

File name: William Quarm - 071078.mp3

Moderator questions in Bold, Respondents in Regular text.

KEY: **Unable to decipher** = (inaudible + timecode), **Phonetic spelling** (ph) + timecode), **Missed word** = (mw + timecode), **Talking over each other** = (talking over each other + timecode).

(TC: 00:00:09)

Moderator: Now really commencing the interview with William Quarm. We're still in the Post Office area at Gable Post Office. Also present are-

(TC: 00:00:19)

Rob Dealy: Rob Dealy (ph 00.19).

(TC: 00:00:20)

Jonathan Bissett: Jonathan Bissett (ph 00.20).

(TC: 00:00:21)

William McDonald: William McDonald.

(TC: 00:00:22)

Moderator: (inaudible 00.22). And myself, Damon Grant. William, I've got to remind you, you're still under caution. Do you understand that?

(TC: 00:00:29)

William Quarm: Yes.

(TC: 00:00:30)

Moderator: And you still want William McDonald to remain as your friend?

(TC: 00:00:33)

William Quarm: Yes.

(TC: 00:00:33)

Moderator: Okay. Would you agree with me that we did not discuss anything to do with the matter while the tapes were being changed?

(TC: 00:00:39)

William Quarm: I agree.

(TC: 00:00:40)

Moderator: Okay, thank you. Just prior to the tapes going off, we were talking about-, that you say that you moved the money around and you were putting £700 a day into the Alliance and Leicester business account. Now, can we just be clear about where that £700 actually came from? Was it Post Office money? Was it money from the shop? Or, what was that £700?

(TC: 00:01:05)

William Quarm: Shop money.

(TC: 00:01:07)

Moderator: So it was always shop money? So you were putting £700 into the Alliance and Leicester business account. When I asked you earlier, did you put Post Off-, how did you take them-, how did you get the money? Let's go back, go back two stages. The way that it was discovered that there was £40,000 missing. Now, for it to be missing it either never existed in the first place, or you have physically removed it from the office and used it for other purposes. And if that's what you've done, then you need to be more specific in your answers of where and how that money all left the Post Office area. If it was moved into an account, then we need to know the name of that account. If it was moved to pay bills, then we need to know what bills were paid. If it was moved into, or physically taken, from the Post Office and deposited in another bank somewhere, we need to know that element of it. Because to just say that you moved the money around is not really sufficient an answer, do you understand where I'm coming from?

(TC: 00:02:18)

William Quarm: Yes.

(TC: 00:02:18)

Moderator: Because we need to know if it's a case of that you're not wanting to say, 'I took the money and I put it there,' it's too late for that. Do you understand? Because we need to know. We need to get to the bottom of it.

(TC: 00:02:35)

William Quarm: Yes. But it obviously is Post Office money.

(TC: 00:02:40)

Moderator: Yes. In your letter, you say that you had no right to use Post Office money to prop up my business, so in real terms, you're saying that you have done. What we want to know is, what it was you did with it to prop up your business. How did you go about it and what was the nature of how you did it?

(TC: 00:03:05)

William Quarm: Well, I either didn't put £700 always into the-,

(TC: 00:03:12)

Moderator: Right. So perhaps if it was £500 came from the shop, you would up that to seven?

(TC: 00:03:20)

William Quarm: Well, as far as the Alliance and Leicester account was concerned, I was required to hit £4200 a week.

(TC: 00:03:28)

Moderator: Right, okay.

(TC: 00:03:30)

William Quarm: Because that's the-

(TC: 00:03:31)

Moderator: And you made sure that that happened?

(TC: 00:03:32)

William Quarm: Yes.

(TC: 00:03:33)

Moderator: By inflating the amount of cash that you were putting in?

(TC: 00:03:36)

William Quarm: Well, it must have been.

(TC: 00:03:38)

Moderator: Okay, so in effect, that money didn't exist then? But in-, by you depositing it into your Alliance and Leicester account, you made it exist. Does that explain?

(TC: 00:03:49)

William Quarm: (inaudible 03.50).

(TC: 00:03:51)

Moderator: And from that Alliance and Leicester account, you paid your Lovett (ph 03.55) wholesalers? Yes?

(TC: 00:03:57)

William Quarm: Yes.

(TC: 00:03:58)

Moderator: Okay. Right, the Royal Bank account then that we were talking about, did you ever do the same with that then? Did you-, we don't have the online banking for the Royal Bank at the Post Office, so how would you put money into that account then? Would you physically take the money from the Post Office and go to the bank and bank it?

(TC: 00:04:23)

William Quarm: No-, the money going to the Royal Bank would be the shop takings.

(TC: 00:04:30)

Moderator: Your shop takings? If we've got £10,000 a week shop takings, right, and you were struggling to put £4,200 into the Alliance and Leicester, how does that add up? If you didn't have £4,200 to put into the Alliance and Leicester account, you with me?

(TC: 00:04:50)

William Quarm: Yes.

(TC: 00:04:51)

Moderator: If you didn't have that, you were saying that you were-,

(TC: 00:04:54)

William Quarm: But that was to put £700 a day.

(TC: 00:04:58)

Moderator: Right, okay. And over the six days?

(TC: 00:05:01)

William Quarm: Yes.

(TC: 00:05:02)

Moderator: That would be £4,200. Right, okay. I get that element of it. But if you weren't achieving

that, how would you then get money? If there wasn't enough to do that, where did you ever get the money from to put into the Royal Bank? Where did that money come from? Because if you didn't have enough takings to put into the Alliance and Leicester to cover the £4,200, then how were you able to have surplus cash that you could go along to the Royal Bank-

(TC: 00:05:34)

William Quarm: Well, the Royal Bank money was going into the (inaudible 05.36). A lot of people pay their credit cards and that was going directly into the bank.

