

To:	From:	cc:
Mrs S Misra Subpostmaster	Keith Noverre Audit Officer	Elaine Ridge Contracts Advisor Gerry Conran Business Development Manager Paul Dawkins Investigation Team Manager Tony Hills Network Compliance Audit Manager Outlet Intervention Team
Date: 16 January 2008		

**Audit of West Byfleet Post Office® branch, Branch Code
126023**

Section 1 - Introduction

An audit of the above branch, led by myself, was undertaken on Monday 14 January 2008. The purpose of this audit was to verify financial assets due to the Post Office® and confirm compliance with a range of Business processes, procedures and regulatory requirements.

Section 2 provides a management summary, including the financial audit result.

Section 3 details a breakdown of the result of the financial audit.

Appendix A details the areas of non-compliance to regulatory matters and Appendix B details areas of non-conformance identified during tests of selected policy and procedures. Both

appendices include the actions agreed with during the closing meeting.

Section 2 - Management Summary

The financial audit revealed a current trading position of £ 77643.87 short, subject to a reconciliation of some figures (undertaken after the audit). A breakdown of this figure, including any pending transaction corrections or losses being settled centrally, can be found in section 3.

Due to findings revealed at audit, and a decision taken by the Contracts Advisor to temporarily suspend you from your role as subpostmaster pending further enquiries, compliance testing was not carried out on this visit, therefore there are no appendices attached.

Section 3 - Result of the Financial Audit

Financial assets to the value of £31465.28 were physically verified compared to the amount due to Post Office® of £106075.12.

The difference between these figures is broken down as follows:

£ 37882.37	(-)	Identified as a difference in cash figures
£ 3173.60	(-)	Identified as a difference in stock figures
£ 2891.25	(-)	Identified as a difference in cheque figures
£ 267.45	(+)	Identified as a difference in foreign currency figures
£ 27000.00	(-)	Cash in pouches
£ 3930.07	(-)	Currency in pouches
<u>£ 74609.84</u>	(-)	Total shortage

In addition to the above, the following amounts are noted, effectively increasing the above figure to:

£ 3034.03	(-)	Outstanding amount, previously settled centrally, as confirmed with Product & Branch Accounting on the day of the audit
<u>£ 77643.87</u>	(-)	Total shortage

Comments and/or Recommendations:

The shortage of £74609.84 was not made good at the time of the audit.

The shortage of £3034.03 is to be settled centrally.

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