POL00105185

000001

Witness Statement

Royal Mail Group

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section, 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of

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

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 24 day of June 2011

Signature

I started working at Post Office in 2009 in the shop. In August 2010 I started working in the Post Office. For the first week I observed the sub postmaster and after that I started to work on the counter. I was trained by the sub postmaster only on the transactions. I had no other responsibilities other than serving customers. I worked in the Post Office Monday to Friday and my hours were 9 am to 5.30 pm and I did not take a lunch hour. The postmaster picked me up each morning at 6.30 am and we both opened up the shop. The postmaster opened up the Post Office and he got out the cash and stock. I always worked in counter position one and the postmaster gave me the money to use on the counter. I had my own log on and password for the computer and this was set up by the postmaster. I changed my password whenever I was prompted and I then told the postmaster what my new password was because I thought that is what I had to do. I was never told the postmasters password and never asked for it. The postmaster completed the daily reports and sent them off and he also declared the cash each day. I helped the postmaster with the balance on only 2 or 3 occasions. It was the postmaster who completed the weekly balance. I helped to count

Signature Signature witnessed by

GS011 (Side A)

POL00105185

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section, 5A(3)(a) and 5B; criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of

the coin and the stamp book. The postmaster counted what was in the safe. I was never present when the postmaster reached a balance figure. I have never seen or been made aware of any discrepancy. I have asked the day after the balance if everything was okay and the postmaster always said it was fine. The postmaster never said to me that we had forgotten to count any of the money. I have been shown a branch trading statement for period TP06 (SB/7). I have not seen this branch trading statement and I don't know anything about the discrepancy of £1065.56. I have been shown a branch trading statement for period TP07 (SB/8). I have not seen this branch trading statement and I don't know anything about the discrepancy of £4211.21. I have been shown a branch trading statement for period TP08 (SB/9). I have not seen this branch trading statement and I don't know anything about the discrepancy of £3658.13. I have been shown a branch trading statement for period TP09 (SB/10). I have not seen this branch trading statement and I don't know anything about the discrepancy of £479.48. The postmaster took in the cash deliveries to the office and I have seen him count it before putting g it into the safe. He counted all the large bundles of notes and then the individual notes. I have asked the postmaster why he counted it all and he said that if it is wrong then it is down to him. As far as I can recall he did the same with the stock. I have no idea why the discrepancy happened.

Signature

Signature witnessed by

POL00105185

000003

Witness Statement

Post Office Ltd

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of

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

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 8th day of May 2012

Signature

I have been employed by Post Office Ltd for 26 years. My current role is Network Field Support Advisor which I have held since September 1986 and my duties include auditing Post Office branches. The purpose of this role is to verify the assets held at a Post Office branch are correct and the transactions are performed to the required specification to ensure the security of the Post Office, its customers and its clients and report the result of the audit.

On Wednesday 8th February 2011 I arrived at approximately 11:40 to assist my colleague Dennis WATSON to complete a full cash and stock audit at Post Office branch

The audit revealed major discrepancies in the stock of the 100 x first and second class stamps self adhesive sheets and the 50 x first and second class stamps self adhesive sheets.

I contacted the remittance team at P&BA Chesterfield and spoke to Julie CRAMPTON and

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POL00105185

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of

asked if she would check to see that the stamps had been remitted into the branch correctly.

After checking, Julie CRAMPTON explained that a number of sales reversals had been made for large sheets of stamps at the branch.

The audit identified overall deficit in the accounts of £21,168.64

Signature

Signature witnessed by

000050

Witness Statement

Post Office Ltd

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of

Age if under 18 Over 18 (If over 18 insert 'over 18') Occupation: Network Field Support Advisor

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 25th day of February 2013

Signature

Further to my statement dated 8 May 2012.

Prior to any audit commencing a number of Horizon print outs are obtained from the Horizon system.

After these reports are printed the actual cash and stock on hand is compared to the cash and stock shown on the Office snapshot as per exhibit SB/3.

When I arrived at approximately 11:40 am to assist Dennis WATSON the auditor present on site, Mr WATSON explained that a large discrepancy had been found in the 1st class self adhesive stamp sheets and the 2nd class self adhesive stamp sheets. Mr WATSON said to me that he had spoken to Mr [redacted] about this discrepancy and Mr [redacted] had said that he knew nothing about this discrepancy. I cannot recall if Mr WATSON or I asked him to produce the remittance advice notes for stock received. Mr [redacted] handed over a bundle of advice notes for stock received in the office during the previous weeks. These advice notes were checked and did not show the volume of stamps according to the horizon system had been received.

Signature Signature witnessed by

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of

I then telephoned Chesterfield and spoke to a person whose name I cannot recall but dealt with stock remittances including remittances received by a Post Office. I explained what we where looking for and gave her the Post Office details and she said she would get back to me.

I received a telephone call back and she said that there had been some stock adjustments made and gave me dates when these adjustments had been made.

I then asked Mr [redacted] had he any idea why these stock adjustments had been made. I seem to recall that he asked me for dates and I gave him a date, he relied that he was not in the Post Office but had a relief working for him. I can't recall which date I gave him.

I said to him that it was good because we could check the Horizon data for the User name of his relief. He then said that the relief had used his (Mr [redacted]s) User Name and password, I then asked for the relief's name, he replied that he did not know his full name or contact number. He knew him as Mohammed and he had got the relief's name from a friend.

Mr WATSON then telephoned the Contacts Manager to update him on the situation.

Prior to the telephone call to Chesterfield I double checked the stock of the 1st and 2nd class adhesive stamp sheets to confirm the findings of Mr WATSON. I can confirm that Mr WATSON's findings were correct.

I have been shown SB/3 the office snapshot and when I double checked Mr

Signature

Signature witnessed by

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of

WATSON's findings I would have checked the volumes against the stock on hand as per SB/6.

I can say as an auditor that when I check the stock for example on SB/3 I would be looking for 395 sheets of 2nd class x 100 self adhesive stamps and 274 sheets of 1st class x 100 self adhesive stamps. Also 277 sheets of 2nd class large stamps and 221 of 1st class large stamps.

If the amount of stock on hand differs to the amount of stock on the Horizon office snapshot print out, the difference in the volumes has to be sold to make the stock volumes correct, this action would then increase the cash on hand required to balance.

If these self adhesive sheets of stamps had been present in the Pot Office I would have expected to find a large surplus of cash.

After the audit was completed as the Post Office was to transfer to an interim sub postmaster, the cash and stock would remain in the safe(s). The Lead Auditor Mr WATSON would secure all the cash and stock, change alarm codes and retains all Post Office keys awaiting further instructions regarding the transfer of the Post Office.

I have seen exhibits SB/3 to SB/10 I can confirm that I have seen the Horizon print outs on the day of the audit with the exception of SB/5 as this is the Final Balance print out on the day of the transfer 11 February 2011 when I was not present. SB/6 is the stock on hand auditor's sheet used for recording actual stock on hand at the Post Office.

I can also confirm that the Horizon print outs including auditors cash sheets would be

Signature | Signature witnessed by

POL00105185

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of

sent to the Post Office Security Team.

Signature

Signature witnessed by

000009

Witness Statement

Post Office Ltd

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of Stephen Bradshaw

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

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 4th day of April 2012

Signature

The Royal Mail Group (formally known as the Post Office and Consignia) has employed me since January 1978. Post Office Ltd employ me as a Fraud Investigator and my duties include the investigation of crimes committed against Post Office Ltd by its staff and its agents employees and I have held this position for 12 years.

On 22nd February 2011 I received an enquiry concerning a discrepancy in the accounts at Post Office branch

An audit undertaken on Tuesday 8th February 2011 identified a shortage of £21648.12 in the accounts of Post office. An audit report (DW/1) has been complied and I can confirm that a number of Horizon print outs were passed to me by Dennis Watson Field Support Advisor who conducted the audit.

On Thursday 7th April 2011 Mr was interviewed at : Delivery Office Ripley

The interview was tape-recorded and conducted in accordance with PACE and a note book entry of the interview was made (Identifying Mark SB/11). The interview commenced at 11.11 and was concluded at 12.55. Mr requested Legal Representation and signed form GS001 (Identifying Mark SB/1). Mr solicitor attended and was present throughout the interview. Mr declined the offer of having a Post Office friend be present at the interview and form GS003 was signed. Also present throughout the interview was Mr Andrew Wise, Fraud Investigator.

The interview covered two tapes that had the unique reference numbers 070842 (Identifying Mark

Signature Signature witnessed by

POL00105185

Witness Statement

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

Continuation of statement of Stephen BRADSHAW

SB/12) and 070843 (Identifying Mark SB/13) were signed and sealed in the presence of Mr and Mr . A transcript of the tapes has been prepared (Identifying Marks SB/14 and SB/15).

I now formally produce all exhibits with the identifying marks SB1, SB/3 to SB/15.

A description of the individual documents are as follows:

SB/1	Form GS001 – Legal Rights
SB/3	Horizon Balance snap shot print out – Dated 8 February 2011 at 08:50 showing the amount of cash and stock with a discrepancy of £2569.19.
SB/4	Horizon print out showing adjustments made to the stock on hand.
SB/5	Horizon final balance print out dated 11 February 2011 at 11:38 showing a discrepancy of £21213.79.
SB/6	Stock on hand sheet used by the auditor to record the amount of stock on hand.
SB/7	Branch Trading statement for TP06 – 15/09/10 to 13/10/10.
SB/8	Branch Trading statement for TP07 – 13/10/10 to 17/11/10.
SB/9	Branch Trading statement for TP08 – 17/11/10 to 15/12/10.
SB/10	Branch Trading statement for TP09 – 15/12/10 to 12/01/11.
SB/11	Notebook entry of Interview
SB/12	Master tape seal 070842
SB/13	Master tape seal 070843
SB/14	Tape Transcript of Master Tape 070842
SB/15	Tape Transcript of Master Tape 070843

I was present with Kevin RYAN on Tuesday 27th September 2011 when the sub postmaster of Post Office branch was again interviewed at Delivery Office Ripley .

Mr requested Legal Representation and Mr (Solicitor) attended on his behalf. Mr signed form GS001 (Identifying Mark SB/16). Mr declined to have

Signature Signature witnessed by

POL00105185

Witness Statement

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

Continuation of statement of Stephen BRADSHAW

a Post Office friend present during the interview and signed form GS003 (Royal Mail Employees Rights to a Friend at an Interview or Search).

The interview was tape-recorded and commenced at 11:10 hours and concluded at 11.33 hours. The interview which covered one tape was given the unique reference number 071404, the master tape seal was signed by Mr and the tape sealed in the presence of Mr .

I formally produce the following documents

SB/18	Master tape seal 071404
SB/19	Tape Transcript of Master Tape 071404
SB/20	Notebook entry of Interview

Signature Signature witnessed by

POL00105185

Witness Statement

Post Office Ltd

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of	Stephen BRADSHAW	
Age if under 18	Over 18	(If over 18 insert 'over 18')

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 18th day of June 2012

Signature

Further to my statement dated 4 April 2012.

All Post Office Branches use a fully automated computerised accounting system known as Horizon and each counter position has a computer terminal, a visual display unit, keyboard, barcode scanner, printer and a pin pad.

Each Post Office is recognised by a unique code under which all their individual transactions are recorded. The code for [redacted] Post Office is 163 306. This system records all transactions input by a counter clerk working at a counter position against their individual office code. All clerks are required to log onto this system using their own User ID and unique password. This User ID can then identify which clerk conducted a particular transaction. The User ID is normally the first letter of their Christian name and the first two letters of their surname followed by 001. For example John Smith will be User ID JSM001. The system records all transactions carried out by the staff at a Post Office branch. For example: when a clerk sells a book of stamps the stock is reduced by one book of stamps

Signature Signature witnessed by

POL00105185

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

and the cash is increased by the value of the stamps. The system records all transactional data inputted by a counter clerk during an accounting period and provides daily and weekly records enabling sub postmasters and counter clerks to produce a balance of cash and stock on hand.

A balance is a reconciliation of cash and stock levels on hand in a stock unit or in a branch at the end of a Trading Period (TP) with receipt and payment transaction totals for the same period. The TP is the amount of time between balances for the stock unit or branch. The period of time which a branch account covers is normally the start of business on a Thursday morning to close of business the following Wednesday evening, this is known as a Balance Period (BP) and a TP will cover a number of BP's (normally four or five in total) There are twelve Branch Trading Periods in a year, running form April through to March and are identified by a number, for example BP1. Each Branch Trading Period follows a cycle of 5 weeks, 4 weeks and 4 weeks.

All Post Office branches are required to balance and complete a Branch Trading Statement at the end of each Branch Trading Period. The Branch Trading Statement is a signed declaration of the cash and stock held at the branch at the end of the Trading Period. The Branch Trading Statement is also a summary of the volume and value of the receipt and payment transactions, which have been carried out in the branch during the period ob behalf

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

of Post Office Ltd and its clients. It is a legal document that must be signed, kept in the branch and produced on request for audit purposes.

All Post Office branches on a weekly basis will generally transfer the cash and stock from one Balancing Period to the next Balancing Period. However this is not compulsory and the cash and stock may be transferred at the end of Branch Trading Period (after the four or five week cycle) into the next Branching Trading Period.

Before you can produce a stock unit balance, there are certain activities that must be completed. The Horizon system will identify which activities are outstanding and will prevent you from completing the stock unit balance until they are completed. There are some differences between the activities that are necessary for an individual stock balance and those involving a shared stock unit balance.

A description of a balance is as follows:

During each BP – the branch will:

- Produce counter daily summaries and reconcile the associated documents with the summary.
- Produce counter weekly summaries and reconcile the associated documents with the summary.
- Check the suspense account (Uncharged Receipts / Unclaimed payments) to ensure that the correct values are carried forward.
- Enter any non-accounting data (transaction information that would not otherwise appear)
- All stock units will then be rolled over into the next balancing period.
- At the end of the four or five week balancing period a trading statement is produced.
- The trading statement shows the current position and the account activity in the Post

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

Office branch since the last trading statement was produced.

A shared stock unit was used at [redacted] Post Office branch. A shared stock unit is when more than one individual is attached to the stock unit and they all have access to the cash and stock in order to serve customers.

Description of a Balancing a Shared Stock Unit.

If the Post Office branch uses a shared stock unit they must make separate declarations for postage for each individual till, if there is postage in each till.

- Count and declare the volume of stock and the value of stamps on hand by denomination.
- Count and declare the breakdown of cash on hand.
- Log off all users except the user who will complete the balance.
- Touch the Discrepancies icon to display any discrepancies in the stock unit.
- If there are any discrepancies, check the declarations against the physical stock or cash to ensure that the declarations are correct.
- Produce the trial balance report.
- Check the trail balance report against vouchers and stock, as appropriate to ensure correct values are reported.
- Correct any transactions if necessary.
  - reversing a transaction.
  - entering a new transaction
  - reversing an incorrect transaction and entering a correct transaction.
- Produce a Stock Unit Balance report and select next BP or next TP option roll the stock unit into the next balance or Branch Trading Period.
- Date stamp and sign the Stock Unit Report and keep in the branch for two years.

It is a mandatory requirement to make daily accurate cash declaration on the horizon system.

Section 12 of the sub postmaster's contract deals with the Responsibility for Post Office Stock and Cash.

Sub section 12 and 13 of this contract deal with Losses.

Signature Signature witnessed by

POL00105185

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section, 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

12. The sub postmaster is responsible for all losses caused through his own negligence, carelessness or error and also for losses of all kinds caused by his assistants. Deficiencies due to such losses must be made good without delay.

13. The financial responsibility of the Sub postmaster does not cease when he relinquishes his appointment and he will be required to make good any losses incurred during his term of office which may subsequently come to light.

Sub section 14 of this contract deals with Gains.

14. Surpluses may be withdrawn provided that any subsequent charge up to the amount withdrawn is made good immediately.

I now produce Section 12 of the sub postmaster's contract as SB/22

Signature

Signature witnessed by

POL00105185

000017

Witness Statement

Post Office Ltd

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of	Stephen BRADSHAW	
Age if under 18	Over 18	(If over 18 insert 'over 18')

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 19th day of June 2012

Signature

Further to my statements dated 4 April 2012 and 18th June 2012.

A more detailed explanation of exhibit SB/21 summary of Stock sold / reversed out of the Horizon system for the period of November 2010 to January 2011 is as follows:

<u>50 X 1st Class Large Stamps</u>.

On 8 November 2010 stamps with a value of £132 were sold and on 25 January 2011 stamps with a value of £33 were sold making a total of £165 worth of stamps sold.

On 24 November 2010 stamps with a value of £990 and on 13 January 2011 stamps with a value of £3,300 were reversed out of the Horizon system making a total value of £4,290. The difference between stamps sold and stamps reversed out of the system is £4,125. This action of reversing out more stamps than have been sold would result in a surplus of cash in Post office accounts of £4125.

<u>50 x 2nd Class Large Stamps</u>

On 3 November 2010 stamps with a value of £25.50 were sold and on 9 December 2010

Signature Signature witnessed by

000018

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section, 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

stamps with a value of £510 were sold making a total of £535.50 worth of stamps sold. On 24 November 2010 stamps with a value of £765 and on 15 December 2010 stamps with a value of £3,315 were reversed out of the Horizon system making a total value of £4,080. The difference between stamps sold and stamps reversed out of the system is £3,544.50. This action of reversing out more stamps than have been sold would result in a surplus of cash in Post Office accounts of £3,544.50.