(TC: 00:05:41)

Moderator: Right. Now, I'm getting there. I'm understanding where you're coming from, okay.

(TC: 00:05:46)

William Quarm: Cheques would be sent.

(TC: 00:05:47)

Moderator: Right, so cheques would go through the Royal Bank account?

(TC: 00:05:49)

William Quarm: Yes.

(TC: 00:05:50)

Moderator: Cheques for your retail business?

(TC: 00:05:52)

William Quarm: Yes.

(TC: 00:05:54)

Moderator: So they'd be going into the Royal Bank account?

(TC: 00:05:55)

William Quarm: Yes.

(TC: 00:05:56)

Moderator: Okay.

(TC: 00:06:00)

William Quarm: So (inaudible 06.00) the cheques, I'd get it credit card receipts, they go into the Royal Bank.

(TC: 00:06:04)

Moderator: Yes. Did you ever put cash into the Royal Bank?

(TC: 00:06:08)

William Quarm: Oh, yes.

(TC: 00:06:09)

Moderator: And cash as well. Where would the cash from?

(TC: 00:06:11)

William Quarm: The shop.

(TC: 00:06:12)

Moderator: The shop. It was all the shop cash, not Post Office money? Did you ever-,

(TC: 00:06:17)

William Quarm: Well-,

(TC: 00:06:22)

Moderator: I'm just trying to get any explanation of why you were £40,000 short.

(TC: 00:06:29)

William Quarm: It was some of the bills between the Alliance and Leicester. And there could have been cash.

(TC: 00:06:35)

Moderator: Right, from the Post Office going into the Royal Bank to cover the domestic bills as well?

(TC: 00:06:38)

William Quarm: Yes.

(TC: 00:06:42)

Moderator: I'm not trying to put words into your mouth, we're just trying to find out. Because if that's not what's happened-,

(TC: 00:06:47)

William Quarm: Well-,

(TC: 00:06:47)

Moderator: (inaudible 06.47) that's not happened because it's not much point you telling us that just for the sake of making us go away. We do need to know what the actual truth is here and I know it sounds we're putting a lot of questions to you, but it's trying to jog your memory into what has actually happened here. That is important that we get to know before we leave here, we know exactly what has happened. Because otherwise, we've got to come all the way back up again and speak to you again and it's probably better for yourself if you can get this over and done with today. So we've got-, if we can just maybe look through. What is your average daily takings in the shop?

(TC: 00:07:36)

William Quarm: (inaudible 07.36). Similar amount, £1,500.

(TC: 00:07:43)

Moderator: £1,500. Is that a mixture of cash, cheques, and credit card payments?

(TC: 00:07:47)

William Quarm: Yes.

(TC: 00:07:48)

Moderator: So that's a mixture of it. Now you say it's seasonal, when's the season really?

(TC: 00:07:59)

William Quarm: High season would be May to August.

(TC: 00:08:09)

Moderator: So when you hit the low season around about September last year, is that when you started having problems?

(TC: 00:08:15)

William Quarm: Yes.

(TC: 00:08:18)

Moderator: Is that the first season you've ever had problems?

(TC: 00:08:20)

William Quarm: No, we've always had problems.

(TC: 00:08:21)

Moderator: Always had problems. And the seasons before-,

(TC: 00:08:25)

William Quarm: But it's not loss (inaudible 08.26).

(TC: 00:08:27)

Moderator: So it's not a loss over the years?

(TC: 00:08:29)

William Quarm: No.

(TC: 00:08:30)

Moderator: And last year was particularly bad?

(TC: 00:08:31)

William Quarm: Yes.

(TC: 00:08:31)

Moderator: Yes. So your £1,500 over the high season, what does that drop to in the low season?

(TC: 00:08:44)

William Quarm: It could be as low as twelve.

(TC: 00:08:45)

Moderator: £1,200?

(TC: 00:08:47)

William Quarm: But it's not, you know, I've seen it lower. But,

(TC: 00:08:49)

Moderator: Yes. So it's taking in £1,500, that's over six days is that right? That's over six days? You don't work on Sunday, is that correct?

(TC: 00:09:03)

William Quarm: No.

(TC: 00:09:03)

Moderator: Right, so that's about £9,000 you're taking in a week?

(TC: 00:09:07)

William Quarm: As I said, (inaudible 09.08).

(TC: 00:09:09)

Moderator: Right,

(TC: 00:09:10)

William Quarm: (inaudible 09.10).

(TC: 00:09:12)

Moderator: But I haven't had the time to sort out these figures so obviously, it could be more, it could be less.

(TC: 00:09:15)

William Quarm: Yes, yes. But we want to get our main suppliers midweek, like, meat, vegetables, things like that. So there's (inaudible 09.25) Wednesdays, Thursdays, than there is Monday, Friday.

(TC: 00:09:29)

Moderator: And around this time, just dealing with your figures and then that-, so as soon as they come in with the meat, etc., do you have to pay them there and then?

(TC: 00:09:38)

William Quarm: No, (inaudible 09.38).

(TC: 00:09:39)

Moderator: Does that come from (inaudible 09.40), the meat does?

(TC: 00:09:42)

William Quarm: No, it comes from (inaudible 09.42) supplier.

(TC: 00:09:46)

Moderator: So you've got-, how much you've got to give to that? £700 a day?

(TC: 00:09:49)

William Quarm: Yes.

(TC: 00:09:49)

Moderator: Approximately. Who's the supplier for the meat? (inaudible 09.57) supplier. Who supplies your meat?

(TC: 00:09:51)

William Quarm: (TC 00:10:00) Munro's.

