



c/o Stephanie Lawrie
1st Floor
Bunhill Row Wing
148 Old Street
LONDON
EC1V 9HQ



Confidential
Ms Kym Elizabeth Wyllie

GRO

Dear Ms Wyllie,

Re: Winlaton Post Office® Branch, 13 Front Street, Winlaton, Blaydon on Tyne, NE21 4RF

I write following your appeal hearing of 7th December 2010, our subsequent various e-mails and finally your correspondence of 28th February 2011, which contained an addendum to your appeal hearing written submission, as well as a further copy of the original written submission you provided at the appeal hearing.

Throughout the appeal hearing and the written submissions you have raised doubts about the integrity of the Horizon accounting system and have offered no other reason for the losses incurred. You are adamant that neither you nor any of your staff acted dishonestly. I requested, and have enclosed, a copy of the Horizon incident timeline for this branch covering the period immediately prior to your suspension and afterward, and can see nothing that would lead me to conclude specific Horizon equipment problems at Winlaton would have caused the losses. I have also sought and received confirmation from Tracy Marshall, Post Office Limited Agents Development Manager, that POLtd is fully satisfied that the Horizon systems and the accounting processes around it are robust and fit for purpose. She confirms the system is endorsed by the National Federation of Sub-postmasters and has been subjected to independently assured testing processes, information security is accredited to industry standards and the system also meets all payment industry standards,

You raised a number of issues re process followed by auditors and the contract advisor and we did discuss at appeal the appropriateness of the use of the precautionary suspension following discovery of unexplained shortages, which you accepted. I do not find any material impact caused by conduct of these parties on the outcome of this case.



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I asked you questions about the timing of the first declared shortage and the fact you were aware of when the horizon migration visit was due, you insist this was not connected. You have also stated that you declared cash before the audit to the best of your knowledge and ability. I have not reached any conclusion as to whether horizon migration and the first shortage declaration was connected nor whether the declaration before audit was deliberately false but rather have focussed simply on the fact that the unexplained losses occurred and were significant. I also note your acceptance that you transferred ATM cash to a counter stock without following correct accounting process.

I would remind you that this appeal against summary termination of contract is a civil contractual matter and as stated previously has no connection whatsoever with the conduct of any fraud investigation. The burden of proof on which I must judge this is a civil and not criminal one.

On balance of probability I find it more likely that your failure to manage Winlaton Post Office branch to the satisfaction of Post Office Ltd led to an unexplained shortage identified at audit of £5,434.93 and an unexplained shortage settled centrally of £33,000, in total £38,434.93. This being in accordance with section 1 paragraph 5 and Section 12 paragraph 5.

In conclusion I find that there are no grounds for appeal and accordingly your appeal is rejected and the decision to terminate your contract for services upheld.

I have copied this letter to Andy Carpenter.

For information I have also enclosed with this letter a typed copy of my own notes from the appeal hearing and the horizon call log

Yours sincerely

Craig Tuthill,
Appeals Manager

Enc:
Copy of own notes taken by Craig Tuthill at appeal hearing
Copy of Horizon incident timeline for Winlaton

cc: Andrew Carpenter, POLtd Contracts Advisor