Self Adhesive Sheet 1st Class x 100

Between the period of 2 November 2010 to 31 January 2011 stamps with a value of £1271 were sold. During the same period stamps with a value of £6068 were reversed out of the horizon system. The difference between stamps sold and stamps reversed out of the system is £4,797. This action of reversing out more stamps than have been sold would result in a surplus of cash in Post Office accounts of £4,797

Self Adhesive Sheet 2nd Class x 100

Between the period of 2 November 2010 to 31 January 2011 stamps with a value of £864 were sold. During the same period stamps with a value of £3200 were reversed out of the horizon system. The difference between stamps sold and stamps reversed out of the system is £4,797. This action of reversing out more stamps than have been sold would result in a surplus of cash in Post Office accounts of £2336.00.

For this period of 02 November 2010 to 31 January 2011 sales of stamps amounted to

Signature Signature witnessed by

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

£2835.50 and the value of reversed stamps out of the Horizon system was £17638 resulting in a cash surplus at Post Office of £14,802.50.

By reversing out stamps you are putting the stamps back into the stock holdings and therefore increasing the number of stamps held at the branch, with the increased stock levels the amount of cash required to balance the branch would reduce by the same value. For example increasing the stamp holdings by £14,802.50 the amount of cash required to balance the accounts would reduce by £14,802.50.

During any audit if a discrepancy is found within the postage stamps, the auditor has to sell the stamps rather than adjust the number of stamps held. For example, the Post Office declares they have 20 stamps at 60p but the audit reveals there are only 10 at 60p, the auditor would sell 10 stamps at 60p (£6) and the postmaster would have to put £6 cash into the accounts. The auditor sells these stamps instead of decreasing from 20 to 10 as this is the correct accounting procedure.

Although SB/4 is referred to as adjustments to stock, it is the amount of stamps that had to be sold through the Horizon system in order to correct the levels of stock held.

The selling and reversing of stamps on SB/21 would create a substantial surplus of cash in Post Office accounts and there has been no surplus cash declared on any of the Branch Trading Statements SB/7 to SB/10.

During the period of 02 November 2010 to 31 January 2011 (SB/21), covering first and

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

second class large stamps and first and second class self adhesive stamps, stamps have been reversed out on eleven occasions, with five being performed under the User ID KIS001, three under the User Id of KIS002 and three under the User ID ULI001. User ID KIS001 and KIS002 are the User Id's of ! and ULI001 is the User ID of .

The stamps reversed out under the User ID of UML001 all took place on Wednesday 24 November 2010. The Trading Period for Period 7 (SB/8) ended on 17 November 2010, if the balance of cash and stock took place once a week, the discrepancy as a result of reversing out stamps on the 24th November 2010 would have been found, similarly if the balance of cash and stock took place only when the Branch Trading Statement was due, the discrepancy would have been found when the Branch Trading Statement for Period 08 (SB/9) was produced on 15 December 2010.

I accessed the Post Office Management Information system known as Credence to obtain all items of stock received between the dates of 18 November 2010 to 16 December 2010 to cover the period of the Branch Trading Statements for SB/8 and SB/9. No first or second class large or first and second class self adhesive stamps were received. I now produce this summary as SB/23.

To verify the figures, a check of the 50 x 2nd class Large stamps for the period of 17 November 2010 to 15 December 2010 (BTS SB/8 and SB/9) was made as per table below.

POL00105185

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

Item	Number declared on SB/8	Number sold SB/21	Sub total	Number reversed out of system	Sub total	Number declared on SB/9
50 X 2nd class Large	139	20	119	160	279	279

From the table it can be seen that 139 stamp sheets were declared as being on hand and in the Post Office when the balance was performed on 17 November 2010. Each full sheet has a value of £25.50. Between 18 November 2010 and the next balance on 15 December 2010 £535.50 of stamps were sold, equating to 20 sheets leaving 119 that should be declared on the next balance.

During this period stamps worth £4080 were reversed out of the system, equating to 160 sheets and therefore increasing the holdings to 279. When the balance was performed on the 15 December 2010, 279 stamp sheets were declared as being on hand and in the Post Office.

The monetary difference between the declared holdings and the actual holdings of the extra 160 sheets would create a surplus of cash in the accounts. A surplus of cash would be created on all denominations of stamps that have been inflated as per exhibit SB/4.

Signature Signature witnessed by

000036

Witness Statement

Post Office Ltd

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of	Stephen BRADSHAW	
Age if under 18	Over 18	(If over 18 insert 'over 18')

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 27th day of January 2013

Signature

Further to my statements dated 4 April 2012, 18th June 2012 and 19th June 2012.

The office snapshot that has been printed off the Horizon system summarises the state of the accounts, including the amount of cash, stock and postage required for the accounts to balance and takes into account all transactions up to the time the snap shot was generated. An office snapshot can be generated at any time.

Mr was appointed sub postmaster in July 2005 and Sub postmasters are contracted to provide services to customers. As such they receive a monthly remuneration commensurate with the level of business conducted at the branch and are provided with a balance of cash and stock to allow them to provide these services.

Mr remuneration was approximately GRO for the period of April 2010 to February 2011.

A more detailed explanation of exhibit **SB/21** summary of Stock sold / reversed out of the Horizon system for the period of November 2010 to January 2011 is as follows:

Signature Signature witnessed by

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

50 X 1st Class Large Stamps.

On 8 November 2010 stamps with a value of £132 were sold and on 25 January 2011 stamps with a value of £33 were sold making a total of £165 worth of stamps sold.

On 24 November 2010 stamps with a value of £990 and on 13 January 2011 stamps with a value of £3,300 were reversed out of the Horizon system making a total value of £4,290.

The difference between stamps sold and stamps reversed out of the system is £4,125. This action of reversing out more stamps that have been sold would result in a surplus in the account of £4125.

50 x 2nd Class Large Stamps

On 3 November 2010 stamps with a value of £25.50 were sold and on 9 December 2010 stamps with a value of £510 were sold making a total of £535.50 worth of stamps sold.

On 24 November 2010 stamps with a value of £765 and on 15 December 2010 stamps with a value of £3,315 were reversed out of the Horizon system making a total value of £4,080. The difference between stamps sold and stamps reversed out of the system is £3,544.50. This action of reversing out more stamps that have been sold would result in a surplus in the account of £3,544.50.

Self Adhesive Sheet 1st Class x 100

On 2 November 2010 stamps with a value of £82, on 5 November 2010 stamps with a

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

value of £41, on 11 November 2010 stamps with a value of £41, on 12 November 2010 stamps with a value of £41, on 3 December 2010 stamps with a value of £41, on 4 December 2010 stamps with a value of £41, on 6 December 2010 stamps with a value of £41 on 9 December 2010 stamps with a value of £82, on 10 December 2010 stamps with a value of £41, on 13 December 2010 stamps with a value of £41, on 14 December 2010 stamps with a value of £41, on 15 December 2010 stamps with a value of £41, on 17 December 2010 stamps with a value of £41 on 5 January 2011 stamps with a value of £41, on 10 January 2011 stamps with a value of £205, on 12 January 2011 stamps with a value of £41, on 14 January 2011 stamps with a value of £41, 17 January 2011 stamps with a value of £41, on 19 January 2011 stamps with a value of £82 and on 29 January 2011 stamps with a value of £205 were sold making a total of £1,271.

On 24 November 2010 stamps with a value of £1,230, on 1 December 2010 stamps with a value of £1,968, on 15 December 2010 stamps with a value of £2,050 and on 13 January 2011 stamps with a value of £820 were reversed out of the Horizon system making a total of £6,068 The difference between stamps sold and stamps reversed out of the system is £4,797. This action of reversing out more stamps that have been sold would result in a surplus in the account of £4,797

Self Adhesive Sheet 2nd Class x 100

Signature Signature witnessed by

POL00105185

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

On 2 November 2010 stamps with a value of £32, on 3 November 2010 stamps with a value of £96, on 22 November 2010 stamps with a value of £64, on 25 November 2010 stamps with a value of £64, on 3 December 2010 stamps with a value of £32, on 4 December 2010 2 x stamp sales of £32 each totalling £64, on 7 December 2010 stamps with a value of £32 on 10 December 2010 stamps with a value of £64, on 13 December 2010 stamps with a value of £64, on 20 December 2010 stamps with a value of £32 on 30 December 2010 stamps with a value of £32, on 12 January 2011 stamps with a value of £32, on 17 January 2011 2 x stamp sales of £32 each totalling £64, on 19 January 2011 stamps with a value of £64, on 21 January 2011 stamps with a value of £32, on 29 January 2011 stamps with a value of £32 and on 31 January 2011 stamps with a value of £64 were sold making a total of £864.

On 17 November 2010 stamps with a value of £960, on 15 December 2010 stamps with a value of £1,600 and on 12 January 2011 stamps with a value of £640 were reversed out of the Horizon system making a total of £3,200.

The difference between stamps sold and stamps reversed out of the system is £2,336. This action of reversing out more stamps that have been sold would result in a surplus in the account of £2,336.

For the period of November 2010 to January 2011 sales of stamps amounted to £2835.50

Signature Signature witnessed by

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

and the value of reversed stamps out of the Horizon system was £17638.

By reversing out stamps with a value of £14802.50 you are putting the stamps back into the stock holdings and therefore increasing the number of stamps declared at the branch. As the level of stock has increased the amount of cash required to balance the branch would reduce by the same value. For example increasing the stamp holdings with a value of £14,802.50 would then reduce the cash required to balance the cash and stock at the branch by £14,802.50.

SB/4 is referred to as adjustments to stock, the difference between the declared levels of stock on hand compared to the actual stock levels on hand has to be sold to balance the correct amount of stock held.

For example on **SB/10** the last completed Branch Trading Statement on 12 January 2011, the volume of 50 x 2nd class stamps held was declared as 278. On **SB/3** the Horizon snapshot print out, which indicates the amount of stock that should be on hand shows that the volume of 50 x 2nd class stamps held was 277, indicating that one sheet of 50 x 2nd class stamps was sold between 12 January 2011 and the close of business on 7 February 2011. On completion of the audit the volume of 50 x 2nd class stamps transferred to the interim sub postmaster was 117 making a difference of 160 between what they said they held at the branch to the actual volume of stamps held.

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

This difference in volume can be seen on **SB/4** and amounted to a cash value of £4080 being over stated. The total value of stock that had to be sold on 8 February 2011 to balance the stock held at I Post Office branch was £17,961.18.

It can be seen on the Branch Trading Statements **SB/7** to **SB/10** for the 50 x 2nd class stamps that on **SB/7** the volume was 110, **SB/8** the volume was 139 **SB/9** the volume was 279 **SB/10** the volume was 278. The figure of 278 is reduced by one on the Horizon office snapshot print out **SB/3**.

For the period of 02 November 2010 to 31 January 2011 (**SB/21**) a total of 21 sheets of 50 x 2nd class stamps with a value of £535.50 have been sold but a total of 160 50 x 2nd class stamps with have a value of £4080 have been reversed out of the Horizon thus increasing the level of 50 x 2nd class stamps held by a volume of 160.

Signature Signature witnessed by

000042

Witness Statement Post Office Ltd

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Statement of	Stephen BRADSHAW	
Age if under 18	Over 18	(If over 18 insert 'over 18')

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 31st day of January 2013

Signature

Further to my statements dated 4 April 2012, 18th June 2012, 19th June 2012 and 27th January 2012.

The call logs for the period of 8 July 2010 to 11 February 2011 were requested from the National Business Support Centre. The logs have been examined and show that no calls were made to the National Business Support Centre by Mr regarding any problems with the Horizon system. There are also no calls relating to cash discrepancies or problems with balancing the office accounts for Post Office branch. I now produce these call logs as **SB/24**.

The Branch Trading Statements should be signed and date stamped by the sub postmaster and retained in a suitable folder for a period of six years. A Post Office Local Branch Trading Handout is given at training to the sub postmaster and this information can be found on page 3. I now produce this handout as **SB/25**.

The information can also be found by accessing the Horizon system and going to the Horizon on Line (HOL) Help link.

All other documents are retained in the branch for two years with the exception of

Signature Signature witnessed by

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Continuation of statement of Stephen BRADSHAW

Moneygram sending and receive forms which are retained for five years.

From business records i Post Office branch was audited and the cash and stock accepted by Mr as the incumbent sub postmaster in July 2005.

The next audit was in February 2011 when Mr was suspended and a discrepancy in the accounts was discovered.

The cash and stock was then transferred to an interim sub postmaster in February 2011 and accepted as being correct.

The cash and stock was again transferred to a new interim sub postmaster in September 2012. During the subsequent transfer of cash and stock after Mr suspension in February 2011 no problems or discrepancies have been reported.

Signature Signature witnessed by

000033

Witness Statement

Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1

Post Office Ltd

Statement of Lee HEIL

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

This statement (consisting of pages each signed by me) is true to the best of my knowledge and belief and I make it knowing that, if it is tendered in evidence, I shall be liable to prosecution if I have wilfully stated in it anything, which I know to be false or do not believe true.

Dated the 17th day of December 2012

Signature

I am the above named person and I have been employed by Post Office Ltd for 13 years. My current role is as a Network Support Admin Team Leader within the Post Office Network. From my position in Post Office Ltd I have access to Post Office records including the training records of sub postmasters and counter clerks who have attending Post Office Ltd Training schools. I can say that where I refer to and or produce Post Office records that these records have been completed in the ordinary course of Post Office business by persons who had or may reasonably supposed to have had personal knowledge of that matter or the matters dealt with in the information supplied. The person or persons who created and or complied such records cannot reasonably be expected to have any recollection of the matter dealt with in the information supplied.

I can say from Business records that sub postmaster at Post Office branch received 10 days Post Office Counter classroom training from 2 June 2008 to 13 June 2008. In addition to this

Signature Signature witnessed by

POL00105185

Witness Statement

(Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1)

Continuation of statement of Lee HEIL

this training received a further 4 days on site training at branch from 4 July 2008 to 7 July 2008.

I now produce as **LH/1**, the Summary of Achievement of Performance Standards, this summary shows that Mr attended all 10 days training and completed and passed his training with a score of 8.06. The summary also shows that he obtained Security training and his training and score for Unit 2 (9.00) and Unit 3 (6.00) for the subjects covered on this part of his training.

I now produce as **LH/2** Unit 1 session of the training and the subjects covered This shows that Mr had an overall score of 9.17 on the subjects covered.

Mr was appointed sub postmaster of Post Office branch on 5 July 2008.

I can also say from business records that in addition to this training Mr received as part of the on-going support post appointment further contact on three occasions by telephone call or a visit. On 29 August 2008 he received a telephone call from an auditor, on 17 October 2008 he received a visit to the branch and on 14 March 2009 he had a further telephone call from an auditor A report was compiled covering these telephone calls or visits and I now produce this report **LH/3.**

Mr completed his training to the standard required and he has not requested any

Signature Signature witnessed by

POL00105185

Witness Statement

(Criminal Justice Act 1967, Section 9; Magistrates Court Act 1980, sub section. 5A(3)(a) and 5B; Criminal Procedure Rules 2005, Rule 27.1)

Continuation of statement of Lee HEIL

further visits or assistance with the running of : Post Office branch.

If required I am willing to attend court.

Signature

Signature witnessed by

000501

Exhibit Number:
Identifying Mark: DW/1

IN CONFIDENCE

To:	From:	cc:
Paul Williams Contracts Advisor	Dennis Watson Field Support Advisor	Lesley Frankland Fraud Team Manager Pete Jackson Field Support Team Leader Outlet Intervention Team
Date: 11.02.2011		

Audit of Post Office®

On the 08 Feb 2011 I conducted an audit of the above named branch, the purpose of this audit was to perform a check of the cash. I arrived at the branch at 08.30 am and awaited the arrival of the Postmaster who arrived at approximately 08.45 am. I introduced myself to the Postmaster Mr and advised him that I was to perform an audit of his cash on behalf of Post Office Ltd.
Mr allowed me access to the secure area, and was present in the secure area whilst the audit was carried out. I contacted the Network Business Support Centre (NBSC) at approximately 08.55 am and advised that an audit would be performed at the branch, and that it would remain closed until its conclusion. The nominated branches offered were: and a notice placed on display at the branch detailing this information. The audit revealed a shortage of £536 and I asked Mr if that was what he expected he said it was different from when he had declared the cash the previous day but he was prepared to accept it. At this point at 09.40 I phoned yourself and made you aware that not only was there a shortage on the day of £536 but also the balance snapshot was carrying a net discrepancy of £2100+. I was then instructed to carry out a Tier 2 audit, I explained to Mr what I had been instructed to do and proceeded to perform a full audit of all the cash and stock. At 11.40 am Field Support Advisor arrived at the office to assist me with the audit

The audit revealed a shortage in the branch of £21181.54. A breakdown of the audit result and details of the audit findings are as follows:

£		(+/-)	Identified as a difference in cash figures
£		(+/-)	Identified as a difference in cheque on hand figures
£	12.90	(+)	Identified as a difference in stock figures
£		(+/-)	Identified as a difference in postage figures
£		(+/-)	Obsolete stock not included in audit figures
£		(+/-)	Identified as a difference in foreign currency figures

Exhibit Number:
Identifying Mark: DW/1

£		(+/-)	Transaction errors revealed to documentation
£		(+/-)	Outstanding transaction corrections not processed
£	21181.54	(-)	Discrepancy as per office snapshot
£		(+/-)	Other
£	21168.64	(-)	Total Shortage/surplus (delete as appropriate)

The audit revealed major discrepancies in the stock of the large books (sheets) of 100X 1st & 2nd class stamps and 50 X 1st & 2nd class stamps. I asked Mr if he knew why this might be but he replied that he had no idea why it was so. I considered that it could be a result of items being remitted in incorrectly and based on that Kath Smith phoned the Remittance Team at P&BA Chesterfield and spoke to Julie Crampton who said she would look in to it and phone back. When Julie Crampton phoned back she informed us that there had been quite a number of sales reversals for large books (sheets) of stamps at post office. Julie read out some of the figures to Kath Smith and said she (Julie) would send an email with full information. I again asked Mr if he knew anything about these shortages and he replied that he had no knowledge of any sales being reversed. Mr said that there had been a relief postmaster working at the office and that it could have been him that was responsible for the reversals. I explained to Mr that the majority of the reversals had taken place under his own user name to which he replied that the relief had been using his, Mr user name.

