

Witness Statement

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



Statement of Paul Bosson

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

This statement (consisting of three 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 7th day of July 2003

Signature Paul Bosson

I am a Network Audit Manager, employed by Post Office Ltd, and I have been so for approximately 16 years. My duties include the verification of cash and stock by undertaking audits at all Post Office Ltd outlets. I can confirm that on Friday 7th March 2003, myself and Sue Le May (Network Auditor) arrived at Walton on Thames Post Office, Hersham Road, Walton on Thames, Surrey, KT12 1LN, in order to conduct an audit of the accounts. This audit was instigated by Michael Dadra, Security And Audit Operations Manager, following discrepancies identified in post-audit checks resulting from a previous audit conducted on 15th November 2002. The audit commenced at approximately 0855 hours.

All Post Office outlets operate with the Horizon computerised accounting system. All transactions, declarations, balancing processes etc must be performed on the Horizon system.

As part of the audit process, an office snapshot is obtained from the Horizon system. The office snapshot is a report, which can be printed, and details all the cash, stock and vouchers which should be on hand and all transactions which have been entered onto the system. A physical check of the cash, stock and vouchers is then conducted and compared to the office snapshot, in order to verify that all items are present. The user of the Horizon system has to enter the amount of cash on hand when a balance is performed (usually Wednesdays) and the Horizon system takes into account all receipts and payments entered throughout the following week, thus it continually calculates how much cash should physically be on hand.

I asked the Subpostmaster of Walton on Thames Post Office, Mr David Yates, to produce an office snapshot from the Horizon computer system. This was done and I now produce this report as item **PB/1**.

Signature Paul Bosson

Signature witnessed by

Witness Statement

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Continuation of statement of Paul Bosson

It is also a requirement for Subpostmasters to physically declare the amount of cash they are holding on a daily basis. This procedure should be performed before the close of business each day. Once the cash has been declared, a printout of this declaration should be obtained from the Horizon system.

I asked Mr Yates to produce the office cash declaration which should have been obtained the previous day, Thursday 6th March. This was done and I now produce this report as item **PB/2**.

Following an examination of the office snapshot and the office cash declaration, it was evident that the cash figures differed significantly. The office snapshot, which indicates the amount of cash that should be on hand, detailed £410,354.67 (four hundred and ten thousand, three hundred and fifty four pounds, sixty seven pence). The office cash declaration, which indicates how much cash is physically on hand, detailed £43,566.00 (forty three thousand, five hundred and sixty six pounds).

Mr David Yates then informed me that he had sent a remittance the previous day (Thursday 6th March 2003), but had not booked it out on the Horizon system. A remittance is performed when an office has excess cash, mutilated cash, obsolete stock etc. Such items are booked out on the Horizon system and enclosed in secure pouches with remittance advice notes (formerly referenced as P884's, now referenced as P5257MA's). The advice notes should be completed by the Subpostmaster in duplicate and they detail a breakdown of the items being remmed. The top copy is placed within the secure pouch and the undercopy should be retained and archived at the Post Office.

Any pouches to be remmed should also be recorded in the Cash In Transit (CIT) collections book. Each pouch has a serial number and these numbers should be recorded in the CIT book and the book should be datestamped. The CIT book is carbonised, with 5 copies of collection receipts subsequently containing the details of a remittance. The Subpostmaster arranges for a secure collection of the remittance and when the CIT officer attends the Post Office, he should sign, time and date the CIT book as an acknowledgement that the pouches have been taken. Two copies of the CIT book collection receipts are left with the Subpostmaster, the top copy, which should be retained and archived at the Post Office, and a further copy, which remains in the CIT book.

I asked Mr Yates to show me the CIT collections book. On examination of the book, I noted that the last collection was dated Wednesday 5th March 2003 (not Thursday 6th March 2003). I now produce the CIT collection book as item **PB/3**.

Signature Paul Bosson

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Continuation of statement of Paul Bosson

I also asked Mr Yates to show me the advice notes relating to the remittance. Mr Yates initially informed me that he could not find them, but then claimed he had not sent a remittance and that the audit would result in a shortage of approximately £350,000.00.

I made a note of the events thus far and asked Mr Yates to sign this note. I now produce this note as item **PB/4**. The matter was then referred to other managers within Post Office Ltd.

The audit of the accounts continued and resulted in a shortage of £359,325.71. The audit accounting form P32 was completed by myself and I now produce this as item **PB/5**. I also submitted a report of the audit to Dave Posnett, Investigation Manager, which I now produce as item **PB/6**.

Signature Paul Bosson

Signature witnessed by