(TC: 00:10:02)

Moderator: Munro's. So (inaudible 10.05) is £4,200 a week. How much do you have to pay Munro's a week?

(TC: 00:10:12)

William Quarm: About £300.

(TC: 00:10:14)

Moderator: £300?

(TC: 00:10:15)

William Quarm: That's paid monthly.

(TC: 00:10:16)

Moderator: Is that paid monthly? £1,200 monthly?

(TC: 00:10:18)

William Quarm: Yes.

(TC: 00:10:22)

Moderator: What other supplier have you got you pay weekly?

(TC: 00:10:26)

William Quarm: Weekly papers.

(TC: 00:10:32)

Moderator: Who (inaudible 10.32) your papers? Or who do you pay for them?

(TC: 00:10:34)

William Quarm: (inaudible 10.34).

(TC: 00:10:38)

Moderator: How much are they a week?

(TC: 00:10:42)

William Quarm: Between 5 and £600.

(TC: 00:10:51)

Moderator: And anybody else?

(TC: 00:10:57)

William Quarm: (inaudible 10.57) a little bit. (inaudible 10.59).

(TC: 00:11:05)

Moderator: Anyone else you can think of?

(TC: 00:11:08)

William Quarm: (inaudible 11.08) milk.

(TC: 00:11:10)

Moderator: Where would you get your milk from?

(TC: 00:11:12)

William Quarm: (inaudible 11.12).

(TC: 00:11:13)

Moderator: Is that all your juices and other supplies? Do you get (talking over each other 11.17)?

(TC: 00:11:17)

William Quarm: No. (inaudible 11.19) by delivery.

(TC: 00:11:21)

Moderator: (inaudible 11.21).

(TC: 00:11:22)

William Quarm: Yes, about 6, £700 a week.

(TC: 00:11:25)

Moderator: What do they supply?

(TC: 00:11:27)

William Quarm: Chilled food, lemonade, crisps. It's up the road.

(TC: 00:11:33)

Moderator: So they have about £600 a week as well?

(TC: 00:11:35)

William Quarm: Yes.

(TC: 00:11:38)

Moderator: What about staff wages? How much do you pay Sheila?

(TC: 00:11:44)

William Quarm: It's more to do with the Post Office. Are you talking shop here?

(TC: 00:11:48)

Moderator: And do you pay for the shop and the Post Office?

(TC: 00:11:52)

William Quarm: Yes, but Sheila was on the-, as I said, she was on part-time (inaudible 11.58). I actually changed it over the week all this happened. She was going on to full-time.

(TC: 00:12:05)

Moderator: Was she? What was she before?

(TC: 00:12:11)

William Quarm: What was she?

(TC: 00:12:12)

Moderator: Yes, was she part-time beforehand?

(TC: 00:12:14)

William Quarm: Yes.

(TC: 00:12:15)

Moderator: How much do you pay her a week?

(TC: 00:12:18)

William Quarm: Her take-home was around about (inaudible 12.19).

(TC: 00:12:23)

Moderator: And other outgoings, what were your direct debits? Were they monthly or weekly?

(TC: 00:12:30)

William Quarm: They were-, various lengths of-,

(TC: 00:12:34)

Moderator: To the shop? What's the council tax for the shop?

(TC: 00:12:49)

William Quarm: 12. £1,300, 12, £1,300.

(TC: 00:12:53)

Moderator: Is that for the month?

(TC: 00:12:54)

William Quarm: Well, yes.

(TC: 00:12:55)

Moderator: Yes. I was going to say, that's (inaudible 12.57). So did you pay that-,

(TC: 00:13:01)

William Quarm: Monthly.

(TC: 00:13:02)

Moderator: So it was about £100 a week-, £100 a month?

(TC: 00:13:04)

William Quarm: Yes.

(TC: 00:13:05)

Moderator: What was electricity for the shop?

(TC: 00:13:08)

William Quarm: (inaudible 13.08). It's about £1,500 a month-

(TC: 00:13:12)

Moderator: £1,500 a month. What about the gas? Any gas?

(TC: 00:13:16)

William Quarm: No.

(TC: 00:13:19)

Moderator: Telephone?

(TC: 00:13:26)

William Quarm: Well, we have three lines. The Post Office one's (inaudible 13.31) because it was just a-

(TC: 00:13:33)

Moderator: Yes.

(TC: 00:13:34)

William Quarm: But the other two were £50 a month. The ATM line and the (inaudible 13.41).

(TC: 00:13:42)

Moderator: Do you pay for the ATM line?

(TC: 00:13:43)

William Quarm: What?

(TC: 00:13:43)

Moderator: Do you pay the ATM (inaudible 13.44)? Any other bills you actually pay? Do you own the property?

(TC: 00:13:51)

William Quarm: No.

(TC: 00:13:52)

Moderator: So you've got rent?

(TC: 00:13:53)

William Quarm: Yes. £650-, £625, sorry.

(TC: 00:13:58)

Moderator: £625. Who actually owns the property?

(TC: 00:14:00)

William Quarm: The estate. Matthews (ph 14.01) Estate.

(TC: 00:14:02)

Moderator: Matthews estate.

(silence 14.03-14.13).

Any other bills that you can think of?

(TC: 00:14:16)

William Quarm: Not without the budget.

(TC: 00:14:17)

Moderator: Other wages? Anybody else-, wages?

(TC: 00:14:25)

William Quarm: That would be another £400 a week. That's including (inaudible 14.35).

(TC: 00:14:37)

Moderator: What about yourself? Do you get a wage a week?

(TC: 00:14:39)

William Quarm: No. I haven't taken a wage out of the business. I've been taking my pension out. Yes, that's about it.