.Mr was then advised that he should satisfy himself that the figures of the audit team were correct. Therefore, we asked Mr if he would do his own independent count of all the cash on hand again, which he declined.

I then telephoned Andy Carpenter at 12.40pm to report a shortage of approximately £21648.00, Andy Carpenter then asked to speak to Mr and the decision taken was to precautionary suspend Mr at 12.45 pm and the assets were secured in safe until a relief could be found and the keys taken by Dennis Watson.

The audit and subsequent transfer of the branch was concluded at 12.20 pm on Fri 11 Feb 2011. The branch was rolled into TP 10 BP**06 and a Final Account produced.

The amount of £21648.12 was posted to Late Account.

I advised the NBSC that the branch would be re-opening on Mon 14 Feb 2011 at 09.00 am.

No Compliance Tests were carried out at this audit other than those control gaps that were observed whilst on site

If you require any additional information, please contact me on the telephone number below

Dennis Watson
Lead Auditor

000503

Royal Mail Group

This document explains your legal rights.
It is important that you read and understand it.

Date Shown: 7/4/11 Time: 11.12 Hours

Because you are suspected of having committed a criminal offence which may result in a criminal prosecution I must inform you that:

You do not have to say anything, but it may harm your defence if you do not mention when questioned something which you later rely on in court. Anything you do say may be given in evidence.

Do you understand? YES
(Reply to be written by person being interviewed)

I must also inform you that:

Exhibit Number	
Identifying Mark	

1. You are not under arrest. (1)
2. You are free to leave if you wish. (If the interview is being conducted anywhere other than Royal Mail premises consent must also be obtained from the interviewee and person entitled to grant entry to premises, to carry out the interview there). (1)
3. If you do remain you have the right to legal representation and advice including the right to speak with a Solicitor in private, either in person, on the telephone, or in writing. (The Solicitor will give you advice regarding Legal Aid). (2) I can provide you with assistance in contacting a solicitor if you wish. The interview can be delayed while legal advice is obtained.
4. You are entitled to read the Police and Criminal Evidence Act 1984 Codes of Practice if you wish. The Codes set out your legal rights and the rules governing the conduct of this interview.

Have you read 1 - 4 above? YES
(Reply to be written by person being interviewed)

Do you understand 1 - 4 above? YES
(Reply to be written by person being interviewed)

I wish to speak with a Solicitor as soon as it is practical. (3) Signed: _____

or

I do not want to speak with a Solicitor at this time. Signed: _____

If you do not wish to have legal advice please give reason why:

_____

If you do not want to speak with a Solicitor at this time, you can change your mind at anytime during the interview. (3)

Do you understand?
(Reply to be written by person being interviewed)

Signed: _____ Date: _____ Time: _____ Hrs

Print Name: _____

(1) To be deleted if the interviewee has been arrested
(2) This sentence to be deleted when the interview is conducted at a police station.
(3) If a solicitor is requested at any stage the interview must be immediately suspended.

Reminder of Legal Rights on Continuation of Interview

Time and Date: 12:11 7/4/11

Time and Date: .....

Time and Date: .....

Exhibit Number	
Identifying Mark	

I confirm that I have been reminded that I remain under caution (4) /re-cautioned (4) and reminded of my legal rights. I have also been reminded that I am not under arrest and am free to leave if I wish.

Signed: ..... Timed: 12:11 Dated: 7/4/11

Signed: ..... Timed: ..... Dated: .....

Signed: ..... Timed: ..... Dated: .....

I wish to speak with a Solicitor as soon as practical. (5)

Signed: ..... Timed: 12:11 Dated: 7/4/11

Signed: ..... Timed: ..... Dated: .....

Signed: ..... Timed: ..... Dated: .....

I still do not want to speak to a Solicitor at this time at this time.

Signed: ..... Timed: ..... Dated: .....

Signed: ..... Timed: ..... Dated: .....

Signed: ..... Timed: ..... Dated: .....

If you do not wish to speak with a solicitor please give reason why:

..... Timed: ..... Dated: .....

..... Timed: ..... Dated: .....

..... Timed: ..... Dated: .....

If you do not want to speak to a Solicitor at this time, you can change your mind at any time during the interview. (5)

Signed: ..... Timed: ..... Dated: .....

Signed: ..... Timed: ..... Dated: .....

Signed: ..... Timed: ..... Dated: .....

(4) Delete as appropriate. When there is a break in questioning under caution and there is any doubt that the person being questioned is aware that he remains under caution, the caution shall be given again in full when the interview resumes.
(5) If a solicitor is requested at any stage the interview must be immediately suspended.

Exhibit Number
Identifying Mark SB/3

SNAPSHOT FIGURES.

V11/V5C SORN Transactions		0.00
PO Sale	33	939.16
Postal Order Sales		939.16
NGram Send Ord	3	495.99

STOCK VOLUMES	VOLUME
Euro TChq	300
USA TChq	1250
UK TChq	4500
Stamp Card	299 -1 298
Christmas10 Mini	3
Locomotives Mini	5
Christmas 10 PP	2
FAB Gerry A PP	6
Locomotives PP	11
Musicals PP	14
Magic Realms PP	14
1st class stmp	1499 -1200
1st class Large	920 -9 911
RSF 1st Class	200
RSF 1st Large	150
2nd class stmp	1316 -3 1313
2nd class Large	863 -1 862
Airletter Pack	3 -2 1
Airletter Single	32 +3
SplDel SD2	6
SplDel SD3	10
SD up to 100 gms	125
SD 101-500 gms	50
S/a 2ndx100	395
50 x 2nd Large	277
S/a 1stx100	274
50 x 1st Large	221
Special 1st	3060
Special 2nd	2 -0
Special Lge 1st	1
Special Lge 2nd	1
Special 60p	181
Special 67p	1
Special 97p	507 - inc by 18
Special £1.46	
SAS bk 1st x 12	412
SAS bk 2nd x 12	500
SAS bk 1st x 6	298
1st Large x 4	120
2nd Large x 4	140
metrocard Bus W	111
Scholars Photocr	52
SP Monthly	266
SP Photocard	68
bus dayrover adu	28 +1
YP Person Photoc	77
SP Weekly	97
B/R dayrovr adul	16
B/T rover family	44
Metro Photocard	12
Metrocard Bus M	178
Sch Plus Bus M	62
Sch Plus Bus W	91
PO Phonecrd £5	24
PO Phonecrd £10	10
PO Phonecrd £20	26
Camelot Cheque	10
Postal Orders	189 -1
MVL Discs	3075 +4
Instants £1	621

*** END OF REPORT ***

08:50 08/02/2011 TP:10
Office Snapshot - Office Copy

```
******Discrepancies in this Account********
*Discrepancy OVER              4.07      *
*Discrepancy SHORT          2573.26      *
*                          ------------*
*Natt discrepancy           2569.19-     *
*                          ------------*
*****************************************
```

VALUE ITEMS & MOP	VOLUME	VALUE
Cash		26974.45
Cash		26974.45
Cheque		0.80
Cheques		0.80
MOP		26975.25
Suspended Sale		0.00
Suspended Sales		0.00
Euro		1427.60
US Dollar		364.64
Fgn Currency Sterling Equ		1792.24
BUREAU DE CHANGE		1792.24
Postage stmp		3574.94
Other Postage Items		3574.94
POSTAGE		3574.94
TOTAL VALUE ITEMS & MOP		32342.43

RECEIPTS	VOLUME	VALUE
Balance B/Fwd		17863.82
Santander PaySer	59	41555.95
Bus dep lt £60	2	66.45
Bus dep gte £60	13	4698.30
GIRO DEPS/TRANSCASH		46320.70
Santander Depst	37	0.00
Santander Depst	3	0.00
Santander Change	9	0.00
GIRO NON CASH ITEMS		0.00
Santander TC Fee	59	46.80
GIRO TRANSCASH FEES		46.80
express48	9	143.91
globalpriority	1	126.39
GlobalExpress	1	41.19
Parcels		311.49
CARRS - PARCELS		311.49
Undel Priority	2	0.00
PPd Amt Sal by A	1-	12.45-

POL00105185

000506

Exhibit Number
Identifying Mark SB14

ADJustments to STOCK.

Post Office Ltd.
Your Receipt
FAD:

VAT REG No. GB 243 1700 02
Date of Issue: 08/02/2011 16:09
SESSION: 2-954225

Stamp Card			
1	@	0.45	0.45
1st class Large			
9	@	0.66	5.94
2nd class stmp			
3	@	0.32	0.96
2nd class Large			
1	@	0.51	0.51
Airletter Pack			
2	@	3.99	7.98
S/a 2ndx100			
102	@	32.00	3264.00
50 x 2nd Large			
160	@	25.50	4080.00
S/a 1stx100			
149	@	41.00	6109.00
50 x 1st Large			
130	@	33.00	4290.00
1st class stmp			
299	@	0.41	122.59
Special 1st			
4	@	0.41	1.64
Special 2nd			
2	@	0.32	0.64
Special Lge 1st			
1	@	0.66	0.66
Special Lge 2nd			
1	@	0.51	0.51
Special 60p			
1	@	0.60	0.60
Special 67p			
1	@	0.67	0.67
Special £1.46			
1	@	1.46	1.46
SAS bk 2nd x 12			
1	@	3.84	3.84
1st Large x 4			
1	@	2.64	2.64
YP Person Photoc			
1	@	2.00	2.00
SP Weekly			
1	@	18.30	18.30
Sch Plus Bus W			
2	@	8.50	17.00
Instants £1			
4	@	1.00	4.00
Christmas10 Mini			
3	@	4.93	14.79
Christmas 10 PP			
2	@	5.50	11.00
TOTAL DUE TO POST OFFICE			17961.18
Cash	FROM CUSTOMER		17961.18
BALANCE			0.00

Please retain for future reference

Thank You

2

Exhibit Number

Identifying Mark SB/5

000507

STOCK on HAND
AT TRANSFER

STOCK VOLUMES	VOLUME
Euro TChq	300
USA TChq	1250
UK TChq	4500
Stamp Card	298
Christmas10 Mini	3
Locomotives Mini	5
Christmas 10 PP	2
FAB Gerry A PP	6
Locomotives PP	11
Musicals PP	14
Magic Realms PP	14
1st class stmp	1200
1st class Large	911
RSF 1st Class	200
RSF 1st Large	150
2nd class stmp	1313
2nd class Large	862
Airletter Pack	1
Airletter Single	35
plDel SD2	6
plDel SD3	10
D up to 100 gms	125
SD 101-500 gms	50
S/a 2ndx100	293
50 x 2nd Large	117
S/a 1stx100	125
50 x 1st Large	91
Special 1st	3058
Special 2nd	2
Special Lge 1st	1
Special Lge 2nd	1
Special 60p	181
Special 97p	526
Special £1.46	1
SAS bk 1st x 12	412
SAS bk 2nd x 12	499
SAS bk 1st x 6	298
1st Large x 4	119
2nd Large x 4	140
metrocard Bus W	111
Scholars Photocr	52
SP Monthly	266
SP Photocard	68
bus dayrover adu	29
YP Person Photoc	76
SP Weekly	96
B/R dayrovr adul	16
B/T rover family	44
Metro Photocard	12
etrocard Bus M	178
ch Plus Bus M	62
ch Plus Bus W	89
PO Phonecrd £5	24
PO Phonecrd £10	10
PO Phonecrd £20	26
Camelot Cheque	10
Postal Orders	188
MVL Discs	3079
Instants £1	617

EXAMINATION
Drawer examined and cash and stock found as shown in this summary

Datestamp
Signature . . . . . .
Time . . . . . .AM/PM

TRANSFER
Cash and stock in this summary have been transferred to me

Datestamp
Signature . . . . . .
Time . . . . . .AM/PM

*** END OF REPORT ***

11:38 11/02/2011 TP:10 BP:04 SU:AA
Final Balance - Office Copy

```
******Discrepancies in this Account********
*Discrepancy OVER          21213.79     *
*Discrepancy SHORT         21213.79     *
*                         ------------*
*Nett discrepancy              0.00     *
*                         ------------*
*****************************************
```

VALUE ITEMS & MOP	VOLUME	VALUE
Cash		24413.58
Cash		24413.58
Cheque		0.00
Cheques		0.00
MOP		24413.58
Suspended Sale		0.00
Suspended Sales		0.00
Euro		1408.15
US Dollar		366.33
Fgn Currency Sterling Equ		1774.48
BUREAU DE CHANGE		1774.48
Postage stmp		3428.36
Other Postage Items		3428.36
POSTAGE		3428.36
TOTAL VALUE ITEMS & MOP		29616.42

RECEIPTS	VOLUME	VALUE
Balance B/Fwd		34022.49
Santander PaySer	8	378.00
Bus dep gte £60	3	556.30
GIRO DEPS/TRANSCASH		934.30
Santander Depst	8	0.00
Santander Depst	1	0.00
Santander Change	1	0.00
GIRO NON CASH ITEMS		0.00
Santander TC Fee	8	7.80
GIRO TRANSCASH FEES		7.80
Co-op Withdrawals		50.00
Halifax Cashwdrl	2	88.97
Halifax Cashwdrl	1	[illegible]

3

000508

DESCRIPTION	No	No	No	No	TOTAL
Euro TChq	300				
USA TChq	1250				
UK TChq	4500				
Australian TChq					
Canada TChq					
Roll 1st x 500					
Roll 2nd x 500					
1st Class	1200				1200
1st Class Large	10	1	900		911
RSP 1st Class	200				200
RSP 1st Class Large	150				150
2nd Class	1	12	1300		1313
2nd Class Large	7	5	850		862
Aerogrammes Airmail Europe	1				1
Aerogrammes Single	5	30			35
Xmas Airletters					
Int Reply Coupons					
SpDel SD1 (Small C5)					
SpDel SD2 (Large C4)	6				4
SpDel SD3 (Large C5)	10				10
Special Airletters - single					
Airletter PicPk (Aero Packs)					
Airletter PicPk2(Aero Packs)					
Airpack Worldwide 300g					
Airpack Europe 300g					
Air Sure Europe					
Air Sure Worldwide					
Special Delivery 9:00am					
International Signed Europe					
International Signed Worldwide					
New Airpack Europe 500g					
New Airpack Worldwide 500g					
Self Adhesive 2nd x 100	3	110	180		293
50 x 2nd Large	7	100	10		117
Self Adhesive 1st x 100	5	120			125
50 x 1st Large	11	80			91
Special 1st	1	15	780	1000	1796
Special 2nd					
Special Other					
Special Other	180				180
Special Other					
Special Other	16	219	90	200	525
Special Other					
Special Other					
Special Other					
Special Other					
Special Other					
Special Other					
Special Other					
Special Other					
Special Other					
SASupk1st x 12 (Self Adhesive)	400	12			412
SASupk2nd x 12 (Self Adhesive)	450	49			499
SASupk1st x 6 (Self Adhesive)	250	48			298
Stmp Bks 1st Large 12x	100	19			119
Stmp Bks 2nd Large 12x	125	15			140
SPEC 100g	125				125
SPEC 500	50				50

DESCRIPTION	No	No	No	No	TOTAL
Stamp Bk Other					
Europe rate up to 40g x 4					
Rest of world rate up to 40g x 4					
W W Postcard Stamp Books					
Christmas Stbk (3x12)					
Christmas Stbk (2x24)					
Pol Bon Counter Sale	24				
Pol Bon Franchise	10				
Pol Bon Fran Sale	26				
Pol Bon Vend Sale					
Pol Bon Other Sales					
Pisa Other Stock	188				

000509

13:59 08/02/2011

FAD ----
Reprint for 18:15 13/10/2010
Final Branch Trading Statement - Office Copy From 15/09/10 To 13/10/10

