

Amsphere

*Confidential and Privileged*  
*On instruction of Coomber Rich Solicitors*  
*Yard House, Basingstoke, RG21 7NX*

**Re: Seema Misra**

**4<sup>th</sup> Interim Technical expert's report to the Court prepared by  
Charles Alastair McLachlan, a Director of Amsphere Consulting  
Ltd.**

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*This report contains 10 pages*

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# 1 Review of evidence available as of 12<sup>th</sup> February 2010

## Introduction

This report has been updated to reflect the witness statements provided by Gareth Jenkins and the telephone interview conducted with him on 12<sup>th</sup> February 2010. Gareth Jenkins was asked to comment on the West Byfleet and the requests in relation to Callender Place, Falkirk for the first time in the week commencing 1<sup>st</sup> February 2010.

### 1.1 Hypothesis: The User Interface gives rise to incorrect data entry

- 1.1.1 Source of problem – training and support: **full and complete training materials and training records have yet to be provided.** In addition a **log of calls and response to the NBSC** would provide further evidence as to the understanding of the users at the West Byfleet branch.

**Additionally:** Gareth Jenkins during a telephone interview conducted on 12<sup>th</sup> February confirmed his response in the witness statement dated 2<sup>nd</sup> February relating to my 2<sup>nd</sup> interim report at 2.1.3.10 “It is the responsibility of the clerk to ensure that the Debit Card payment was successfully authorised by the MA and to check the response received. Should they not do so and assume it was processed and touch “Fast Cash” to clear the basket without looking at the screen, then indeed the system might record a **Cash Transaction**. (bold added).

- 1.1.2 Source of problem – user interface: there has not been an opportunity to conduct a usability review to date; in addition, the logs included in Andy Dunk 2<sup>nd</sup> witness statement refer to problems with the touch screen which require the screen to be calibrated. **It has not been possible to test** whether this could give rise to incorrectly captured user actions.

**Additionally:** Gareth Jenkins during a telephone interview conducted on 12<sup>th</sup> February confirmed that if the touch screen requires calibration it is possible that the user could touch the screen to activate one button and a different button would be activated. Gareth Jenkins asserted that the size of the buttons makes such an event unlikely.

### 1.2 Hypothesis: The Horizon system fails to properly process transactions

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- 1.2.1 Source of problem – End to end EPOSS transaction flow: the equipment failure user guide provided identifies at subsection 14 a process for identifying lost EPOSS transactions. The implication is that EPOSS transactions can be lost due to equipment failures. **Without access to the sub post office data records and the intermediate data records in the end to end process** it will not be possible to identify the extent to which this may explain the accounting discrepancies.

**Additionally:** Gareth Jenkins, during a telephone interview conducted on 12<sup>th</sup> February confirmed: that copies for the sub post office data records are maintained by means of an message audit log for 7 years in the Fujitsu data archive; that no request has been received by Fujitsu for any of the records relating to West Byfleet; that such requests are routine and a Fujitsu employee is engaged full-time in servicing such requests; that Fujitsu have an established process for delivering the messages in the audit log into a readily interpretable form accessible in an Excel spreadsheet. Further, Gareth Jenkins explained that Fujitsu use an ORACLE database to load the messages and output both consolidated branch data at the stock item level and raw data at the transaction level that is sent to the Post Office Limited SAP accounting system and MIS systems respectively. He explained that one of the functions of the SAP system is to identify transaction errors. Gareth Jenkins advised that the Post Office Product Branch Accounting department would be best placed to comment on transaction corrections and ‘rems’ (remittances of stock to or from branches).

- 1.2.2 Source of problem – Poor integration: the helpdesk reports provided in Andy Dunks 2<sup>nd</sup> statement identify a series of problems with the network, printer and the pin terminal. **It has not been possible to test** whether this could give rise to inconsistent data capture and transmission at the sub post office.

**Additionally:** Gareth Jenkins confirmed, in a telephone interview conducted on 12<sup>th</sup> February, that if the printer failed to produce a readable document because of ink or cylinder problems, then branch terminal would consider the document to have been printed and if the operator acknowledged the printing without examining the receipt then it was possible that the receipt could be a “decline” or “refer” document for a card transaction which the operator then over looked. Consistent use of the [Fast Cash] button to clear the stack would then result in the declined card transaction being treated as a cash

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receipt. It is noted that such problems were reported in Andy Dunks 2<sup>nd</sup> statement.

- 1.2.3 Source of problem – systems issues causing incomplete/inconsistent processing of transactions between sub post office and central systems: the reports provided in Andy Dunks 2<sup>nd</sup> statement identify a number of cases in which the user was required to ‘re-boot’ the terminal. **It has not been possible to test** whether this could give rise to inconsistent data records in the sub post office.

**Additionally:** Gareth Jenkins asserted, in a telephone interview conducted on 12<sup>th</sup> February, that the treatment of messages would always ensure that there was a matching set of credit and debit transactions maintained both at the branch and centrally. However, he pointed out that the replication between the branch and the centre relied on a 35 day retry cycle and, in the event of a flood or other prolonged break down in branch access, inconsistencies between the branch records and the central records could arise and would then have to be resolved manually. Further, he explained that the audit log archive maintained by Fujitsu would record when a terminal ‘re-boot’ occurred and it would be possible to determine if this had given rise to any pattern of transaction discrepancies.