(silence 14.44-15.07)

(TC: 00:15:08)

Moderator: So you've got over £8,000 a week really-, a month, sorry. (inaudible 15.16). So say that £400 a week, is that excluding Sheila or including Sheila?

(TC: 00:15:27)

William Quarm: Excluding.

(TC: 00:15:28)

Moderator: Excluded. So you have about [GRO] weekly, [GRO] a month in wages?

(TC: 00:15:31)

William Quarm: Yes.

(TC: 00:15:32)

Moderator: Yes.

(silence 15.33-16.02)

I'm just trying to work this out now.

(silence 16.05-16.23)

So we've got £25,000 a month, would that be fair to say, in outgoings?

(TC: 00:16:33)

William Quarm: No, I'd have to-, I couldn't agree without sitting down and looking at it-,

(TC: 00:16:38)

Moderator: Yes, looking at it all. I was thinking, Lovetts is £4,200 a week, is that right? So thereabouts £16,800 every four weeks. Munros is £1,200 a month. Your (inaudible 16.47) bill's between 5 and £600. So if we say £2,000 a month. P and J's about £200 a month. Grill burger-, actually (inaudible 17.00). £600 (inaudible 17.01) altogether. £2,400.

(TC: 00:17:07)

William Quarm: And there's a fruit and veg company as well which is-,

(TC: 00:17:11)

Moderator: Fruit and veg, who are they?

(TC: 00:17:13)

William Quarm: Williams. Williamson.

(TC: 00:17:17)

Moderator: What are they a week?

(TC: 00:17:20)

William Quarm: About £400.

(TC: 00:17:21)

Moderator: £400.

(silence 17.23-17.39)

So Grill Burgers were about £2,400 a month. Your wages are about a month. All your (inaudible 17.45) £1,600 a month. Your council tax of £100 monthly. Electricity £1,500 monthly, yes?

(TC: 00:17:56)

William Quarm: Yes.

(TC: 00:17:57)

Moderator: And BT's £50 and rent's £625. Is that a week or a month?

(TC: 00:18:02)

William Quarm: BT?

(TC: 00:18:02)

Moderator: No, the rent. So it's £625 a month?

(TC: 00:18:06)

William Quarm: Yes.

(TC: 00:18:06)

Moderator: A month. So about £28,500 roughly. And (inaudible 18.12) how much do you take in each-,

(TC: 00:18:15)

William Quarm: Probably around about £10,000 a week.

(TC: 00:18:16)

Moderator: £10,000. So £40,000. So that gives you about £12,500 to play with. Do you have any bank loans or anything?

(TC: 00:18:27)

William Quarm: Oh, yes. Yes.

(TC: 00:18:30)

Moderator: Who's that with?

(TC: 00:18:33)

William Quarm: Royal Bank. And the Bank of Scotland.

(TC: 00:18:43)

Moderator: Which of them do you bank at, Royal Bank?

(TC: 00:18:46)

William Quarm: That's an overdraft.

(TC: 00:18:48)

Moderator: Is that an overdraft? What's the Bank of Scotland? The Bank of Scotland, is that a

loan?

(TC: 00:18:58)

William Quarm: Yes, I was paying about £1,000 a month.

(TC: 00:19:05)

Moderator: What was the loan for?

(TC: 00:19:08)

William Quarm: Just paying off other bills.

(TC: 00:19:11)

Moderator: Right. How much did you take out?

(TC: 00:19:17)

William Quarm: I'd have to look it up.

(TC: 00:19:19)

Moderator: Do you know when you took it out? How long ago was it you took it out?

(TC: 00:19:24)

William Quarm: Four or five years ago.

(TC: 00:19:26)

Moderator: Four or five years. How long's it over? It's one of (inaudible 19.35) preference?

(TC: 00:19:38)

William Quarm: Yes, preference account. They allow you so much up to a certain level.

(TC: 00:19:48)

Moderator: So you're just constantly paying £1,000 a month? Yes. Right.

(TC: 00:19:53)

William Quarm: (inaudible 19.53).

(TC: 00:19:56)

Moderator: What about a mortgage? Do you have a mortgage on your house?

(TC: 00:19:59)

William Quarm: Yes.

(TC: 00:20:00)

Moderator: (TC 00:20:00) How much is that?

(TC: 00:20:03)

William Quarm: That's £1,200 a month.

(TC: 00:20:09)

Moderator: What's the property valued at?

(TC: 00:20:13)

William Quarm: What of the house?

(TC: 00:20:15)

Moderator: Yes.

(TC: 00:20:16)

William Quarm: Around about £200,000.

(TC: 00:20:20)

Moderator: And how long is your mortgage over?

(TC: 00:20:23)

William Quarm: I've got about three years to go.

(TC: 00:20:25)

Moderator: Three years to go. Who's that with?

(TC: 00:20:28)

William Quarm: Royal Bank.

(TC: 00:20:35)

Moderator: What other properties do you have?

(TC: 00:20:37)

William Quarm: What?

(TC: 00:20:38)

Moderator: What other properties do you have?

(TC: 00:20:39)

William Quarm: (inaudible 20.39).

(TC: 00:20:40)

Moderator: Right, where's that?

(TC: 00:20:42)

William Quarm: Beside the house.

(TC: 00:20:43)

Moderator: Sorry?

(TC: 00:20:44)

William Quarm: By the-, beside the house.

(TC: 00:20:45)

Moderator: Oh, beside the house. How much is that worth?

(TC: 00:20:50)

William Quarm: Well, there's two plots on the market at the moment, at 35. £35,000 each.

(TC: 00:21:02)

Moderator: So they're on market anyway?