Exhibit Number
Identifying Mark SB17

	Branch Total	Suspense	SU AA	SU ATM
Cash On Hand B Fwd	11304.64		8304.64	3000.00
All Currencies Awaiting Collection B Fwd	500.00	500.00		
Suspense B Fwd	0.00	0.00		
Other MOP B Fwd	0.00		0.00	0.00
ForEx B Fwd	7411.82		7411.82	0.00
Other Postage B Fwd	3239.55		3239.55	0.00
Remittances In Total	109122.84		109122.84	0.00
All Currency Rems from SUs	4090.00	4090.00		
Gains to/from Suspense	0.00	0.00	0.00	0.00
All Currency Pouches Despatched	4590.00		4590.00	0.00
Transfers In from other SUs	24470.00		0.00	24470.00
Other Receipts	168168.41		168168.41	0.00
Remittances Out Total	39042.20		39042.20	0.00
All Currency Pouches Despatched via Sus	4590.00	4590.00		
Losses to/from Suspense	0.00	0.00	0.00	0.00
All Currency Rems to Suspense	4090.00		4090.00	0.00
Transfers Out to other SUs	24470.00		24470.00	0.00
Other Payments	225483.88		201013.88	24470.00
Cash On Hand C Fwd	24656.82		21656.82	3000.00
All Currencies Awaiting Collection C Fwd	0.00	0.00		
Suspense C Fwd	0.00	0.00		
Other MOP C Fwd	0.80		0.80	0.00
ForEx C Fwd	7643.77		7643.77	0.00
Other Postage C Fwd	2919.79		2919.79	0.00
Total C Fwd	35221.18	0.00	32221.18	3000.00
Trading position (+/-)	0.00		0.00	0.00
Discrepancy OVER Transferred	0.00		0.00	0.00
Discrepancy SHORT Transferred	1065.56		1065.56	0.00
Discrepancy OVER Resolved	0.00		0.00	0.00
Discrepancy SHORT Resolved	1065.56		1065.56	0.00
Total Branch Adjustments	1065.56-		1065.56-	0.00

13:59 08/02/2011

FAD
Reprint for 18:15 13/10/2010
Final Branch Trading Statement - Office Copy From 15/09/10 To 13/10/10

Stock Holdings at End of Period

DESCRIPTION	VOLUME
Euro TChq	300
USA TChq	2850
UK TChq	4500
Stamp Card	360
HouseStuartMini	2
WinniePoohMini	9
HouseStuartPP	5
Medical PP	6
Britain Alone PP	1
GB RailwaysPP	4
Olmp&ParalmpPP	6
FestivalStp PP	2
WinniePoohPP	11
RSF 1st Class	200
1st class stmp	1346
RSF 1st Large	150
1st class Large	462
2nd class Large	299
2nd class stmp	294
SplDel SD3	10
Airletter Pack	3
Airletter Single	40
SplDel SD2	10
SD up to 100 gms	125
SD 101-500 gms	50
S/a 2ndx100	137
50 x 2nd Large	110
S/a 1stx100	82
50 x 1st Large	99
Special 60p	277

DESCRIPTION	VOLUME
Special 67p	395
Special 88p	293
Special 97p	433
Special 62p	11
Special 1st	2234
Special 58p	285
1st Large x 4	94
2nd Large x 4	125
SAS bk 1st x 12	312
SAS bk 2nd x 12	386
SAS bk 1st x 6	294
Sch Plus Bus M	54
Sch Plus Bus W	126
metrocard Bus W	18
Scholars Photocr	12
SP Monthly	225
SP Photocard	19
bus dayrover adu	32
YP Person Photoc	90
SP Weekly	46
B/R dayrovr adul	22
B/T rover family	31
Metro Photocard	15
Metrocard Bus M	93
PO Phonecrd £5	24
PO Phonecrd £10	11
PO Phonecrd £20	26
Postal Orders	295
MVL Discs	2654
Instants £1	569

DESCRIPTION	VOLUME

Exhibit Number
Identifying Mark SB7

Transaction Corrections 1

I certify that the content of this balancing and trading statement is an accurate reflection of the cash and stock on hand at this branch.

Signature:

*** END OF REPORT ***

UU0511

13:31 08/02/2011

FAD
Reprint for 20:10 17/11/2010
Final Branch Trading Statement - Office Copy From 13/10/10 To 17/11/10

Exhibit Number
Identifying Mark SB18

	Branch Total	Suspense	SU AA	SU ATM
Cash On Hand B Fwd	24656.82		21656.82	3000.00
All Currencies Awaiting Collection B Fwd	0.00	0.00		
Suspense B Fwd	0.00	0.00		
Other MOP B Fwd	0.80		0.80	0.00
ForEx B Fwd	7643.77		7643.77	0.00
Other Postage B Fwd	2919.79		2919.79	0.00
Remittances In Total	120429.55		120429.55	0.00
All Currency Rems from SUs	5118.03	5118.03		
Gains to/from Suspense	0.00	0.00	0.00	0.00
All Currency Pouches Despatched	5118.03		5118.03	0.00
Transfers In from other SUs	33630.00		0.00	33630.00
Other Receipts	229792.30		229792.30	0.00
Remittances Out Total	55141.55		55141.55	0.00
All Currency Pouches Despatched via Sus	5118.03	5118.03		
Losses to/from Suspense	0.00	0.00	0.00	0.00
All Currency Rems to Suspense	5118.03		5118.03	0.00
Transfers Out to other SUs	33630.00		33630.00	0.00
Other Payments	304877.34		271247.34	33630.00
Cash On Hand C Fwd	17715.15		14715.15	3000.00
All Currencies Awaiting Collection C Fwd	0.00	0.00		
Suspense C Fwd	0.00	0.00		
Other MOP C Fwd	0.80		0.80	0.00
ForEx C Fwd	4000.29		4000.29	0.00
Other Postage C Fwd	3707.90		3707.90	0.00
Total C Fwd	25424.14	0.00	22424.14	3000.00
Trading position (+/-)	0.00		0.00	0.00
Discrepancy OVER Transferred	0.00		0.00	0.00
Discrepancy SHORT Transferred	4211.21		4211.21	0.00
Discrepancy OVER Resolved	0.00		0.00	0.00
Discrepancy SHORT Resolved	4211.21		4211.21	0.00
Total Branch Adjustments	4211.21-		4211.21-	0.00

.3:31 08/02/2011

FAD
Reprint for 20:10 17/11/2010
Final Branch Trading Statement - Office Copy From 13/10/10 To 17/11/10

Stock Holdings at End of Period

DESCRIPTION	VOLUME
Euro TChq	300.
USA TChq	1250
UK TChq	4500
Stamp Card	181
Christmas10 Mini	3
HouseStuartMini	2
WinniePoohMini	3
Christmas 10 PP	7
HouseStuartPP	5
Medical PP	5
Britain Alone PP	1
GB RailwaysPP	4
Olmp&ParalmpPP	6
FestivalStp PP	2
WinniePoohPP	4
RSF 1st Class	200
1st class stmp	1350
RSF 1st Large	150
1st class Large	1219
2nd class Large	1137
2nd class stmp	500
SplDel SD3	10
Airletter Pack	3
Airletter Single	39
SplDel SD2	9
SD up to 100 gms	125
SD 101-500 gms	50
S/a 2ndx100	252
50 x 2nd Large	139
S/a 1stx100	152

DESCRIPTION	VOLUME
50 x 1st Large	93
Special 60p	221
Special 67p	96
Special 88p	65
Special 97p	387
Special £1.46	237
Special 1st	7519
Special Lge 1st	968
Special Lge 2nd	958
Special 58p	63
Special 2nd	10575
1st Large x 4	160
2nd Large x 4	117
Christmas 1stBk	251
Christmas 2ndBk	946
SAS bk 1st x 12	450
SAS bk 2nd x 12	535
SAS bk 1st x 6	273
Sch Plus Bus M	87
Sch Plus Bus W	149
metrocard Bus W	115
Scholars Photocr	53
SP Monthly	276
SP Photocard	69
bus dayrover adu	32
YP Person Photoc	83
SP Weekly	97
B/R dayrovr adul	19
B/T rover family	30
Metro Photocard	14

DESCRIPTION	VOLUME
Metrocard Bus M	189
PO Phonecrd £5	24
PO Phonecrd £10	11
PO Phonecrd £20	26
Postal Orders	265
MVL Discs	3408
Instants £1	550

Exhibit Number
Identifying Mark SB18

Transaction Corrections 3

I certify that the content of this balancing and trading statement is an accurate reflection of the cash and stock on hand at this branch.

Signature:

*** END OF REPORT ***

5

Exhibit Number
Identifying Mark SB19

FAD
Reprint for 19:23 15/12/2010
:31 08/02/2011 Final Branch Trading Statement - Office Copy From 17/11/10 To 15/12/10

	Branch Total	Suspense	SU AA	SU ATM
ash On Hand B Fwd	17715.15		14715.15	3000.00
l Currencies Awaiting Collection B Fwd	0.00	0.00		
uspense B Fwd	0.00	0.00		
ther MOP B Fwd	0.80		0.80	0.00
orEx B Fwd	4000.29		4000.29	0.00
ther Postage B Fwd	3707.90		3707.90	0.00
emittances In Total	139969.14		139969.14	0.00
ll Currency Rems from SUs	6275.00	6275.00	0.00	0.00
ains to/from Suspense	0.00	0.00	3775.00	0.00
ll Currency Pouches Despatched	3775.00		0.00	23220.00
ransfers In from other SUs	23220.00		149785.61	0.00
ther Receipts	149785.61		31360.72	0.00
Remittances Out Total	31360.72	3775.00	0.00	0.00
All Currency Pouches Despatched via Sus	3775.00	0.00	6275.00	0.00
Losses to/from Suspense	0.00		23220.00	0.00
All Currency Rems to Suspense	6275.00		217483.36	23220.00
Transfers Out to other SUs	23220.00		28706.45	3000.00
Other Payments	240703.36			
Cash On Hand C Fwd	31706.45	2500.00		
All Currencies Awaiting Collection C Fwd	2500.00	0.00	0.80	0.00
Suspense C Fwd	0.00		6379.69	0.00
Other MOP C Fwd	0.80		2527.87	0.00
ForEx C Fwd	6379.69		37614.81	3000.00
Other Postage C Fwd	2527.87	2500.00		
Total C Fwd	43114.81		0.00	0.00
Trading position (+/-)	0.00		0.00	0.00
Discrepancy OVER Transferred	0.00		3658.13	0.00
Discrepancy SHORT Transferred	3658.13		0.00	0.00
Discrepancy OVER Resolved	0.00		3658.13	0.00
Discrepancy SHORT Resolved	3658.13		3658.13-	0.00
Total Branch Adjustments	3658.13-			

13:31 08/02/2011

FAD
Reprint for 19:23 15/12/2010
Final Branch Trading Statement - Office Copy From 17/11/10 To 15/12/10

DESCRIPTION	VOLUME
Euro TChq	300
USA TChq	1250
UK TChq	4500
Christmas10 Mini	3
HouseStuartMini	2
WinniePoohMini	3
Christmas 10 PP	4
HouseStuartPP	5
Medical PP	4
Britain Alone PP	1
GB RailwaysPP	4
Olmp&ParalmpPP	6
FestivalStp PP	2
WinniePoohPP	4
RSF 1st Class	200
1st class stmp	1350
RSF 1st Large	150
1st class Large	1200
2nd class Large	1100
2nd class stmp	448
SplDel SD3	10
Airletter Pack	3
Airletter Single	35
SplDel SD2	9
SD up to 100 gms	125
SD 101-500 gms	50
S/a 2ndx100	290
50 x 2nd Large	279
S/a 1stx100	271
50 x 1st Large	122
Transaction Corrections	2

Stock Holdings at End of Period

DESCRIPTION	VOLUME
Special 60p	2
Special 67p	4
Special 88p	1
Special 97p	4
Special £1.46	141
Special 1st	5840
Special Lge 1st	639
Special Lge 2nd	679
Special 2nd	2
1st Large x 4	135
2nd Large x 4	108
Christmas 1stBk	100
Christmas 2ndBk	529
SAS bk 1st x 12	389
SAS bk 2nd x 12	354
SAS bk 1st x 6	156
Sch Plus Bus M	60
Sch Plus Bus W	59
metrocard Bus W	112
Scholars Photocr	53
SP Monthly	272
SP Photocard	69
bus dayrover adu	30
YP Person Photoc	82
SP Weekly	97
B/R dayrovr adul	18
B/T rover family	27
Metro Photocard	14
Metrocard Bus M	184
PO Phonecrd £5	24

DESCRIPTION	VOLUME
PO Phonecrd £10	11
PO Phonecrd £20	26
Camelot Cheque	8
Postal Orders	242
MVL Discs	3860
Instants £1	522

Exhibit Number
Identifying Mark 8819

I certify that the content of this balancing and trading statement is an accurate reflection of the cash and stock on hand at this branch.

Signature:

*** END OF REPORT ***

000515

12:03 08/02/2011

FAD
Reprint for 18:19 12/01/2011
Final Branch Trading Statement - Office Copy From 15/12/10 To 12/01/11

	Branch Total	Suspense	SU AA	SU ATM
Cash On Hand B Fwd	31706.45		28706.45	3000.00
All Currencies Awaiting Collection B Fwd	2500.00	2500.00		
Suspense B Fwd	0.00	0.00		
Other MOP B Fwd	0.80		0.80	0.00
ForEx B Fwd	6379.69		6379.69	0.00
Other Postage B Fwd	2527.87		2527.87	0.00
Remittances In Total	64300.00		64300.00	0.00
All Currency Rems from SUs	3401.76	3401.76		
Gains to/from Suspense	0.00	0.00	0.00	0.00
All Currency Pouches Despatched	5901.76		5901.76	0.00
Transfers In from other SUs	20410.00		0.00	20410.00
Other Receipts	161606.01		161606.01	0.00
Remittances Out Total	34420.95		34420.95	0.00
All Currency Pouches Despatched via Sus	5901.76	5901.76		
Losses to/from Suspense	0.00	0.00	0.00	0.00
All Currency Rems to Suspense	3401.76		3401.76	0.00
Transfers Out to other SUs	20410.00		20410.00	0.00
Other Payments	216736.05		196326.05	20410.00
Cash On Hand C Fwd	11097.63		8097.63	3000.00
All Currencies Awaiting Collection C Fwd	0.00	0.00		
Suspense C Fwd	0.00	0.00		
Other MOP C Fwd	0.80		0.80	0.00
ForEx C Fwd	3220.86		3220.86	0.00
Other Postage C Fwd	3544.53		3544.53	0.00
Total C Fwd	17863.82	0.00	14863.82	3000.00
Trading position (+/-)	0.00		0.00	0.00
Discrepancy OVER Transferred	0.00		0.00	0.00
Discrepancy SHORT Transferred	479.48		479.48	0.00
Discrepancy OVER Resolved	0.00		0.00	0.00
Discrepancy SHORT Resolved	479.48		479.48	0.00
Total Branch Adjustments	479.48-		479.48-	0.00

Exhibit Number
Identifying Mark SB10

0000516

12:03 08/02/2011

FAD
Reprint for 18:19 12/01/2011
Final Branch Trading Statement - Office Copy From 15/12/10 To 12/01/11

Stock Holdings at End of Period

DESCRIPTION	VOLUME
Euro TChq	300
USA TChq	1250
UK TChq	4500
Stamp Card	100
Christmas10 Mini	3
FAB Gerry A Mini	9
Christmas 10 PP	2
FAB Gerry A PP	13
RSF 1st Class	200
1st class stmp	1261
RSF 1st Large	150
1st class Large	1137
2nd class Large	1046
2nd class stmp	1617
SplDel SD3	10
Airletter Pack	3
Airletter Single	34
SplDel SD2	8
SD up to 100 gms	125
SD 101-500 gms	50
S/a 2ndx100	407
50 x 2nd Large	278
S/a 1stx100	283
50 x 1st Large	222
Special 60p	1
Special 67p	2
Special 97p	207
Special £1.46	12
Special 1st	1218
Special Lge 1st	4
Transaction Corrections	3

DESCRIPTION	VOLUME
Special Lge 2nd	19
Special 58p	1
Special 2nd	2
1st Large x 4	141
2nd Large x 4	186
SAS bk 1st x 12	548
SAS bk 2nd x 12	591
SAS bk 1st x 6	378
Sch Plus Bus M	86
Sch Plus Bus W	168
metrocard Bus W	112
Scholars Photocr	52
SP Monthly	268
SP Photocard	69
bus dayrover adu	29
YP Person Photoc	80
SP Weekly	97
B/R dayrovr adul	18
B/T rover family	26
Metro Photocard	14
Metrocard Bus M	182
PO Phonecrd £5	24
PO Phonecrd £10	10
PO Phonecrd £20	26
Camelot Cheque	3
Postal Orders	222
MVL Discs	2698
Instants £1	364

DESCRIPTION	VOLUME

Exhibit Number
Identifying Mark SB110

I certify that the content of this balancing and trading statement is an accurate reflection of the cash and stock on hand at this branch.

Signature:

*** END OF REPORT ***

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Record of Taped Interview

Record of Taped Interview Summary

Person interviewed:	KEVIN INCE	Exhibit No: SB/13	
Place of Interview:	TRAINING ROOM DELIVERY OFFICE	Number of pages: 12	
		Signature of interviewer producing record	
Date of Interview:	7.4.11	Time commenced:	11.11
Tape reference no.:	071401	Time concluded:	11.53
		Duration of Interview:	42 MINUTES
Interviewing Officers:	STEPHEN BRADSHAW (SB)	ANDREW WISE (AW)	
Other persons present:			

Tape counter times	Person speaking	TEXT
		Voice identification of everyone present and the nature of the enquiry explained. Permission to tape record given.
1.30		KI cautioned and reminded of legal rights. KI told (1) he is not under arrest, (2) is free to leave, (3) is entitled to legal representation and advice including the right to speak with a Solicitor and (4) is entitled to read the Police and Criminal Evidence Act 1984 Codes of Practice setting out the rules and rights governing the conduct of this interview. The necessary form completed and signed – Solicitor present.
3.00		The Royal Mail Employee Rights to a Friend at an interview or search form GS003 completed and signed. Offer of friend – friend declined.

