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**From:** Parsons, Andrew [GRO]  
**Sent:** Mon 09/03/2015 4:07:23 PM (UTC)  
**To:** Rodric Williams [GRO]; Mark Underwood [GRO]  
**Cc:** Belinda Crowe [GRO]; Patrick Bourke [GRO]; Tom Wechsler [GRO]  
**Subject:** RE: Mediation Scheme Report [BD-4A.FID26231777]

Rodric (and everyone else by copy)

On the remote access point mentioned below, Simon is referring to this extract in the Scheme Report:

"There is no functionality in Horizon for the Post Office or Fujitsu (suppliers of Horizon) to edit, manipulate or remove transaction data once it has been recorded in a branch's accounts. The Post Office can only post additional, correcting transactions to a branch's accounts but only in ways that are visible to postmasters e.g. transaction corrections (TC) and transaction acknowledgements (TA). It is also possible for Fujitsu to view branch data in order to provide support and conduct maintenance but this does not allow access to any functionality that could be used to edit recorded transaction data. Having reviewed all the cases, no-one (including all the Applicants and Second Sight) has been able to identify a specific transaction that did not originate in branch."

The Deloitte Report, cited by Simon below, describes the Balancing Transaction process. Based on our previous discussions with FJ, the BT process allows FJ to inject new transactions into a branch's accounts but does not allow transaction data to be edited or removed. The above extract is therefore accurate but arguably incomplete.

If we wanted to make the extract complete, we would need to add something like:

"It is also possible for Fujitsu to view branch data in order to provide support and conduct maintenance but this does not allow access to any functionality that could be used to edit recorded transaction data. There is a process for Fujitsu (not Post Office) to input a new transaction into a branch's accounts however this process is incredibly rare as nearly all accounting errors can be corrected using TCs and TAs."

Previously, we have adopted the position of not mentioning the BT process because it is so rare that it is immaterial. However, this is the process referred to in the Gareth Jenkins witness statement I circulated last week (on M056 – Wylie). This issue may therefore come to the fore once SS have seen the Jenkins statement.

On balance, my view would be to stick with the current approach and not include the additional language in the Scheme Report. If this topic comes up in M056, then we address it on the individual circumstances of that case.

All thoughts welcomed.

Kind regards  
Andy

**Andrew Parsons**  
Managing Associate



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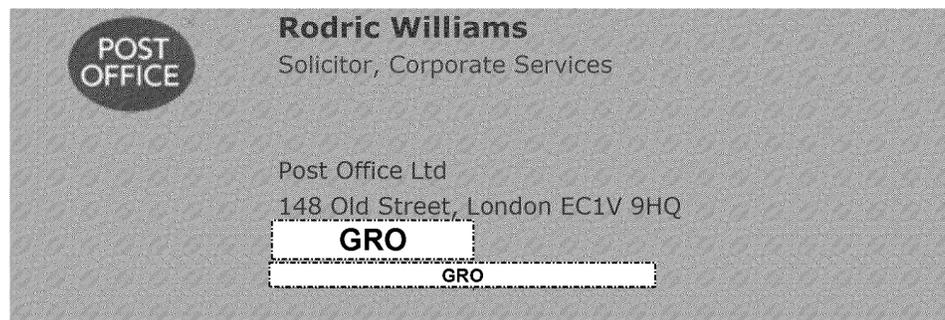
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**From:** Rodric Williams [REDACTED] GRO  
**Sent:** 09 March 2015 12:37  
**To:** Parsons, Andrew  
**Subject:** FW: Mediation Scheme Report

Pls see below re: remote access.

Can we please discuss when you get a moment?



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**From:** Martin Smith [REDACTED] GRO  
**Sent:** 09 March 2015 12:12  
**To:** Rodric Williams  
**Subject:** RE: Mediation Scheme Report

Rodric,

This paragraph was simply explaining that a loss in branch together with evidence of falsification of figures will often be sufficient evidence upon which to base a charge of theft.