(TC: 00:21:03)

William Quarm: Yes.

(TC: 00:21:04)

Moderator: Have you any other properties?

(TC: 00:21:05)

William Quarm: Yes, there's about another 87 (ph 21.09).

(TC: 00:21:11)

Moderator: (inaudible 21.11)?

(TC: 00:21:13)

William Quarm: Two building areas of the (inaudible 21.16) agricultural crop.

(TC: 00:21:20)

Moderator: To build new areas. What do you mean? Is that two houses?

(TC: 00:21:24)

William Quarm: (inaudible 21.24).

(TC: 00:21:25)

Moderator: It can be built on?

(TC: 00:21:27)

William Quarm: Yes.

(TC: 00:21:28)

Moderator: To build new areas and agricultural. How much equity do you have in your house? Do you know the difference of the value of the house of what you're still due in the bank?

(TC: 00:21:45)

William Quarm: Well, it's due about GRO

(TC: 00:21:47)

Moderator: So your outstanding mortgage GRO So you've got GRO and something pounds equity?

(TC: 00:21:53)

William Quarm: Yes, yes. Yes. And the two plots-

(TC: 00:22:00)

Moderator: That you've got on top of that?

(TC: 00:22:01)

William Quarm: Yes.

(TC: 00:22:02)

Moderator: Yes, okay. Do you have any cars at all?

(TC: 00:22:05)

William Quarm: Yes.

(TC: 00:22:06)

Moderator: How many cars do you have?

(TC: 00:22:08)

William Quarm: GRO

(TC: 00:22:09)

Moderator: What kind of cars are they? I know it sounds a bit-, (inaudible 22.13) a financial investigation.

(TC: 00:22:15)

William Quarm: A (inaudible 22.16).

(TC: 00:22:23)

Moderator: The other one?

(TC: 00:22:24)

William Quarm: A Honda. I don't recall it.

(TC: 00:22:31)

Moderator: Was it a GT?

(TC: 00:22:32)

William Quarm: No.

(TC: 00:22:32)

Moderator: CRV?

(TC: 00:22:33)

William Quarm: Yes, CRV.

(TC: 00:22:37)

Moderator: Do you pay any more (inaudible 22.38)?

(TC: 00:22:39)

William Quarm: The Toyota is paid up.

(TC: 00:22:44)

Moderator: Yes. And what's you got on the Honda?

(TC: 00:22:50)

William Quarm: It's **GRO** a month.

(TC: 00:22:55)

Moderator: You got much longer to pay for that?

(TC: 00:23:04)

William Quarm: **GRO**

(TC: 00:23:06)

Moderator: Was that **GRO deal?**

(TC: 00:23:07)

William Quarm: A **GRO** par.

(TC: 00:23:08)

Moderator: **GRO years.**

(TC: 00:23:09)

William Quarm: No, it's a **GRO** sorry. They were both bought second hand.

(TC: 00:23:19)

Moderator: Sorry?

(TC: 00:23:20)

William Quarm: They were both bought second hand.

(TC: 00:23:21)

Moderator: Second hand, yes. Okay. So, you don't (inaudible 23.26)? Alright.

(TC: 00:23:29)

William Quarm: (inaudible 23.29) I put about £1200, £1500 pounds on there a month. (silence 23.35-23.51) (inaudible 23.53-24.25).

(TC: 00:24:26)

Moderator: Having had a look at your branch trading statements for the post office over the period that we've been able to ascertain, we have one missing, which is period eleven, which is February this year. Yes? I haven't had a look at your accounts and this is a (inaudible 24.48), I'll just explain the schedule to you. This is a period, yes, period one. And it said that you had that amount of cash on hand, this is from your branch trading statements, yes? And that was the balance figure. Yes? It said here that was 36p short. Right? Going to the next one, it's £729 short, the next one it's £53.45 short, £1.63, £60.57, £174, £33.94, £1,314 short, £1,706 short, £1,698 short, then we're going to £3,366 short, £9,000 short, and then £4,760.99 short. Where I look at the branch trading statements for each of those-, and if I can just pick the latest one, which is the bottom one on the list, yes-? Which is for period two, dated 30 April to 29 May 08, is that your signature that's on there?

(TC: 00:26:03)

William Quarm: Yes.

(TC: 00:26:03)

Moderator: Yes. And do you accept that these branch trading statements have been produced by you, and any figures that are on this would have been input to the Horizon system by you?

(TC: 00:26:14)

William Quarm: Yes.

(TC: 00:26:15)

Moderator: Yes, okay. I'm just going to show you that the schedule compares with what I'm saying. It's 35,992.34, which is what I've written down there. Right? And it says there's a shortage of 4,760-, no, £4,768.99 there, yes?

(TC: 00:26:39)

William Quarm: Yes.

(TC: 00:26:40)

Moderator: And it then says that you resolved that.

(TC: 00:26:44)

William Quarm: Yes.

(TC: 00:26:45)

Moderator: By the same amount, yes?

(TC: 00:26:46)

William Quarm: Yes.

(TC: 00:26:47)

Moderator: So, what this means to me is that you were short when you declared this balance, it's a not a false balance, you're declaring a false figure, yes?

(TC: 00:26:59)

William Quarm: Yes.

(TC: 00:27:01)

Moderator: You're declaring what was actually on hand but then you put your (mw 27.05) to the Horizon system that you're making that good, is that correct?

(TC: 00:27:09)

William Quarm: Yes.

(TC: 00:27:10)

Moderator: Did you in fact put that money in to make the shortage good?

(TC: 00:27:14)

William Quarm: No, it was because the bank wanted to do that.

(TC: 00:27:18)

Moderator: Is that this bank loan that you were waiting on for?