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
4.40		KI was questioned regarding an Audit conducted on 8th February 2011 which revealed a shortage of just over £21,000 and states:-
4.56	KI	Firstly I don't know where it's arose from. We were doing balances of the stamps and the stock but not the safe stock and in the audit, while the audit was taking place that figure jumped several times from 17, 18 to in the end then they came back with a figure 3 days later of 21,000. I wasn't present all the time while the audit was taking place 'cos in the middle of it they says once they found a discrepancy I got suspended and they won't let me back into the Post Office side.
6.40		KI denied being asked to re-audit everything himself and said he was simply asked 'this is what we've found sign this here'.
7.28	SB	Now you're saying 3 days later?
	KI	Yeah because he couldn't finish the audit off that same day so they came back, he couldn't come back the next day so we were closed for another day and then he came back on Wednesday no he came back on the.
	SB	They came back on the 11th that was to transfer the branch to another Sub-Postmaster that wasn't the audit, the audit was concluded on the 8th February.
7.50	KI	Right 'cos my understanding was the audit was still in process.
	SB	No no the audit would be completed. Once you're suspended the audit was completed and then you gave permission for the Post Office to be run by an interim Sub-Postmaster.
	KI	Yeah 'cos that's what the Contracts Manager asked me to do.
	SB	Yeah and it's 3 days later when the audit concluded and transfer was concluded on the 11th February.

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
	KI	Well the figure of, the 21,000 came on that 3rd day it didn't come on the first day.
8.30		KI reiterates the figure kept changing on the auditor's laptop and he was told the figure of 21,000 on the 3rd day when he signed the Post Office over to the interim Sub-Postmaster.
9.20		KI states he took over the Post Office in July 2008 at which time he employed 2 staff. He By August 2010 he only had 1 member of staff, this being ( ). KI confirmed that his hours were on an adhoc basis coming 'in and out'. worked 10 to 4 Monday to Friday (with a break for lunch when they stayed open) with himself covering Saturdays alone.
11.15		KI confirmed that he would therefore work 9 to 10, during the lunch hour then 4 – 5.30 and Saturdays 9 – 12.30. He said there are 3 counter positions but they only use 2 with him using the middle one. They do not share passwords and he temporary locks his terminal when he is away from it. KI considers himself to be competent with Post Office transactions. is still receiving training.
15.40		KI states most of the time he would produce the branch trading statement but would do extra hours when needed to help.
17.29	SB	Just talk me through how you would do the balance, I understand that some of the stock you would count throughout the day, you're trying to make, in your mind you're trying to make life easy for you for when you

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ROYAL MAIL – CONFIDENTIAL
Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		produce your balance so if you've got a book of stamps you would count what's in there because you may not use them so during the day your customers have gone it's half past 5 you now start doing the balance ok. Now the purpose of the balance is to check that everything that you should have is there because you're custodian of Post Office money and the stamps and stock.
	KI	Can I just say I was never shown the back office at all I had to learn that from somebody else who was teaching me you know the previous.
	SB	And again we will check it out but my understanding and I'm sure it's Andrew's understanding as well that when you've done your initial training, a trainer is on site while you produce your first, at least one of your branch trading statements you will be shown everything that sort of goes through it. However you know I take on what you say and we'll see but how confident was you then about producing this branch trading statement?
18.59	KI	Well we counted the cash.
	SB	Right is there anything you done before counting the cash?
	KI	We used to do the reports you know the daily reports.
	SB	Yeah you'd do your daily reports you've sent them off ok, is there anything you've done before you start counting the cash? Did you produce anything off the Horizon system?
	KI	No.
	SB	Did you never print off a balance snapshot?
	KI	No.
	SB	Never in all your time?
	KI	I have printed a balance snapshot but never for a balance.
	SB	Ok so, ok just talk through it then you count your cash?

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
	KI	We count the cash, we counted the stamps on the counter and basically that's it, just counted those stamps at the back stock, we knew how much was there we had it on a sheet you know how much stock was, we never actually counted that and we just count the stock on hand on the counter.
20.30		KI confirmed they did not count the bulk stock when doing the balance every month and just took the figure from the sheet.
21.40	SB	Right so what you do is you're keeping a record, you've initially counted all your bulk stamps and then you keep a record and again we use the example 10 sheets, so say for example you take a full sheet out you cross out 10 and leave 9?
	KI	Yeah leave 9 yeah.
	MP	Yeah but what Mr. Bradshaw is saying that you're saying that when the stock is delivered, the bulk stock is delivered, you've counted it and put it in the store room yeah?
	KI	That's a different question.
	SB	Well no actually Mr. correct it does come in at some stage.
	KI	When it comes from Post Office, when it usually came from Post Office we just checked it off basically and then put it into the back, we never actually physically counted that.
	SB	Right but just to go onto what Mr said but you're taking 10 stamps, again that's down to you if you haven't, if you don't count what you receive and it's short, anything that's missing is down to you because you're signing to accept 10 sheets have been delivered in. Now if you're taking 10 sheets in and you've got 10 sheets in the back you change your piece of paper to read 20 and then when you give them out

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		it goes down to 19, 18 and so on so at some stage in your mind you have got an idea of how much cash and stock you've got haven't you?
	KI	Yeah.
23.04	SB	Right and then so you've added your stamps from the book you've added the bulk from there you've counted your cash and you put them figures into the machine and then you produce a balance doesn't it?
	KI	Yeah.
	SB	And from that balance it tells you whether you're perfect and you haven't lost a penny and haven't gained a penny, you've gained some money or you've lost some money. Now what were your balances like?
	KI	I think it always showed a loss.
	SB	Right always showed a loss ok. Why did it always show a loss do you think? 'Cos in simplistic terms, person comes in with money you sell them a stamp ok. If they give you £1 stamps have gone up now so they're 46 so you give them 54p change. Before that it was 41p so you gave them 59p change so you get an extra £1 in your coinage and you get the denomination of the 59 or 54p and then your value of your stock, the stamps decrease by 1 so if you don't make any mistakes the money comes in and the paper goes out, the machine adds it all up for you and then you get your perfect balance ok. When you're short ok you say you're always short that normally comes 3 ways isn't it, you're being careless 'cos somebody's given you money and you're given the wrong change, you're not taking the money when you're selling something, incompetence a little bit like the carelessness, you don't know what you're doing so you're just giving money backwards willy nilly or somebody's taken stolen cash stolen stock and that's how you end up with shortages. In the retail trade we call it shrinkage and all this but in

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		effect it's all about theft that people are taking something that doesn't belong to them.
26.45		KI said his losses were about £20 to £30 but rose to about £1400 about October 2010 which was settled centrally. He thinks the next shortage was about £400 in January which was added to the audit.
28.47	SB	Right so that explains then when the auditors went there they found a loss of about £500 and that escalated the audit up to go back to a question Mr had before. That's why one person arrived and then 2 people finished off your audit because they found the loss and they went from checking your cash to actually checking everything that you held in the branch yeah that right?
	KI	That's what happened yeah.
	SB	Ok so we've got the £1400 which is the October one ok let's just take another step back now. On a daily basis which is the bit what you were going to say just before to assist you when you know about these losses, you would do something that's known as a cash declaration ok. Can you explain to me who done them and what you did with a cash declaration?
29.35	KI	It was done both, I did them and he, you know the other clerk did them as well.
	SB	Ok what time would you normally do them?
	KI	Between half 4 quarter to five maybe to 5.
29.57	SB	Now you say the other clerk done them.
	KI	As well.
	SB	Why did he do it did he have his own stock unit?
	KI	No it was a shared stock unit.

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
	SB	Right so it's a shared stock unit. Ok so if he left at 4 o'clock would he do a cash dec?
	KI	No.
	SB	Ok but you would then do it between half past 4 and 5 o'clock?
	KI	Yeah.
	SB	Ok. If he didn't leave at 4 o'clock you'd have asked him to stay behind and he's working until 5 o'clock or half past five, is he the person who then produced the cash dec?
	KI	Sometime yes.
	SB	Right or sometimes do it yourself?
	KI	Or sometimes I did it.
	SB	Ok so how did you produce your cash declaration?
	KI	We entered the figures, we counted all the cash. The bulk cash now is counted, pre-counted it was banded up into £5,000 so to make it easier for us to count and we did the coins separately they were counted and we had little slips telling us exactly what they counted.
	SB	Yeah and then you entered them in?
	KI	And then you entered them in.
	SB	And then you press a button.
	KI	Yeah and it shows you how much you're down or up.
	SB	Down or up right. Is there any time when you've done cash declarations that the money was showing strange
	KI	No it never showed strange figures.
	SB	Right so it didn't say you were, for October, if we broke that down into a weekly thing, I know it's very simple but if we broke that down to £300 a week you didn't and over the period of the first week start seeing the money creep up to £300 then during the second week creep up to

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		£600, during the third week creep up to £900 and then.
	KI	Yeah and that. On that example yeah.
	SB	So what you're saying is your cash is out, for the example of October, the £1400 you knew from the end of your previous trading statement to the end of the other one that your cash was out when you produced your cash declaration?
	KI	Yeah the cash was out yeah.
	SB	Right so each time your cash was out.
	KI	I knew how much cash was out.
	SB	Yeah and it built up so you knew prior to the branch trading statement that you were expecting to show a loss in the region of £1400 if we use October as the example.
	KI	Yeah.
	SB	Ok and that's the one you're saying you settled centrally and sort of paid. If we was, you know and we're talking examples and simplistic, if after the first week it was £300 out, what did you do?
	KI	I looked at the transactions that were happening to try and find it. When we did the, when he did the balance he usually told us if there were any stamps that were out and stuff like that so we checked those on the books.
	SB	Right so.
32.50	KI	But they were always out by 1 or £2 so they were always showing.
	SB	So your stamps were sorted out?
	KI	Yeah.
	SB	Or the cash it out but you tried to find out where the money was?
	KI	Yeah but we couldn't find it.

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
33.15		KI states he did not phone the helpline regarding the losses.
33.30		KI shown branch trading statement for October 2010 showing a £1065.56 loss which he said he settled centrally clearing his account before trading period 7, as far as he could recall.
37.05		KI was informed the loss at trading period 7 was in fact £4,211.00, £3658.00 at period 8 and £479 by January.
37.20	SB	So your first and last one are within the balance but you're out by the middle 2 and that's why I'm saying figures like that will stand out and you will remember. You remembered your £1400 you remembered your £400 you don't remember nearly £8,000.
	KI	I don't remember doing that.
	SB	Well that's your Post Office that's what's been done right so if that loss is out how would you make good your accounts? You're £4,000 short then right how have you made good that loss?
	KI	I think if it was that amount.
	SB	Not it is that amount.
	KI	I would have contacted Chesterfield about that one.
	SB	I've just asked you and all your remember contacting Chesterfield is about the first one and they're big amounts to me that you will remember and you'll be going hang on something's wrong in this Post Office so how did you make good, how did you manage to get your account straight for the next one in trading period 8 when you were £4,000 short and that's short by that, did you put any money in and that loss is part of that loss?

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
	KI	I think that loss might have been part of that loss.
	SB	Right so what you've done is when that money come in there the £4,211, you haven't contacted Chesterfield, you've let that roll over into that one?
	MP	And is that a roll over figure then?
	SB	Well again that's the following one so it's one of two ways it's whether you've got a further loss of 3,000 or whether that loss is part of that loss.
	KI	Every loss I got I contacted Chesterfield.
39.25		KI states he was paying about £1,000 out of his remuneration and on a couple of occasions paid £2,000.
39.40	SB	Did you ever inflate the cash?
	KI	No.
	SB	So you never inflated the cash, have you ever stolen any money:
	KI	No I haven't.
40.58	SB	Did you get any transaction corrections 'cos I don't believe that in that period you've given over £1,000 a week over the counter to customers 'cos you'd have the queue round the door. I'd even drive up to come and get served by you 'cos I know I'm going out with more money that what I come in for.
41.26	AW	Just leading on from the rolling over suddenly the loss from that trading statement has then disappeared on the January one, so what happened did you put that money in or?
	KI	That cash 3,000 they contacted, this wasn't settled I don't think centrally I don't think so, I think I put cash in there.

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
41.50		KI was advised to say what had happened rather than to guess.
		Master tape seal signed on number 071401
		Interview terminated at

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Record of Taped Interview

Record of Taped Interview Summary

Person interviewed:	KEVIN INCE	Exhibit No: SB/14	
Place of Interview:	TRAINING ROOM DELIVERY OFFICE	Number of pages: 14	
		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:			

Tape counter times	Person speaking	TEXT
		Voice identification of everyone present
0.30		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. benefit ok.
	KI	Can I just explain about my GRO 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
		your safe and you count your working cash the drawer.
	KI	And we have a small safe as well for cash.
9.26	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.
9.50	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
		you agreed that that loss was the one of the audit.
	KI	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'.
13.12	SB	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.
	AW	Yeah so they bring that back into the account at the audit which causes the loss again.
	SB	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.
	KI	In the big safe yeah.
	SB	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?
	KI	We go on the previous figure.
	SB	Where do the figures come from?
	KI	It was on a sheet on paper, I mean obviously there's not a sheet of paper there now but it was there.
	SB	So all sheets of paper (indistinct)

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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
	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.
15.21	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?
16.08	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?
	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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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		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.
	AG	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.
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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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		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.
	MP	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.
	SB	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.
	MP	Mr 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.
29.08	SB	Right when did they close the Post Office and walk out?
	KI	They walked out in February 2009 so I could have been carrying that from there.
	SB	Right you could have but unfortunately for every could you could not.
	MP	He's thinking aloud with you.
30.13	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?
	KI	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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Record of Taped Interview – Continued

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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Record of Taped Interview – Continued

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.
	KI	There's different types of second class stamps not just business sheets.
36.00	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 26th 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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Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
	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 2nd class.
	KI	There 2nd 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 in stead 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?
39.04	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 1st or 2nd

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ROYAL MAIL – CONFIDENTIAL
Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		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.
41.17	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 1st 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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Record of Taped Interview – Continued

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

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000543

Exhibit Number
Identifying Mark SB/15

Post Office Ltd Fraud Strand
Typed copy of Notebook Entry

Date of Entry	07 April 2011
Place Where Entry Made	Royal Mail Delivery Office
Owner of Notebook	Steve Bradshaw Fraud Investigator
Notebook Witnessed by	
Case Reference:	

At Delivery Office
accompanied by Andrew Wise Fraud Investigator, Mr was interviewed in accordance with PACE.

Mr requested Legal Representation. Mr solicitor attended on his behalf. Form GS001 was completed and signed by Mr

Mr declined to have a Post Office friend present. Form GS003 was completed and signed by Mr

The interview commenced at 11.11 and concluded at 12.55. The interviews covered two tapes and were given the unique reference numbers 071401 and 071402.

000544

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This document explains your legal rights.
It is important that you read and understand it.

Date Shown: 27/9/11 Time: 11:11 Hours

Because you are suspected of having committed a criminal offence which may result in a criminal prosecution I must inform you that:

You do not have to say anything, but it may harm your defence if you do not mention when questioned something which you later rely on in court. Anything you do say may be given in evidence.

Do you understand? YES
(Reply to be written by person being interviewed)

I must also inform you that:

Exhibit Number	
Identifying Mark	

1. You are not under arrest. (1)
2. You are free to leave if you wish. (If the interview is being conducted anywhere other than Royal Mail premises consent must also be obtained from the interviewee and person entitled to grant entry to premises, to carry out the interview there). (1)
3. If you do remain you have the right to legal representation and advice including the right to speak with a Solicitor in private, either in person, on the telephone, or in writing. (The Solicitor will give you advice regarding Legal Aid). (2) I can provide you with assistance in contacting a solicitor if you wish. The interview can be delayed while legal advice is obtained.
4. You are entitled to read the Police and Criminal Evidence Act 1984 Codes of Practice if you wish. The Codes set out your legal rights and the rules governing the conduct of this interview.

Have you read 1 - 4 above? YES
(Reply to be written by person being interviewed)

Do you understand 1 - 4 above? YES
(Reply to be written by person being interviewed)

I wish to speak with a Solicitor as soon as it is practical. (3) Signed: ____

or

I do not want to speak with a Solicitor at this time. Signed: ____

If you do not wish to have legal advice please give reason why:

If you do not want to speak with a Solicitor at this time, you can change your mind at anytime during the interview. (3)

Do you understand?
(Reply to be written by person being interviewed)

Signed: ____ Date: 27/9/11 Time: 11:11 Hrs

Print Name: ____

(1) To be deleted if the interviewee has been arrested
(2) This sentence to be deleted when the interview is conducted at a police station.
(3) If a solicitor is requested at any stage the interview must be immediately suspended.

