is £13,076.25 and Mr. Allen declined to sign this record of conversation, is that correct?
41.37	GA	I think it was because of the wording he said. It was the wording that he said it to, you know you don't have to and of course my immediate thing is hang on a minute if I'm having this and this whoa until I've spoken to someone that is the reason why I was declined.
41.54	SB	But is that a true and accurate record?
	GA	Yeah pretty much of the conversation we had yeah like I said to you at the beginning it's enticing with what I said to you at the beginning that I pulled him to one side.
42.02	SB	And again on the next one RC2 which is the actual audit report what he does on the day. On that day the cash figures was £12,967.80p short. There was a difference in the stock figures of £55.26, a slight surplus in your postage of £1.65, an outstanding transaction correction not processed for £90, there was a £54.84 discrepancy per the balance snapshot.
	GA	Right.
	SB	Sort of thing and there was outstanding debt previous settled centrally of £4,645.24, what was that debt?

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	GA	That's the one the £4,654 was the relocation costs.
	SB	For Romec.
	GA	For Romec, lottery and all of that lot.
43.25		GA again detailed problems he had with Romec which resulted in him losing customers.
43.54	SB	And the £12,960.80 cash that's the accumulation of all of the losses?
	GA	I believe there was, 'cos it was just at the end of the current month wasn't it?
	SB	Yeah.
	GA	It was the day after it was on the Thursday wasn't it yeah John had a £1,400 of that £12,600 and 900 and whatever of it was. I think it was about £1,400 of it was that current month's losses so I think if you look down at the breakdown, have you got the breakdown of stock figures....if you look at the breakdown of figures that will be on there that was for that current month's 'cos obviously we hadn't finished rolling over into the next thing or anything so that's why when I said to the auditor it was about this amount.
44.55		Master tape seal signed on number 073554 Interview terminated at 11.53