(TC: 00:27:21)

William Quarm: Yes.

(TC: 00:27:21)

Moderator: Right, right. If you're saying that you made that good, the following day your balance will be back to zero.

(TC: 00:27:28)

William Quarm: Yes.

(TC: 00:27:28)

Moderator: Yes. So, each one of these figures on my schedule-, and if we start from where the figures increase slightly in number, are we seeing that that was short and you were waiting for the bank loan from that period of time? Because that, kind of, ties in with what you were saying earlier on about autumn.

(TC: 00:27:50)

William Quarm: Yes.

(TC: 00:27:51)

Moderator: Yes?

(TC: 00:27:51)

William Quarm: Yes.

(TC: 00:27:52)

Moderator: So, that £1,314.85 for period eight wasn't physically put back into the post office, is that correct?

(TC: 00:28:04)

William Quarm: I can't remember whether that particular one was or not.

(TC: 00:28:06)

Moderator: Right, right. If I go onto the next one, then, £1,77-,

(TC: 00:28:11)

William Quarm: But that's how this-,

(TC: 00:28:13)

Moderator: That's how you would account for it?

(TC: 00:28:14)

William Quarm: Yes.

(TC: 00:28:15)

Moderator: So, you were actually declaring the shortages but then saying, 'I've made this good.'

(TC: 00:28:21)

William Quarm: Yes.

(TC: 00:28:21)

Moderator: Whereas in fact you might not have.

(TC: 00:28:23)

William Quarm: No.

(TC: 00:28:23)

Moderator: Or you more than likely have not.

(TC: 00:28:24)

William Quarm: That's right.

(TC: 00:28:25)

Moderator: Is that correct?

(TC: 00:28:25)

William Quarm: Yes.

(TC: 00:28:27)

Moderator: So, each one of these is not a rollover figure, it's a fresh figure, is that correct?

(TC: 00:28:33)

William Quarm: (inaudible 28.33)-,

(TC: 00:28:33)

Moderator: Because if you said that you've made it good and in fact you haven't made it good-,

(TC: 00:28:37)

William Quarm: Yes.

(TC: 00:28:38)

Moderator: It would still be short.

(TC: 00:28:39)

William Quarm: Yes.

(TC: 00:28:41)

Moderator: Is that a rollover figure? I'm just trying to get your understanding and my understanding. My understanding is that it would be a rollover figure.

(TC: 00:28:51)

William Quarm: Yes.

(TC: 00:28:52)

Moderator: And the reason for that is that although you've said you've made it good, when you actually come to balance, you wouldn't have, you'll still be short.

(TC: 00:29:01)

William Quarm: Yes.

(TC: 00:29:02)

Moderator: Because unless you re-declared your cash the next day-, if you make it good, you have to re-declare your cash the next day.

(TC: 00:29:12)

William Quarm: Yes.

(TC: 00:29:13)

Moderator: With the amended figure. So, the next week you should be showing a surplus. And I don't see that on your branch trading statements. So, the assumption I'm making then is that this is a rolling figure. Do you understand what I'm on? Yes?

(TC: 00:29:29)

William Quarm: Yes, yes.

(TC: 00:29:31)

Moderator: Okay. So, what you've done is you've declared your cash on hand figure. If we stick with this, the latest one I've got, which is for period two, it says here that you have cash on hand £35,992.34. Would you physically have had that amount of cash on hand?

(TC: 00:29:57)

William Quarm: No.

(TC: 00:29:57)

Moderator: No. Is it because (TC 00:30:00) you've used some of the money for the post office-, from your post office?

(TC: 00:30:03)

William Quarm: Yes.

(TC: 00:30:04)

Moderator: To support your business?

(TC: 00:30:10)

William Quarm: I might have done that, that's exactly what that was. That's the accumulation of these

two.

(TC: 00:30:14)

Moderator: Okay. Right but the figure that's there, did you physically have that cash here in your office-,

(TC: 00:30:23)

William Quarm: No.

(TC: 00:30:23)

Moderator: When you entered the numbers into the Horizon system?

(TC: 00:30:27)

William Quarm: No, no.

(TC: 00:30:28)

Moderator: No. You're saying quick, definitely, 'No?' Because you're looking at it with a puzzled look.

(TC: 00:30:35)

William Quarm: Yes.

(TC: 00:30:36)

Moderator: Okay. Again, I'm not here to trip you up, right, okay? I just need to know that-, was that money there?

(TC: 00:30:45)

William Quarm: No, it wasn't. It was the expected money from that.

(TC: 00:30:48)

Moderator: Okay, brilliant, right. So, all of that £39,000 wasn't there? How do you know how much you were short by? How do you know how much extra you had to inflate that to get to these figures? And I've got a further question on that same thing. If you knew that all that money wasn't there, why didn't you just make this figure zero? Because if you had inflated that figure by that amount-, yes?

(TC: 00:31:30)

William Quarm: Yes.

(TC: 00:31:31)

Moderator: Then this figure here wouldn't show at all, it'd be zero. If you had put that amount in and added it onto it. Because if you've already added something on here to get to this state in the balance-, do you understand what I mean?

(TC: 00:31:46)

William Quarm: Yes. (inaudible 31.46)

(TC: 00:31:47)

Moderator: Right, okay. If you've brought-, if I can be quite graphic with it.

(TC: 00:31:52)

William Quarm: No, that would be the expected figure, which would be in the-,

(TC: 00:31:56)

Moderator: In the Horizon.

(TC: 00:31:57)

William Quarm: In the trading balance.

(TC: 00:31:58)

Moderator: Right, okay.

(TC: 00:31:59)

William Quarm: Alright?