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Record of Taped Interview

Summary Record of Taped Interview

Person interviewed: KEVIN INCE

Place of Interview: Training Room
Delivery Office

Exhibit No: SB/19

Number of pages: 8

Signature of interviewer producing record

Date of Interview: 27 September 2011

Tape reference no.: 071404

Time commenced: 11.10

Time concluded: 11.33

Duration of Interview: 23 MINUTES

Interviewing Officers: Stephen BRADSHAW (SB)
Kevin RYAN (KR)

Other persons present:

Tape counter times	Person speaking	TEXT
		Voice identification of everyone present and the nature of the enquiry explained. Permission to tape record given.
1.30		KI cautioned and reminded of legal rights. KI told (1) he is not under arrest, (2) is free to leave, (3) is entitled to legal representation and advice including the right to speak with a Solicitor and (4) is entitled to read the Police and Criminal Evidence Act 1984 Codes of Practice setting out the rules and rights governing the conduct of this interview. The necessary form completed and signed – Solicitor present.
4.30		The Royal Mail Employee Rights to a Friend at an interview or search form GS003 completed and signed. Offer of friend – friend declined.

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Summary Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
6.00		The reason for this interview was explained to KI and
6.40	SB	In the first interview you stated that you both completed the Branch Trading Statement and the cash declaration is that still correct?
	KI	Yes
	SB	Right, what you are saying is that is that Mr : also took part in doing the cash declarations of a night, even though Mr said that he did not do any cash declarations, you are saying that is untrue?
	KI	He counted the cash and obviously used to write on a piece of paper, how much cash there was.
	SB	Right, you counted the cash, who actually inputted the cash declaration onto the Horizon screen?
	KI	Sometimes he did sometimes I did.
	SB	So what you are saying, he said to us that his sole responsibility was only to serve customers, but I accept that he has probably assisted sometime with the balance.
	KI	Yes
7.35		KI confirmed that the shop opened at six thirty and the Post Office was open nine to half five, did not close for lunch and the shop closed at five thirty.
		KI also confirmed that he sometimes gave Mr a lift and was with him when the shop opened
	SB	You said at the first interview that his hours of attendance were 10 to 4 o'clock and you did nine to ten and then finish off at four o'clock to half past five, is that still the case?
	KI	His core hours were between 10 and 4 and they were flexible. We did, he did slide them himself
9.00	SB	Again he did say to us that he worked Monday to Friday, nine to half five

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ROYAL MAIL – CONFIDENTIAL
Summary Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		every day.
9.05	KI	That was up to him, his core hours were set, obviously if you can imagine it is a business, we set him core hours that he is going have to work, beyond that if he wanted to work that was offered to him at the time.
		KI was asked if he had any records regarding the time keeping of Mr
	KI	We did not have a time sheet.
	SB	How was he was paid for these extra hours. Did you pay him or
	KI	In his wage
		It was explained that if he worked these extra hours then there would be a record of the hours. KI was asked if these extra hours were reflected in Mr wage slips.
10.22	KI	I don't think so because it was time in lieu and stuff like that was given to him, added onto his holidays and stuff like that. There is no money involved in that.
	SB	Was there any paper record for the time in lieu?
	KI	No because obviously he did have a figure, I asked him to write it down and remind me. But he use to take half a day off, you know during the week, I'm going at this time and we just let him go because obviously we knew he had worked those hours.
		KI confirmed that he took Mr word for the amount of hours owed to him.
11.15	SB	You also said in your first interview that you never shared any passwords, he didn't know yours and you did not know his. Is that still the case did you not know his password
11.22	KI	No

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Summary Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
11.25	SB	Because Mr says to us, initially which is the normal way of setting up the system, you gave Mr his password and he would be prompted to change his password
	KI	After that I don't know
	SB	Right, what he is saying to us is that he changed his password when he was prompted and he told you on every occasion what his new password was because that is what he thought he had to do. Is that the case?
	KI	No
12.00	SB	So, what you are saying is that he never came to you with a password?
	KI	No, I still even to this day I don't know, I usually set them up and then that is it. It is their job to remember it.
	SB	Again on part of the first interview you said that when you use to do a balance, you balanced on a monthly basis. Did you do anything on a weekly basis? Did you balance and roll over into the next period, because it is broken up into balance period one, two, three and four. Did you roll from balance period one into two, into three to four and then produce your Branch Trading Statement.
	KI	I think we did
		KR asked KI did he balance every Wednesday as opposed to once a month.
13.00	KI	I think we did a balance for the cash and for what we assumed what was there
		A discussion took place regarding the balance.
13.45		KI was asked when the final figure was reached on the balance either on the Wednesday or the end of the month was Mr present.
	KI	Sometimes he will be there, sometimes he would leave a bit earlier you

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Summary Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		know start the balance, he would do the cash count and then sometimes he would say he was going and I said to him you go and I'll finish off and sometimes he use to stay right to the end.
14.10	KI	Because I was showing him how to do the balancing as well it was in his interest to stay back and learn how to do the balance.
		SB explained to KI that it was our understanding that he was never present at the end of the balance.
14.30	KI	He may not have been looking at the screen but he was there.
	SB	In the first interview when we were speaking about the two balances with the large amounts. You said that when you reached the first one which I think is SB/8 the one for £4211.21, which was shown as being short, the explanation you gave was that you have already completed the balance and you had found some cash in the drawer
	KI	On the side
	SB	Not in the drawer on the side
	KI	I think it was in the side
15.20	SB	You said that it was the cash you had never counted
	KI	Yes because we had started the balance process and he had forgot to include that cash and then goes I forgot to do it
	SB	And then you completed the balance process and you were £4211 out, what you had done was put the cash in. So the £4200 short on the account put the cash in and this would straighten the account for the next trading period wouldn't it because you had put the money in? Is that still the case?
	KI	Yes
16.05		It was said to KI that Mr had said that he was never told about any discrepancy and he had forgotten to count cash.

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Summary Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
16.15	KI	I think that he forgets most things that you tell him, you can tell him what to do today he would probably forget that KI explained that it was a small office and Mr was stood there and said that he had forgot this one and we had already started the balance and there was nothing more that he could do. KI said that just put it back in the safe (meaning the money) and that is what Mr did. KI said that he had forgotten to mention that.
17.00		SB explained the following month (SB/9) there was another shortage of £3658.13 and KI had said exactly the same that Mr had forgotten to count the cash.
17.20	KI	I was teaching him how to do the balance and how to count the cash and put the cash into the system. Now for those two balances he forget to do that, you know he left the cash there, once he had left it on the side, the other one he had left it in the drawer.
	SB	So what you are saying in that Mr is mistaken and he did not the cash was there on both these occasions and that is why these are the two occasions when you have never contacted Chesterfield because you had said that you always get in touch with Chesterfield when you had a loss
	KI	Yes
	SB	In the first interview we covered some of the losses that were shown and had settled centrally because we had these two (inaudible) you saying that you didn't contact Chesterfield for these ones was the cash was on the side
18.10	KI	The cash was there
	SB	And it is still the case that in TP8 the £3658 that all the money was

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Summary Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
		found and put in and the same for TP7 £4211 and it is not a roll of once loss from one to another.
18.30	KI	No
		SB explained to KI that he had said that he had never physically counted the cash or stock when he received a remittance and that he would populate the figures. SB explained what was meant by populated figures.
		KI then spoke to MP (inaudible)
19.55	MP	I think what he is telling you he did count the cash that was received but it was the stock that he was on about.
	SB	When the cash came in you counted the cash, you counted the bundles then count the individual notes
	KI	Not always, we did count on occasions, we would count it and put it away
		KI explained that because they were counting the cash weekly they would count the cash anyway.
	SB	So all the cash was actually physically counted
	KI	Yes, when in bundles it wasn't counted but when it was loose obviously it was counted
20.35	SB	So what you are saying is that you never counted the stock
		It was explained that Mr was of the understanding that KI physically counted the cash and stock.
	SB	So what you are saying is that he is mistaken again and that you only physically counted the cash
	KI	Anyway when the cash came in, the rems came in he was never there, maybe he was there on occasions but he never saw what was happening so he can't clarify that.

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Summary Record of Taped Interview – Continued

Tape counter times	Person speaking	TEXT
21.00	SB	Of a morning who got the cash and stock out
	KI	Because his role has progressed as well as we have gone on, we did, I originally set him up and we didn't use to take out the bulk cash, we use to use what ever was in the hoppers and in the small little tub that we had to run the counter that is what we would put out in a morning.
		KI said that as Mr training progressed Mr put out the cash and stock in the morning.
22.00		KI confirmed that initially he would replenish the cash on the counter from the safe and again as Mr training progressed, Mr would replenish the cash.
		KI and MP were asked if they wished to add or clarify any point. They did not.
		KI explained the current position regarding repayment of the outstanding amount.
		Notice GS019 (Explanation of what happens to the tapes) was handed over.
23.00		Master tape seal signed on number 071404
		Interview terminated at 11.33

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000553

Exhibit Number
Identifying Mark SB/20

Post Office Ltd Fraud Strand
Typed copy of Notebook Entry

Date of Entry	27 September 2011
Place Where Entry Made	Delivery Office
Owner of Notebook	Steve Bradshaw Fraud Investigator
Notebook Witnessed by	
Case Reference:	

At
accompanied by Kevin Ryan Security Manager, Mr was interviewed in accordance with PACE.

Mr requested Legal Representation. Mr solicitor attended on his behalf. Form GS001 was completed and signed by Mr

Mr declined to have a Post Office friend present. Form GS003 was completed and signed by Mr

The interview commenced at 11.10 and concluded at 11.33. The interview covered one tape and was given the unique reference numbers 071404.

POL00105185

Branch: F

Branch Code:

Summary of Stock Sold / Reversed
November 2010 to January 2011

Exhibit Number:

Identifying Mark: **SB/21**

Sum of SaleValue		item long name	Reversal										
		50 x 1st Class Large		50 x 1st Class Large Total	50 x 2nd Class Large		50 x 2nd Class Large Total	Self Ad Sheet 1st x 100		Self Ad Sheet 1st x 100 Total	Self Ad Sheet 2nd x 100		Self Ad Sheet 2nd x 100 Total	Grand Total
Date	User	sales	reversal		sales	reversal		sales	reversal		sales	reversal		
02/11/2010	ULI001							£82.00		£82.00	£32.00		£32.00	£114.00
03/11/2010	KIS001				£25.50		£25.50				£96.00		£96.00	£121.50
05/11/2010	KIS001							£41.00		£41.00				£41.00
08/11/2010	KIS001	£132.00		£132.00										£132.00
11/11/2010	ULI001							£41.00		£41.00				£41.00
12/11/2010	KIS001							£41.00		£41.00				£41.00
[redacted]												-£960.00	-£960.00	-£960.00
22/11/2010	ULI001										£64.00		£64.00	£64.00
[redacted]	[redacted]		-£990.00	-£990.00		-£765.00	-£765.00		-£1,230.00	-£1,230.00				-£2,985.00
25/11/2010	ULI001										£64.00		£64.00	£64.00
[redacted]									-£1,968.00	-£1,968.00				-£1,968.00
03/12/2010	KIS001							£41.00		£41.00	£32.00		£32.00	£73.00
04/12/2010	KIS001							£41.00		£41.00	£32.00		£32.00	£73.00
	KIS002										£32.00		£32.00	£32.00
06/12/2010	ULI001							£41.00		£41.00				£41.00
07/12/2010	ULI001										£32.00		£32.00	£32.00
09/12/2010	ULI001				£510.00		£510.00	£82.00		£82.00				£592.00
10/12/2010	KIS002							£41.00		£41.00	£64.00		£64.00	£105.00
13/12/2010	KIS001							£41.00		£41.00	£64.00		£64.00	£105.00
14/12/2010	ULI001							£41.00		£41.00				£41.00
[redacted]						-£3,315.00	-£3,315.00		-£2,050.00	-£2,050.00		-£1,600.00	-£1,600.00	-£6,965.00
	ULI001							£41.00		£41.00				£41.00
17/12/2010	ULI001							£41.00		£41.00				£41.00
20/12/2010	KIS001										£32.00		£32.00	£32.00
23/12/2010	KIS001										£0.00		£0.00	£0.00
30/12/2010	KIS001										£32.00		£32.00	£32.00
05/01/2011	KIS001							£41.00		£41.00				£41.00
10/01/2011	ULI001							£205.00		£205.00				£205.00
12/01/2011	KIS001							£41.00		£41.00	£32.00		£32.00	£73.00
[redacted]			-£3,300.00	-£3,300.00					-£820.00	-£820.00		-£640.00	-£640.00	-£4,760.00
14/01/2011	ULI001							£41.00		£41.00				£41.00
17/01/2011	KIS002										£32.00		£32.00	£32.00
	ULI001							£41.00		£41.00	£32.00		£32.00	£73.00
19/01/2011	KIS001							£82.00		£82.00	£64.00		£64.00	£146.00
21/01/2011	ULI001										£32.00		£32.00	£32.00
25/01/2011	KIS002	£33.00		£33.00										£33.00
29/01/2011	KIS001							£205.00		£205.00	£32.00		£32.00	£237.00
31/01/2011	KIS002										£64.00		£64.00	£64.00
Grand Total		£165.00	-£4,290.00	-£4,125.00	£535.50	-£4,080.00	-£3,544.50	£1,271.00	-£6,068.00	-£4,797.00	£864.00	-£3,200.00	-£2,336.00	-£14,802.50

POL00105185

Exhibit Number	
Identifying Mark	SB/22

POST OFFICE COUNTERS LTD

SECTION 12

000555

RESPONSIBILITY FOR POST OFFICE STOCK AND CASH

CREDIT STOCK OF STAMPS ETC.

1. The Subpostmaster on taking up his appointment is supplied with suitable Post Office stock, the amount of which is fixed by the Regional General Manager.

CASH BALANCE

2. The Subpostmaster is permitted to hold Post Office Counters Ltd cash normal to meet payments at his sub-office after due allowance has been made for expected receipts and in accordance with official accounting and security instructions.

3. The Subpostmaster is expressly forbidden to make use of the balance due to Post Office Counters Ltd for any purpose other than the requirements of the Post Office service; and he must, on no account apply to his own private use, for however short a period, any portion of Post Office Counters Ltd funds entrusted to him. He must also be careful to keep the Post Office money separate from any other monies. Misuse of Post Office Counters Ltd cash may render the offender liable to prosecution and, or, the termination of his Contract of Appointment.

ACCOUNTS

4. The Subpostmaster must ensure that accounts of all stock and cash entrusted to him by Post Office Counters Ltd are kept in the form prescribed by Post Office Counters Ltd. He must immediately produce these accounts, and the whole of his sub-office cash and stock for inspection whenever so requested by a person duly authorised by the Regional General Manager.

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Exhibit Number	
Identifying Mark	SB/22

000556

SECURITY OF CASH, STAMPS ETC.

5. The Subpostmaster is held strictly responsible for the safe custody of cash, stock of all kinds and other Post Office Counters Ltd property, papers and documents, whether held by himself or by his Assistants, and should keep them in a place of security, especially at night.

6. The Subpostmaster is responsible for maintaining a standard of security sufficient to enable him to meet the obligations laid on him by paragraph 5 for the safe keeping of Post Office Counters Ltd cash and stock placed in his care. If any circumstances arise which lead him to doubt whether he can do so he should immediately consult the Regional General Manager.

7. In deciding the standard of security which it would be reasonable to require under paragraph 6 Post Office Counters Ltd will have regard to (a) the circumstances in which the Subpostmaster was appointed, and in particular the standard of security then accepted; (b) the length of time since his appointment; and (c) any particular circumstances affecting the sub-office which appear to be relevant.

8. All vouchers for payments e.g. Postal Orders, Allowance Dockets etc., should be placed in a suitable receptacle (cardboard box or strong envelope), labelled "Paid Vouchers" and at the close of business kept separately from cash and stock in another secure place, such as a locked drawer or cupboard.

9. The Subpostmaster must be careful to keep his stocks of all kinds in such a manner that they remain in good condition. The stocks must be protected against damp and dust.

10. Datestamps used for authenticating documents (e.g. Postal Orders) or stamping correspondence must be kept in a position on the counter where they are out of reach of members of the public. When not needed for work they must be locked away.

11. Precautions should be taken to guard against the risk of fire.

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Exhibit Number	
Identifying Mark	88/22

LOSSES

12. The Subpostmaster is responsible for all losses caused through his own negligence, carelessness or error, and also for losses of all kinds caused by his Assistants. Deficiencies due to such losses must be made good without delay.

13. The financial responsibility of the Subpostmaster does not cease when he relinquishes his appointment and he will be required to make good any losses incurred during his term of office which may subsequently come to light.

GAINS

14. Surpluses may be withdrawn provided that any subsequent charge up to the amount withdrawn is made good immediately.

THEFT OR BURGLARY

15. If a theft or burglary is committed or attempted at a sub-office, whether or not official cash or stock is stolen, the facts must be reported at once to the Police and to the Regional General Manager by the person who first makes the discovery.

MISSING OR STOLEN STOCK

16. If a Subpostmaster considers that any stock items have been accidentally lost, or stolen he should make a report, in accordance with Appendix 1, as quickly as possible to the Regional General Manager.

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Exhibit Number	
Identifying Mark	SB/22

RELIEF

000558

17. COUNTER LOSSES A Subpostmaster may exceptionally not be required to make good the full amount of certain losses at his office. If he feels entitled to relief in making good a loss he should apply to the Retail Network Manager.

18. THEFT OR BURGLARY The question of granting relief will depend upon whether the Subpostmaster has taken reasonable precautions to safeguard the official cash and property.