- 1.3 **Hypothesis: Errors in operator data entry are not properly reconciled by the Post Office finance function or by the Horizon system: without access to the system files it is not possible to determine whether this is the case.**

- 1.3.1 Source of problem – lack of reconciliation of EPOSS transactions end to end: **without access to the system data files** it is not possible to determine whether this is the case.

**Additionally:** Gareth Jenkins, in a telephone interview conducted on 12<sup>th</sup> February, explained that these reconciliation processes are conducted by the Post Office Product Branch Accounting function and the system data files would have to be provided by this function. Fujitsu are not aware of any request to provide this information.

- 1.3.2 Source of problem – lack of reconciliation of other transactions end to end: **without access to the system data files** it is not possible to determine whether this is the case.

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**Additionally:** Gareth Jenkins, in a telephone interview conducted on 12<sup>th</sup> February, explained that these reconciliation processes are conducted by the Post Office Product Branch Accounting function and the system data files would have to be provided by this function. Fujitsu are not aware of any request to provide this information.

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## **2 Appendix 1 – Instructions etc.**

### **2.1 Instructions**

2.1.1 I am Charles Alastair McLachlan, a Director of Amsphere Consulting Limited, London, England specialising in information technology consulting. I have been instructed in this matter by Coomber Rich Solicitors, on behalf of their client, Seema Misra, (“the Defendant”) to assist the court in this matter of alleged fraudulent accounting in providing expert evidence on the questions posed at 1.1.3 hereunder.

2.1.2 I have been instructed to review the disclosures provided in electronic format by the prosecution up to 1<sup>st</sup> February 2010 and consider to what extent they will enable me to provide an opinion in relation to the alternate hypotheses for the discrepancies that have given rise to charges of fraudulent accounting.

2.2 My qualifications have been itemised in the previous two interim reports.

### **2.3 Confidentiality**

2.3.1 This report is strictly private and confidential and has been prepared at the request of Coomber Rich Solicitors on behalf of their client, for the Court.

### **2.4 Legal and factual issues**

2.4.1 This report should not be read as expressing any opinion on factual matters which depend on disputed testimony of the witnesses of fact, or legal issues. It, however, inevitably reflects my understanding of the position.

### **2.5 Sources of information**

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2.5.1 In preparing my report, I have considered the documents used for my previous reports and in addition:

- a. The 'Further Disclosure Request' submitted by the Defence
- b. The responses by e-mail from Marilyn Benjamin, Royal Mail 29<sup>th</sup> January 2010
- c. Horizon System User Guide - Equipment information and system failure Version 8.0 August 1999
- d. The 2<sup>nd</sup> Witness statement of Andrew Paul Dunks 29<sup>th</sup> January 2010
- e. The Audit of Post Office ® West Byfleet branch, Excel Workbook

2.6 The scope of my work

2.6.1 I report as an expert witness, not as a witness of fact. I have reviewed the documentation provided to me.

2.7 Independence

2.1.1 I have prepared an independent and objective report addressed to the Court. I have had no previous involvement with the Defendant. I have no previous involvement with Coomber Rich Solicitors.

2.1.2 Amsphere's fees in this case are not dependent on the result of the proceedings in this matter.



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### **3 Appendix 2 - My duties to the Court**

- 3.1 I understand that my overriding duty is to the Court, both in preparing reports and in giving oral evidence. I have complied and will continue to comply with that duty.
- 3.2 I have set out in my report what I understand from those instructing me to be the questions in respect of which my opinions as an expert are required.
- 3.3 I have done my best, in preparing this report, to be accurate and complete. I have mentioned all matters that I regard as relevant to the opinions I have expressed. All of the matters on which I have expressed an opinion lie within my field of expertise.
- 3.4 I have drawn to the attention of the Court to all matters, of which I am aware, which might adversely affect my opinion.
- 3.5 Wherever I have no personal knowledge, I have indicated the source of factual information.
- 3.6 I have not included anything in this report that has been suggested to me by anyone, including the lawyers instructing me, without forming my own independent view of the matter.
- 3.7 Where in my view, there is a range of reasonable opinion, I have indicated the extent of that range in the report.
- 3.8 At the time of signing the report I consider it to be complete and accurate. I will notify those instructing me if, for any reason, I subsequently consider that the report requires any correction or qualification.

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- 3.9 I understand that this report will be the evidence that I will give under oath, subject to any correction or qualification I may make before swearing to its veracity.
- 3.10 I have included in this report a statement setting out the substance of all facts and instructions given to me, which are material to the opinions expressed in this report or upon which those opinions are based.
- 3.11 I confirm that insofar as the facts stated in my report are within my own knowledge I have made clear which they are, and I believe them to be true, and the opinions that I have expressed represent my true and complete professional opinion.

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Friday, 12 February 2010