(TC: 00:32:00)

Moderator: No, that's what you've told the system you've got. You've input the amount of value. Say that's the content of you post office, and I'm showing my wallet, if you've got that and that's what you're putting in the system, right?

(TC: 00:32:16)

William Quarm: Yes.

(TC: 00:32:18)

Moderator: That's what that figure is there. If you say that, 'I've got a £1,000 in here,' and there is only 500, then it's the £1,000 that shows. You with me?

(TC: 00:32:31)

William Quarm: Yes.

(TC: 00:32:32)

Moderator: Even though there was only 500 in here. Right?

(TC: 00:32:37)

William Quarm: Yes.

(TC: 00:32:37)

Moderator: I don't think you're picking me up. You're nodding but I'm looking at your face and

I'm puzzling you. What I'm trying to explain to you is that that figure there comes from what you put into the system, you tell the system what you've got.

(TC: 00:32:58)

William Quarm: You do but the system tells you what it's actually doing.

(TC: 00:33:02)

Moderator: Yes but then if you then put in another figure which is different from that, this is where this figure comes in. It says you're short by that amount.

(TC: 00:33:12)

William Quarm: Yes.

(TC: 00:33:12)

Moderator: Yes. So, what I'm trying to get is, how do you know that that was what you had on that day?

(TC: 00:33:21)

William Quarm: Because that's what the system tells you about.

(TC: 00:33:23)

Moderator: Right, okay. (silence 33.25-33.35) That particular report was then on 29 May. This here is a schedule of what you actually declared on 29 May, which was Thursday. Right? Oh, sorry, you did you balance on the Wednesday, would that be correct?

(TC: 00:34:00)

William Quarm: Yes.

(TC: 00:34:00)

Moderator: Right. So, you did the balance on the Wednesday, you told the system that that's what

you had.

(TC: 00:34:08)

William Quarm: Yes.

(TC: 00:34:08)

Moderator: 34,000. The prediction was 28,000, so it's therefore telling me that you that you've got that short. Yes?

(TC: 00:34:20)

William Quarm: Yes.

(TC: 00:34:21)

Moderator: Now, that's the figure that's showing here. But, in your (ph 34.24) terms, what you've brought is-, what you've declared doesn't match up with what you had on hand. Do you understand? You go into Horizon and it says, 'How many £20 notes have you got?' And you say, 'Right, I've got a hundred.' So, automatically Horizon says, 'A hundred times twenty, let's put £2,000 here.' Right? 'How many tenners have you got?' When you tell the system what you've got and you're doing your cash declaration, you tell the system what you've got, right? What you'll see there and what we've printed out is that on a Friday it says you've got 5,000, the Saturday you've got 6,000, 7,000 and then you get 30,000 then, £32,000 in and it automatically goes up to £39,000. Alright? The next day, that's where you declared your hand but then the next day it goes down to 5,500. Do you see what I'm on? These figures are telling me how much money has been sent to you and how much money you've sent away from here.

(TC: 00:35:32)

William Quarm: About 32,000.

(TC: 00:35:35)

Moderator: According to your hand, you've got a remittance in.

(TC: 00:35:38)

William Quarm: Was that what you heard?

(TC: 00:35:39)

Moderator: That's what it says there.

(TC: 00:35:40)

William Quarm: No but-,

(TC: 00:35:40)

Moderator: (inaudible 35.40)

(TC: 00:35:41)

William Quarm: No.

(TC: 00:35:44)

Moderator: That's what the system's telling me.

(TC: 00:35:46)

William Quarm: (inaudible 35.46-35.56) in for 7, 7-,

(TC: 00:35:58)

Moderator: 7,000? (inaudible 36.01) the system, the right figures. If you don't do a cash declaration, then the system automatically assumes things, right? So if you're doing your cash declaration on a daily basis, right-, you've done it there. You've done it there, you've done it there, you've done it there, you've done it there. That's gone up from 1,600 because you've had a remittance of 9.

(TC: 00:36:26)

William Quarm: I haven't had a remittance of 9,000.

(TC: 00:36:28)

Moderator: No, that's what the system is telling me now.

(TC: 00:36:33)

William Quarm: No, never. When was that?

(TC: 00:36:38)

Moderator: That was in April?

(TC: 00:36:39)

William Quarm: No, no, no, never. (silence 36.40-37.04) What day in April?

(TC: 00:37:13)

Moderator: Since the seventh.

(TC: 00:37:15)

William Quarm: Pardon?

(TC: 00:37:15)

Moderator: Seventh. (silence 37.16-37.34)

(TC: 00:37:35)

William Quarm: Would that be real-estate too?

(TC: 00:37:39)

Moderator: It's hard to tell from this schedule. (talking over each other 37.43) me the figure that it gives (inaudible 37.45).

(TC: 00:37:46)

William Quarm: 2,500. Or 1,500?

(TC: 00:37:51)

Moderator: £4,000, it came out on the ninth, then?

(TC: 00:37:54)

William Quarm: Yes.

(TC: 00:37:55)

Moderator: So, that's the £4,000 annually.

(TC: 00:37:59)

William Quarm: Yes.

(TC: 00:37:59)

Moderator: 2,400 (mw 38.00) deliveries. I'm reading the wrong column. My fault entirely, I do apologise, I'm looking at the wrong column, I was looking at this figure here. This is the ones that have been delivered. The 7, 5, 5, 4, 4. That was me.

(TC: 00:38:22)

William Quarm: Can I have them?

(TC: 00:38:24)

Moderator: You can have them? I beg your pardon. Thanks for correcting me. So, in reality what we've got is-, we've got your branch trading statements which are showing that you, on this period two, that you're £35,992.34-, I'm trying to establish whether you physically had that cash on hand here or whether you-,

(TC: 00:38:56)

William Quarm: No, I've told you already.