19. FRAUD All cases of fraud or attempted fraud should be reported immediately to the Regional General Manager.

(APPENDIX 1 FOLLOWS)

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Exhibit Number	
Identifying Mark	88/22

ACCIDENTAL LOSS

If at any time any items of stock (including stock of no intrinsic value such as motor vehicle licences) is found to be missing. Steps must be taken at once to ascertain what has happened to the missing items. The serial numbers must be ascertained (see 2(a)) and verified by examination of items in stock, and the requisition forms examined to discover whether or not any of the items purport to have been issued out of sequence. All the requisition forms for the previous 3 months must at the same time be impounded and held for instructions. If, after careful search, the missing items cannot be found and are thought to have been mislaid only, or inadvertently destroyed, a preliminary report of the loss giving the serial numbers of the items in question must be sent to the Regional General Manager.

STOLEN ITEMS

1. If as a result of burglary, break in, theft, or suspected theft any items of stocks are missing the facts should be reported as quickly as possible to the Regional General Manager.

2. The further details which will be required, and which should be obtained and submitted to the Regional General Manager at the earliest opportunity, are as follows:

   (a) The denominations, total values and serial numbers of missing or stolen items, so far as they are known, with serial numbers of any remaining stocks.

   (b) A statement as to whether the date stamp of the sub-office has been stolen, and if so, particulars of the type in it when stolen. If the date stamp has not been stolen a statement should be given which should intimate whether there is a reason to believe that it has been used upon the stolen items.

   (c) A specimen impression of the date stamp and, if it was stolen, particulars of the type in it when stolen.

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Exhibit Number
Identifying Mark SB/22

000561

(d) A statement of the circumstances which are thought to show that a theft has been committed and of the supposed date, time and method of commission. It should include, if possible, written report from the person who last saw the missing items and the person who first discovered the loss. The former should say when the items were last seen, in what place and in what kind of receptacle (locked or unlocked) they then were. The latter should state how and when the loss was discovered and describe exactly the condition of the place and of the receptacle from which the items were apparently taken.

(e) Particulars of any cheques, including the transaction for which they were accepted.

END

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Branch:
Branch Code:

Summary of Stock Received
18 November 2010 TO 16 December 2010

Exhibit Number:

Identifying Mark: SB/23

Date	Item Code	Item Name	Transaction	Transaction Code	Non Sales Volume	Non Sales Value
18/11/2010	1	Cash	Remit in from ADC	24	-4	-£37,500.00
18/11/2010	5128	Euro Euro EUR	Remit in from ADC	24	-4500	-£3,829.14
24/11/2010	31293	Camelot Cheque	Remit in from ADC	24	-10	£0.00
25/11/2010	1	Cash	Remit in from ADC	24	-5	-£32,540.00
04/12/2010	1	Cash	Remit in from ADC	24	-3	-£40,000.00
09/12/2010	1	Cash	Remit in from ADC	24	-4	-£26,100.00
16/12/2010	1	Cash	Remit in from ADC	24	-4	-£35,000.00
16/12/2010	18	Stamp Card	Remit in from ADC	24	-110	£0.00
16/12/2010	22	Stamp Special 1st	Remit in from ADC	24	-1260	£0.00
16/12/2010	31209	Stamp Special 97p	Remit in from ADC	24	-210	£0.00

Performance Standards Assessment - Agents

000584

Use "Tab" Key to move between Data input fields

Summary Of Assessment Performance Standards	
Name of Branch	
Address	
Branch Code	
Name of BDM	R Hart
Name of on-site Trainer	Dennis Watson
Date on-site training started	04 July 2008

Exhibit Number	
Identifying Mark	LH/1

Unit		Score
Unit 1	Subjects And Session Number	9.17
Unit 2	Reports	9.00
Unit 3	Observed Conversations	6.00
	Total Score	8.06

Please fill in only if classroom training has been received								
Name of classroom trainer		P Johnson						
Number of days attended		10						
Practical scores	Mod 1	75.00	Mod 2		Mod 3	88.00	Total	81.50

45 Security	Y or N
Have the Areas on the self-assessment checklist been covered with the subpostmaster?	Y
Has a copy of the security self-assessment checklist been left onsite for reference?	Y

Unit 2 - Reports	Score
Produces and double checks daily documents ready for despatch	10.00
Produces and double checks weekly documents ready for despatch	7.00
Completes daily cash accurately	10.00
Overall Score for Unit 2	9.00

Unit 3 - Observed Conversations	Score		Score
Cash Withdrawals	10.00	Instant Saver	-
Special Delivery	4.00	Five Year Saver	-
Parcelforce 24 & 48	4.00	Motor Insurance	-
Home Phone	-	Home Insurance	-
Broadband	-	Credit Card	-
Telephony Dual	-	Moneygram	-
Travel Insurance	-	Life Insurance	-
Travel Money	-	E Top Up	-
Passport Check & Send	-		
		Overall Score for Unit 3	6.00

Regulatory Compliance Workbook Completed And Answered Correctly (Y or N)	Y
If No E-mail POL Compliance Team@POSTOFFICE With Trainee Details (Y or N)	

Interim Action Plan/Comments

Performance Standards Assessment - Agents

Exhibit Number	
Identifying Mark	LH/2

Unit 1 Subjects And Session Number		Covered	Score
2	Instant Saver	C	-
3	Business Awareness	C	
4	Health & Safety	C	
5	Datestamps	C	
6	Post Office Credit Card	C	-
7	Part 1: Take Over Of a Stock Unit	C	
	Part 2: Anti MoneyLaundering	C	
8	Introduction to Horizon and Helpline	C	
10	Stock Balancing	C	
14	Use Of Counter Operations Manuals etc.	C	
16	Postage Stamps, Saving Stamps And Retail Items	C	10.00
18	Royal Mail Services - 1st & 2nd Class Mail	C	10.00
19	Royal Mail Services - Special Delivery	C	7.00
23	Royal Mail Services - Home Shopping Returns & UK Parcels	C	10.00
25	Royal Mail Services - Recorded 'Signed For'	C	10.00
28	Part 1: A & L Cash Handling And Transcash	C	10.00
	Part 2: APS Transactions & Reversals	C	10.00
37	Postal Orders	C	7.00
42	Part 1: Travel Products	C	7.00
	Part 2: Passport Application Check And send Service	N/A	
43	Part 1: Parcelforce Worldwide - International Standard/Economy	C	-
	Part 2: Parcelforce Worldwide - Guaranteed Services (Global Priority)	C	-
	Part 3: Parcelforce Worldwide - Guaranteed Services (Datapost)	N/A	
45	Security	C	
46	Cash, Stock & Stores Management		
	Remittances In		
	Remittances Out		
47	E Top Ups/Mobile Vouchers	C	10.00
50	DVLA Premium Service	N/A	
51	Part 1: Cheque And Debit Card Acceptance	C	10.00
	Part 2: Cashcheques	C	10.00
	Part 3: Personal/On Line Banking	C	-
52	DWP/SSA (NI) Girocheques	C	10.00
54	Part 1: Post Office Card Account	C	10.00
	Part 2: Post Office Card Account	C	-
59	NS&I - Investment Account	C	-
60	NS&I - Savings Products	C	-
61	Home Insurance	C	-
63	Car Insurance	C	-
64	PO Savings - Five Year Saver & Instant Saver	C	-
65	Home Phone / Post Office Phone Cards	C	-
66/68	Motor Vehicle Licences	C	7.00
70	Royal Mail services - International Letters, Small Packets & PF	C	10.00
72	Royal Mail services - International Priority Services	C	10.00
74	Redirection Of mail	C	7.00
76	Moneygram	C	-
77	Asylum Seekers	N/A	
	Overall Score for Unit 1		9.17

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Exhibit Number	000586
Identifying Mark	LH3

Office Name	
Office Code	
Telephone	
Office Address	
1st line	
2nd line	
3rd line	
Postcode	

Contact	Date	Carried out by
1 Month Contact	29.08.2008	DENNIS WATSON
3 Month Visit	17.10.08	Stan Ashcroft
6 Month Contact	14.03.2009	DENNIS WATSON

Exhibit Number	
Identifying Mark	LH/3

Post Transfer Contact

P		Phonecall 1 Month	Visit 3 Months	Phonecall 6 Months
	Personal Introductions:	Activity		
1	Introduce yourself, your role, purpose of visit/contact, putting priority on the visit being supportive and to encourage good ways of working. Rather than being punitive we would like to address any development needs.	✓	✓	
2	Ensure subpostmaster checks visitor identification cards		✓	
3	Sign a visitors book and ensure that the subpostmaster asks every visitor to sign on admittance to the secure area		✓	
4	Set expectations of frequency of future visits/contact. Flag up ant issues around absentee subpostmster for further contact.	✓		
	Network Business Support Centre – The Helpline: Confirm subpostmaster knows telephone number of Network Business Support Centre (NBSC) – 0845 6011022 – and ensure that it is the first point of contact for:			
5	Reporting of incidents, robberies and burglaries	✓	✓	✓
6	Reporting Horizon technical faults	✓	✓	✓
7	Help with Horizon/Transactions/Business policies/suspense account	✓	✓	✓
8	Authorisation of emergency payments for card account due to Horizon system failure	✓	✓	✓
9	Authorisation to issue a vault card for a card account	✓	✓	✓
10	Query an order of stock/stores or non receipt of a distribution	✓	✓	✓
11	Other enquiries such as contacting the BDM if appropriate	✓	✓	✓
	Human Resources Service Centre:			
12	Confirm that the Human Resources Centre (HRSC) should be the first point of contact for:	✓	✓	✓
13	Remuneration queries	✓	✓	✓
14	Application for sickness and holiday substitution	✓	✓	✓
15	Resignation and vacancy information	✓	✓	✓
	Training:			
16	Go through the training report and ensure learning action plan completed, discuss knowledge gaps.	✓	✓	✓
17	Only if required, request a further intervention visit for the subpostmaster by e-mailing **NSA Centrally Supported.**	✓	✓	
18	Confirm that the subpostmaster is aware of their responsibility to train all staff	✓		
19	Inform the subpostmaster that training for most new products will be done remotely by either work book or operational focus magazine	✓		
20	Ensure that the subpostmaster is aware of the need to attend out of hours training courses	✓	✓	✓
21	Check Regulatory Compliance is completed verbally for phone contact or on face-to-face visit that receipts are attached to R.C. workbooks	✓	✓	
	Staff:			
22	Ensure that the subpostmaster has registered all assistants with the Human Resources Service Centre	✓	✓	✓

23	Ask if staffing levels have been sufficient to meet customer demand since taking over. Are there sufficient staff for peak periods/new opening hours.	✓	✓	

Losses:

24	Identify the balance results with the subpostmaster	✓	✓	✓
25	Ensure that the subpostmaster is aware that all losses must be made good immediately	✓	✓	✓
26	Explain that Transaction Corrections will be issued by Chesterfield for mistakes that are made. These will require money to be made good by the subpostmaster or will be to the subpostmaster's benefit. Any disputes should be discussed with Chesterfield.	✓		

Conditions of Appointment: (BDM to complete if Account Managed)

27	Confirm with the subpostmaster that any opening hours changes have been implemented immediately and communicated. (At 3-month visit check door sign relates to new hours - get Subpostmaster to order new signage if necessary). If not intending opening new hours discuss reasons for this and liaise with CA as to next steps.	✓	✓	
28	Confirm that the subpostmaster is aware of the other Conditions of Appointment and actions are in place to meet timescales. If not completed discuss reasons for non completion, agree a new timescale and give action for Spmr to achieve new timescale. If there are objections to this explain the reasons for setting COAs and see if you can resolve if not please liaise with CA.	✓	✓	✓

Security:

29	Go through the security checklist with the subpostmaster, and identify any gaps	✓	✓	✓
30	Go through the compliance checklist with the subpostmaster, and identify any gaps		✓	
31	Confirm with the subpostmaster that alarms should be tested every week and recorded in branch	✓	✓	✓
32	Observe lapses in security and get subpostmasters to tackle areas of underperformance		✓	

Financial: (BDM to complete if Account Managed)

33	Ask if the initial costs for setup are in line with forecasted amounts		✓	
34	Ask if income is meeting the forcasted amounts outlined on the business plan. If they are not does the Spmr require some sales coaching, techniques to help?		✓	
35	Has the Spmr conducted the marketing as outlined on their business plan? What effect has this had? Do they plan any more activity, what ideas do they have?		✓	

Feedback

36	Leave a customer feedback questionnaire and explain to the subpostmaster that they are completing the form in relation to the initial training received not the Post Transfer Vist.		✓	

Exhibit Number	
Identifying Mark	LH13

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List any concerns for review by Contracts Advisor (when emailing the report back to either NSA Centrally Supported or NSA Account Managed copy the Contracts advisor in if there are any concerns listed here)	✓	✓	✓

Section	Details of the concern or non-compliance to be followed up - quote letter and line number from the appropriate tab on the worksheet i.e. Process (P) Security (S) or Compliance (C).

Exhibit Number	
Identifying Mark	LH3

Subpostmaster Security Assessment

S		Compliant? 1 Month	Compliant? 3 Months	Compliant? 6 Months
	Access			
	1 What's the correct procedure used for admittance of visitors? How do you record this?	YES	YES	YES
	2 When arriving at the office what is your entry procedure?	YES	YES	YES
	3 The Counter Access door should be kept closed and locked at all times. Where do you keep the key?	YES	YES	YES
	4 Before opening the Counter access door, what do you do?	YES	YES	YES
	Parcel Hatch			
	5 Is it only opened as far as necessary and closed immediately after use?	YES	YES	YES
	6 When accepting a parcel from a customer, if you were suspicious of a customer's intentions, how would you take the parcel from the customer?	YES	YES	YES
	7 Is the hatch in good working order?	YES	YES	YES
	8 Do you regularly check it, to ensure that the springs operate correctly, the lock is in good working order and there are no loose nuts and bolts?	YES	YES	YES
	9 Do you know where to order replacement locks/springs? (Pioneer Welding 01843 599105 emergency out of hours 07841 209797)	Advised	YES	YES
	Cash at the Counter			
	10 Is your working cash kept in a drawer, out of sight of customers, not on the counter top?	YES	YES	YES
	11 How much cash do you keep on the counter?	YES	YES	YES
	Rems			
	12 What do you do after delivery of your REM?	YES	YES	YES
	13 When you have cash or stock to return where do you keep the REM pouch?	YES	YES	YES
	Safe			
	14 Where do you keep the safe keys during the day?	YES	YES	YES
	15 (If available) How do you use the 40-min time delay compartment in the main safe?	N/A	N/A	N/A
	Security			
	16 What's the Hostage Emergency phone number? When would you use that number?	Advised	YES	YES
	17 Do you have a copy of the "Operational Manual" Security booklet COMB 58/1 at your branch? (If not, please order a copy from stores and ensure you read this booklet periodically, to remind yourself and your staff of correct procedures.)	YES	YES	YES

Exhibit Number	
Identifying Mark	LH/3

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Subpostmaster Compliance Assessment

C Horizon	Compliant? 3 Months
1 Who knows your Horizon password?	YES
2 How would you know if someone had tried to logon using your user name?	YES
3 What do you do with the Horizon screen when the counter is left unattended?	YES
4 Where do you keep your PMMC card? Where do you keep you PIN?	YES
Mails	
5 Where is mail kept while waiting to be collected?	YES
6 Are Horizon ADC receipts on hand to confirm that training has been completed by the PMR / OIC / BM and all team members?	Advised
7 Where are your Priority Service items kept prior to being collected?	YES
FSA - General	
8 What can't you do when selling FS products? If necessary explain what selling products on a non-advised basis means.	YES
9 How would you deal with customer queries or complaints in relation to financial services and insurance products?	YES
FSA - Promotional Material	
10 Are you aware that you cannot produce any promotional material for financial services, such as, posters for display in your branch or leaflets for handing out to customers? Check compliance.	YES
11 Undertake a check of material on hand, compared to the latest display instructions to ensure there is no out of date material on hand.	YES
FSA - Travel Insurance	
12 Before completing a travel insurance transaction, what needs to be handed to a customer? Are your staff aware of this?	YES
13 What needs to be read out to the customer before completing a Travel Insurance transaction?	YES
Anti-Money Laundering	
14 How would you recognise a suspicious transaction? Give two examples. Are your staff aware of how to spot suspicious transactions?	YES
15 What are the ID requirements? Are your staff familiar with these?	YES
16 What's the process for recording customer ID? Are your staff aware of the process?	YES
17 How do you report a suspicious transaction? Are your staff aware of how to report suspicious transactions?	YES
18 How do you deal with customer queries or complaints? Do your staff know how to deal with customer complaints?	YES
General	
19 How do you dispose of sensitive waste?	YES
20 What are your responsibilities regarding the Data Protection Act 1998?	YES
21 What are your responsibilities under the Restrictions Policy?	YES

Exhibit Number	
Identifying Mark	LH13

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Procedures, Accounting and Observations

22 Look at the Horizon screen and check the Trading Period is on the system is the correct one	YES
23 Check Branch Trading Statement dates so far and ensure they are correct and that the Spmr is aware that these dates cannot be deferred	YES
24 Where do you keep your cash declarations daily and reports?	YES
25 Are all entries found in the suspense account valid & supported by the correct documentation?	YES
26 Can the Spmr demonstrate a satisfactory procedure for filing and housekeeping of accounting paperwork?	YES
27 Have all obsolete stock and philatelic items been returned ?	YES
28 Are printouts retained for incoming and outgoing remittances?	YES
29 Have all transaction corrections been brought to account?	YES
30 Check that the Spmr is conversant with the process for dealing with transaction corrections - (If non received so far check understanding of the process)?	YES
31 Are the Spmr and staff complying with the Business Standards regarding customer service and appearance of office?	YES
32 Is the POPOS material in the office up to date, coded and correctly displayed?	YES
33 When observed did the Spmr and staff carry out all the counter transactions correctly?	YES

Sales

34 Are the Spmr and staff having "quality conversations" with customers in line with the PO conversational selling model?	
35 When observed did the Spmr or staff introduce any products other than the one specifically requested by the customer?	
36 When observed did the Spmr support the conversation with POPOS material where appropriate?	
37 When observed did the Spmr up - sell any products eg books of stamps from singles, RMSD from recorded?	
38 Where is your copy of the HomePhone code of conduct?	YES

If applicable

Flexible planning

39 Is the branch monitoring their cash flow?	YES
40 Is the branch aware of the telephone number for the Flexible Planning Team?	YES
41 Can the Spmr demonstrate an understanding of where to find delivery information, cut off times and how to adjust and cancel rems?	YES

Non flexible planning

42 Can the Spmr produce their Flexible Planning Team letter?	
43 Is the ONCH figure for the previous night on target?	
44 Is the branch aware of the telephone number for the Flexible Planning Team?	
45 Can the Spmr demonstrate an understanding of where to find delivery information, cut off times and how to adjust and cancel rems?	