If the paragraph is to be redrafted to state the ingredients of theft, the message may well be lost. The fact that a sub-postmaster may have falsified the accounts is not a necessary ingredient of the offence of theft. It clearly adds to the strength of the evidence and that of course assists a case to pass the evidential test set out in the Code for Crown Prosecutors.

The paragraph might well be rephrased;

“The Code for Crown Prosecutors requires prosecutors to consider in any individual case whether there is sufficient evidence and if so, whether a prosecution is in the public interest. In cases where an audit discloses a loss in circumstances where there is evidence of false accounting, this will often be regarded as sufficient evidence upon which to base a charge of theft.”

May I also take this opportunity to mention a point which Simon Clarke has raised. He has noted that the End of Term Report contains the following proposition:

"There is no functionality in Horizon for the Post Office or Fujitsu (suppliers of Horizon) to edit, manipulate or remove transaction data once it has been recorded in a branch's accounts. The Post Office can only post additional, correcting transactions to a branch's accounts but only in ways that are visible to postmasters e.g. transaction corrections (TC) and transaction

acknowledgements (TA). It is also possible for Fujitsu to view branch data in order to provide support and conduct maintenance but this does not allow access to any functionality that could be used to edit recorded transaction data."(see Annex J, point 2).

He has also commented that the Deloitte report includes a comment to the effect that they have observed (in their desk-top audit) "a method for posting Balancing Transactions.....which allows for posting of additional transactions centrally without the requirement for these transactions to be accepted by SPMR's...." and later, "....controls that detect when an person with authorised privileged access used such access to send a 'fake' basket into the digital signing process could not be evidenced to exist."

Accordingly we are concerned that should the Deloitte report subsequently be disclosed people may be able to compare both documents and argue that they are inconsistent.

Kind regards,

Martin.  
Martin Smith



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**From:** Rodric Williams [GRO]  
**Sent:** 09 March 2015 11:21  
**To:** Martin Smith  
**Cc:** Mark Underwood1  
**Subject:** Mediation Scheme Report

Martin – thanks again for your assistance over the weekend.

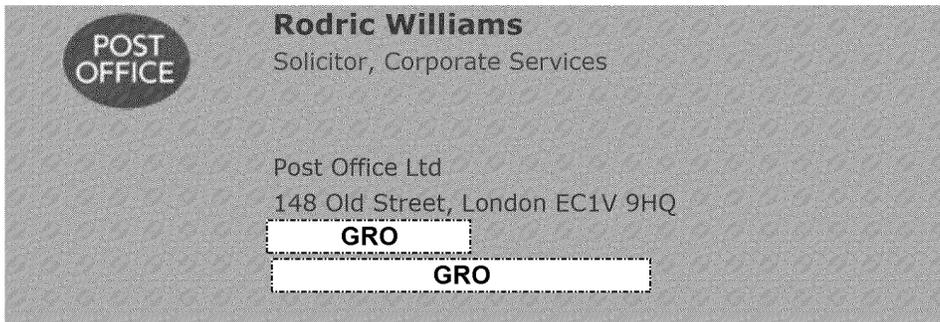
Our GC Jane MacLeod has come back with a comment on one of the amendments we made:

- Where an audit discloses a loss in circumstances where there is evidence of false accounting, the fact of the loss together with the false entries will often be sufficient evidence upon which to

base a charge of theft. Simply put, the fact that money is missing and the defendant has adjusted the figures is sufficient evidence (in accordance with the Code for Crown Prosecutors) to form the basis of a theft charge; [MU1]

I understand that the Code is not a prescriptive formula but a set of guidelines, but could you suggest a way to amend the paragraph to address Jane's comments?

Kind regards, Rodric




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JM

I would be tempted to reverse the wording to make it stronger and say (if true) that 'In accordance with the Code for Crown Prosecutors, the charge of theft requires evidence of [fact of money missing and defendant adjusting the figures] ....

Question for CK – is this true?

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