(TC: 00:38:58)

Moderator: Alright.

(TC: 00:38:58)

William Quarm: It was the expectation of getting this-,

(TC: 00:39:00)

Moderator: Right. So, this figure is an inflated figure?

(TC: 00:39:03)

William Quarm: Yes.

(TC: 00:39:04)

Moderator: Inflated by yourself?

(TC: 00:39:05)

William Quarm: Yes.

(TC: 00:39:07)

Moderator: So that it shows less of a shortage, is that correct?

(TC: 00:39:09)

William Quarm: Yes.

(TC: 00:39:10)

Moderator: Because you were expecting this bank loan at any time. If that bank loan had kicked in, you would have physically had that money here?

(TC: 00:39:17)

William Quarm: Yes.

(TC: 00:39:17)

Moderator: Yes?

(TC: 00:39:18)

William Quarm: Yes.

(TC: 00:39:18)

Moderator: Right, okay. So, this, in fact, is a false document.

(TC: 00:39:23)

William Quarm: Yes.

(TC: 00:39:25)

Moderator: In real terms, it's not factually correct because it does say here, 'I certify that the content of this balancing and trading statement is an accurate reflection on the cash and stock on hand at this branch-,'

(TC: 00:39:38)

William Quarm: I've said from the beginning, and I've said it later too, that it was expectational of getting that loan.

(TC: 00:39:45)

Moderator: But what I'm just trying to be clear is that this is a false accounting document, simply because you're certifying that it's an accurate reflection of the cash, and what you've just told me

just now, it is in fact not an accurate (TC 00:40:00) declaration.

(TC: 00:40:02)

William Quarm: I think we knew that from the start.

(TC: 00:40:04)

Moderator: I know that. I just have to be specific with this because this is just one document but how many of these others are also false accounting documents? If we go back to autumn (inaudible 40.14)-, I mean, that's for period two. If I show you period one, I ask you the same question, is that a true reflection of what the true balance figure was, in your office, on that day? And your answer will be what? For period one.

(TC: 00:40:35)

Speaker 2: What was the figure? Cash in hand?

(TC: 00:40:37)

Moderator: The cash in hand figure is 17,239. It would be-,

(TC: 00:40:47)

William Quarm: That would be a wrong figure.

(TC: 00:40:47)

Moderator: A wrong figure?

(TC: 00:40:48)

William Quarm: Yes.

(TC: 00:40:48)

Moderator: Okay.

(TC: 00:40:55)

Speaker 3: That figure on period one, what was the balance in figure (inaudible 40.57)?

(TC: 00:40:59)

Moderator: Period one, 17,000.

(TC: 00:41:01)

Speaker 3: Yes.

(TC: 00:41:07)

Moderator: Yes, you've declared your cash at £17,239.78 and that is up until 30 April 2008. And for period two, the cash in hand declared is 35,992.34 up to 29th of the fifth, 2008. A difference of £18,000.

(TC: 00:41:28)

William Quarm: (inaudible 41.28) I can understand it.

(TC: 00:41:33)

Moderator: In that period two, it was an £18,000 difference of a physical (inaudible 41.39-41.41).

(TC: 00:41:43)

Speaker 2: But it said £21,000 in and around. (silence 41.45-41.50) (inaudible 41.51)-,

(TC: 00:41:52)

Moderator: Cash.

(TC: 00:41:53)

Speaker 2: Yes, in that month, in that period.

(TC: 00:41:55)

Speaker 3: (inaudible 41.55), yes.

(TC: 00:42:00)

Moderator: The deliveries. (silence 42.01-42.10). These were booked in?

(TC: 00:42:13)

Speaker 3: They must be. They have to be booked in if £40,000 shortage if you scan them, don't they?

(TC: 00:42:22)

Moderator: Did you scan your remittances in?

(TC: 00:42:24)

William Quarm: No.

(TC: 00:42:25)

Speaker 2: They would only show in the system if it's been scanned.

(TC: 00:42:32)

Moderator: So, that's why the figure has gone up by that amount of money. You meant the cash on hand figure.

(TC: 00:42:46)

William Quarm: I know that was in the £7,000. Somebody phoned me up from the-,

(TC: 00:42:53)

Moderator: The cash handling, cash management, yes?

(TC: 00:42:54)

William Quarm: Yes. They said, 'Why are you not sending your money in?'

(TC: 00:43:01)

Moderator: That's what that column is, 'You should have been sending us £7,000 instead I've given you 7.'

(TC: 00:43:06)

William Quarm: Yes, yes. And I said, 'Well, you just sent me £5,000.' 'Will you please send money next week?' I said, 'Yes.' The next thing, another £7,000, arrived.

(TC: 00:43:23)

Moderator: It's automatic, it's a Horizon-produced figure. People don't make decisions, 'I'm going to send you five,' it's an automatic cash management system.

(TC: 00:43:37)

William Quarm: But why if they're wanting £7,000 did they send me £7,000?

(TC: 00:43:42)

Moderator: It's the system, I don't know, I can't explain. And the tapes have just beeped there and I'm conscious that we're dragging on a wee bit here. What I need to do is what you've told me and would provide clarity-, as I explained to you before the interview started, we may need to go to your house. Or if you could produce for me the bank account records for the bank accounts that you've mentioned already, the Alliance & Leicester business account, the Bank of Scotland loan account, the Royal Bank of Scotland loan account, I need to see these to show me and give me some sort of proof that what you're telling me is in fact true, that you applied for a loan from the bank last autumn. If you've got any correspondence, (audio cuts out 44.38-44.53).