Exhibit Number	
Identifying Mark	L413

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000593

Open plan and combis

46	Are levels of cash, stock and mvls being kept to a minimum and within open plan guidelines	N/A
47	Does the Spmr have a copy of the open plan ways of working and understands how to operate open plan format	N/A

Lottery

48	Can the Spmr demonstrate an acceptable procedure for managing lottery ticket issuing, cancelling and prizepayment?	YES
49	Can the Spmr demonstrate an acceptable procedure for managing scratchcard sales and prize payment?	YES
50	Is lottery accounting through Horizon being done on a daily basis?	YES
51	Are all staff conversant with Gaming Law governing the sales to under 16s?	YES

ATM

52	Can Spmr demonstrate an acceptable procedure for ATM security and accounting through Horizon?	YES
53	Is the cash included in the cash declaration (broken down by denomination where applicable)?	YES

Cash Declaration

54	Does Cash on hand agree with figure on Horizon (ONCH)?	YES
55	Does Cash on hand agree with figure on Horizon (FONCH)?	

Exhibit Number	
Identifying Mark	LH13

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000594

Branch:
Branch Code:

01/07/2012 - 28/02/2011

Summary of Call Logs to the National Business Support Centre
8 July 2010 to 28 February 2011

Exhibit Number:

Identifying Mark: SB/24

Date Time Taken	Incident ID	Office Name	FAD Code	Call Type	Client	Activity	Sub Activity	Brief Description	Detailed Description	Resolution	Incident Log	Date Taken
08/07/2010 15:01	H22791856		6	Horizon On Line		Questions And Answers	Questions And Answers	BRANCH MIGRATION	HNG SUPPORT OFFICER WANTED TO KNOW IF IT MATTERED THAT THIS BRANCH WAS IN BP 4. WOULD THE BRANCH STILL BEABLE TO MIGRATE?	Spoke to Marie (ESG) she advised that it makes no difference what BP the branch is in!	1278601318_doylejo02_08/07/10 16:01:58 doylejo02 Priority: Low Assigned to group: Tier 1_	08/07/2010
10/07/2010 08:33	H22792410			Office Process	Unplanned Closure	Non Critical Closure	Other	REOPEN	CLOSED DUE TO PROBLEMS WITH MIGRATION NOM TONG STREET	PARTIES ADVISED	1279014936_morleym_10/07/10 09:33:47 maddisd02 Priority: Emergency Status set to: Assigned Assigned to group: Tier 1 Admin10/07/10 09:46:25 rotherc01 Tong Street GRO GRO Mr Fiaz ABOVE ADVICED OF CLOSURE ONLY Priority: Low Status set to: Allocated Allocated to: T1A13/07/10 10:55:22 morleym Tong Street GRO GRO Mr Fiaz above adv re; reopen Allocated to: morleym_	10/07/2010
12/07/2010 07:57	H16795487		3	Office Process	Unplanned Closure	Closure Update	Closure Update	CLOSURE UPDATE	OFFICE IS STILL CLOSED DUE TO PROBLEMS WITH MIGRATION	details logged	1278922844_morleym_12/07/10 08:57:10 paul.taylor01 Priority: Emergency Status set to: Assigned Assigned to group: Tier 1 Admin12/07/10 09:20:39 rotherc01 Status set to: Allocated Allocated to: rotherc01_	12/07/2010

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000595

Branch:
Branch Code:

Summary of Call Logs to the National Business Support Centre
8 July 2010 to 28 February 2011

Exhibit Number:

Identifying Mark: SB/24

16/08/2010 09:30	T16847292			Horizon On Line		Correcting Horizon Errors	Correcting Errors	HNG A+L	QUERY RE TRANSACTIONS AFTER CUT OFF BY ACCIDENT	KB	1281951021_clive.robson02_16/08/10 10:30:21 clive.robson02 Priority: Low Assigned to group: Tier 1_	16/08/2010
01/09/2010 12:53	T16873336			Horizon On Line	DVLA/MVL HNG	Tax Discs	Incorrect Tax Disc Issued	HNGX - DVLA MVL	6 MONTHS DISC WAS ISSUED IN ERROR - PAYMENT WAS TAKEN FOR A 12 MONTHS DISC - CUST REQUIRED A 12 MONTHS DISC -	KB - REFERRED CUST TO DVLA	1283345628_shaun.gray01_01/09/10 13:53:48 shaun.gray01 Priority: Low Assigned to group: Tier 1_	01/09/2010
21/09/2010 15:20	H16902864			Horizon On Line	Post Office Ltd HNG	Postal Orders	Counter Procedure	POSTAL ORDER	HAS TIMED OUT	PASSED ON H REF NUMBER	1285082495_rebecca.padgett01_21/09/10 16:20:01 rebecca.padgett01 Priority: Low Status set to: Assigned Assigned to group: Tier 221/09/10 16:20:17 rebecca.padgett01 Status set to: Allocated Allocated to: rebecca.padgett01_	21/09/2010
06/10/2010 08:23	H16923076			Horizon On Line		Reversing Transactions	Existing Reversal	DVLA	SPMR NEEDS TO REVERSE A DVLA TRANSACTION PAID TO DC	KB	1286353418_stavesa_06/10/10 09:23:38 stavesa Priority: Low Assigned to group: Tier 1_	06/10/2010
22/10/2010 10:20	H16946789			Logistics		Discrepancies	Value Stock	STORES	REM DISCREP	LOGGED GALAXY REF 112129	1287742838_debbie.broughton_22/10/10 11:20:38 debbie.broughton Priority: Low Assigned to group: Tier 1_	22/10/2010
27/10/2010 08:47	H16951682			Horizon On Line	Automated Payments HNG	Post Office Payout	Counter Procedure	CW POWER PAYOUT	THE PM AS A MESSAGE TO GET CONFIRMATION ON TRANSACTION	CKD APOP AND IT HAS BEEN AUTHORISED GAVE PM REF NUMBER	1288169846_sharon.jamasb01_27/10/10 09:47:12 wardr03 Priority: High Status set to: Assigned Assigned to group: Tier 227/10/10 09:51:20 laverm Status set to: Allocated Allocated to: sharon.jamasb01_	27/10/2010

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0005965

Branch:
Branch Code:

Summary of Call Logs to the National Business Support Centre
8 July 2010 to 28 February 2011

Exhibit Number:

Identifying Mark: SB/24

30/11/2010 08:31	H16992029	B		Office Process	Unplanned Closure	Non Critical Closure	Inclement Weather	Office Closure WEATHER/ reopening	UNABLE TO GET IN TO OFFICE, ALTS AS ON SYSTEM	closed call as per log WEATHER	1291121617_sue.hunt_30/11/10 08:31:18 james.unsworth01 Priority: Emergency Status set to: Assigned Assigned to group: Tier 1 Admin30/11/10 12:52:37 sue.hunt Status set to: Allocated Allocated to: sue.hunt30/11/10 12:52:52 sue.hunt logged for info only due to adverse weather, no further action taken_	30/11/2010
01/12/2010 11:18	H22828359			Office Process	Unplanned Closure	Closing Early	Inclement Weather	Office Closure	WEATHER CONDITIONS	LOGGED FOR INFO ONLY	1291362657_morleym_01/12/10 11:18:38 june.flynn CLOSED TO TO HEAVY SNOW, NOM IS TONG ST Priority: Low Status set to: Assigned Assigned to group: Tier 1 Admin_	01/12/2010

Summary of Call Logs to the National Business Support Centre
8 July 2010 to 28 February 2011

Exhibit Number:

Identifying Mark: SB/24

08/02/2011 09:51	H17063790		5	Office Process	Unplanned Closure	Non Critical Closure	Audit/Suspension	CLOSURE PENDING 14/02 REOPEN north	CLOSED DUE TO AUDIT - NOMS ARE TONG STREET & DRIGHLINGTON	REOPEN SEE LOG	1297681935_browna2_08/02/11 09:51:32 rebecca.padgett01 Priority: High Status set to: Assigned Assigned to group: Tier 1 Admin08/02/11 09:52:00 morleym Status set to: Allocated Allocated to: morleym08/02/11 09:54:37 morleym Drighlington GRO kathy Tong Street GRO fiaz above adv re; closure Priority: Low Allocated to: T1A08/02/11 12:16:37 rotherc01 Called po @ 12.15 Spoke to Pm the office is still closed09/02/11 10:14:27 lipscov01 Allocated to: lipscov0109/02/11 11:22:16 lipscov01 Rang office at 11.22 engaged.09/02/11 11:52:52 lipscov01 Rang office at 11.52 engaged.09/02/11 12:08:46 lipscov01 Rang office at 12.08 and still closed.09/02/11 12:12:36 lipscov01 Emailed North closure sheet.09/02/11 12:14:46 lipscov01 Allocated to: T1A09/02/11 15:21:30 lipscov01 Allocated to: lipscov0109/02/11 15:22:54 lipscov01 Rang office at 15.22 and still closed - coming back tomorrow and thinks they will be open Friday.09/02/11 15:44:09 lipscov01	08/02/2011
11/02/2011 12:35	H22845417		5	Office Process	Unplanned Closure	Non Critical Closure	Audit/Suspension	Office Closure	CLOSED FOR AUIDIT	DUPLICATE CALL SEE LINKED ID H17063790	1297428407_morleym_11/02/11 12:35:33 naomi.grieves Priority: Low Status set to: Assigned Assigned to group: Tier 1 Admin11/02/11 12:38:16 morleym Status set to: Allocated Allocated to: morleym_	11/02/2011

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Summary of Call Logs to the National Business Support Centre
8 July 2010 to 28 February 2011

Exhibit Number:

Identifying Mark: SB/24

11/02/2011 15:44	H17069592			Switchboard		Office Details	Administration	OFFICE DETAILS	WHAT ARE THE NOMS FOR THIS OFFICE	KB	1297439068_fishwicks02_11/02/11 15:44:28 fishwicks02 Priority: Low Assigned to group: Tier 1_	11/02/2011

000599

Balance Procedure

ENSURE CASH & STOCK IS SECURED IN SAFE UNLESS BEING USED OR COUNTED, TAKING OUT SMALL AMOUNTS AT A TIME, MAKING SURE SAFE IS LOCKED AS SECURITY PROCEDURES.

You can prepare for balancing throughout the day in order to save time later. This should only be done at quiet times and should not impact on customer service. This includes checking any Bulk Stock you may hold in your safe, with a recent copy of a Balance Snapshot, and/or listing any Bulk Cash and Stamps on a sheet of paper or a locally designed form.

1.Check Outstanding Transaction Corrections
Back Office **F14**
Housekeeping **F6**
Process Transaction Corrections **(42)**

Outstanding Transaction Corrections must be resolved before the Trading Period balance.

2. Complete Counter Daily Reports
Back Office **F14**, Select Reports **F1**

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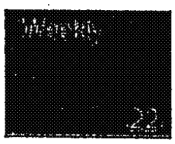
3. Complete Counter Weekly Reports
Back Office **F14**, Select Reports **F1**



DWP Cash Cheques (22)
Print **(22)**
Cut Off **(26)**
Retain 1 copy of the report for own records.

Misc. Transactions (26)
Print **(22)**
Cut Off **(26)**

4. Print a Balance Snapshot
Back Office **F14**
Stock Balancing **F3**
Snapshot **(41)**
Print **(22)**

Using this Balance Snapshot you produced, carefully check figures.
Check all receipt and payment transaction totals with the supporting vouchers / documentation. It is wise to check *ALL* transactions, the more you check, the less chance that you will incur Transaction Correction notices.
Check the Snapshot carefully against the actual stock in your office, ensuring that the system held stock figures match your actual stock holdings. If there are any major differences, it is advisable to re-check that item of stock.

5. Amend Stock Discrepancies

To Reduce Stock Holdings — **Front Office (F14) - then sell the difference between your figures and the systems figures. (eg: The system thinks you have 225 1st class stamps, you actually have 221 1st class stamps You will then put in Quantity 4 and touch the 1st Class (21) stamp icon. This will alter your system figure to 221)**

To Increase Stock Holdings — **Back Office (F14) – Reversals New (21) - then sell the difference between your figures and the system figures. (eg: The system thinks you have 400 2nd class stamps, you actually have 432 2nd class stamps. You will then put in Quantity 32 and touch the 2nd Class (31) stamp icon. This will alter your system figure to 432.) The go back to the Riposte Screen.**

Please note: All the above information is subject to change. Refer to Operational Focus of contact NBSC for current status

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6. Complete all other outstanding manual summaries and Reconciliation

Promotional/Payment Vouchers
National Lottery Cheque Prize payments

7. All the following Reports are completed from: Back Office F14 - STOCK BALANCING F3

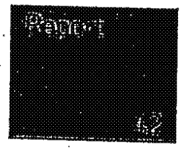
Declare Stamps
Stamps (22)

Make a new declaration, and enter on the system the number of each different type of stamp you have. Press ENTER, give a Declaration Number and Print.(62) You must keep this report with your office under copies

Declare Cash
Cash (21)

Double check the cash denominations on the system to your daily cash declaration. If correct press ENTER, give a Declaration Number and Print.(62) You must keep this report with your office under copies

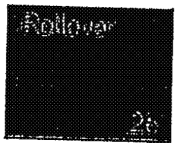
Produce Balance Report
Report (42)



Check and accept messages until you arrive at the 'Produce Report' screen. Print (22) the Balance report.
Once the Balance report has been produced, check that all totals are correct.

On the last Wednesday in the Trading Period the lottery figures must be included, prior to final rollover into next TP

Roll Stock Units
Balance Period (86)
Trading Period (84)

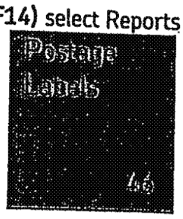


At the End of Trading Period the discrepancy settlement screen appears on the last stock to Roll Over into next TP. Horizon will ask how you are going to settle the discrepancy, i.e. Cash, Cheque or provide you with an option to settle the discrepancy centrally if over £150. If this option is selected, then you will receive a statement from our accounting team in Chesterfield which provides you with the additional option of paying by credit or debit card. If the discrepancy is due to a known specific error made at the branch, then contact NBSC with the details to enable further accounting investigations to be made and appropriate accounting corrections to be issued. You do not need to 'make good' after each weekly balance, but you MUST make good at the end of your Trading Period.

End of Trading Period

Back Office (F14) select Reports (F1), Office Weekly (F3)

Postage Labels (46)



Print (32)
Cut Off (36)
Yes (ENTER)
Continue (ENTER)
Associate all rejected labels.
Ensure report is signed. Retain in office.

Suspense Account (54)

Print (32)
Cut Off (36)
Yes (ENTER)
Continue (ENTER)
Retain in office

Green/Violet Giros (44)

Print (32)
Cut Off (36)
Yes (ENTER)
Continue (ENTER)
Ensure report is signed. Retain in office.

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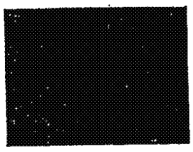
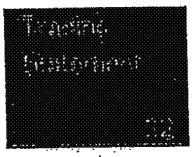
YOU CAN NOW COMPLETE THE *Branch Trading Statement*

1. Back Office (F14) – Office Balancing (F4)



2. Produce Trial Trading statement Report
Trading statement (32)



You can either '(24) – Preview' or '(22) – Print' or 'this report but you should check all relevant information before selecting...

3. ROLL OVER
Roll Over (26)

The system will print the Branch trading Statement. Remember to sign and date stamp and retain in a suitable folder for SIX years.

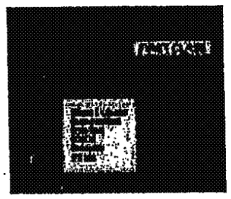
4. Check Office rollover into next TP
Branch TP (22)

5. Sales Report
Back Office (F14)
Reports (F1)
Sales Report (44)
Enter To and From Dates for Trading Period (36)
Print (32)

Optional – but can be used for checking your remuneration

What Goes Where

Department for Works and Pensions – Cheques (Green Giros)



And the Counter Weekly Printout 'Client Copy'

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