

# Royal Mail Group

## ROYAL MAIL – CONFIDENTIAL Record of Tape Recorded Interview

Record of Tape  
Recorded Interview

Person Interviewed (JW) JULIAN WILSON  
Place of Interview ASTWOOD LAW OFFICES

Exhibit No: Number of pages:9
Signature of interviewing officer producing exhibit

Date of Interview 15.9.08  
Time commenced 15.57  
Duration of interview 36 MINUTES  
Interviewing Officer(s) (GT) GARY THOMAS (GB) GRAHAM BRANDER  
Other persons present (DE) DONNA EVANS – BRANCH SECRETARY OF NATIONAL FEDERATION OF SUB POSTMASTERS FOR WORCESTERSHIRE (GC) GRAHAM CLARKE - SOLICITOR  
Time concluded 16.33  
Tape reference no 50314

Tape counter times	Person speaking	Text
2.50		Voice identification of everyone present. Buzzer sounds - tapes switched off and back on. Permission to tape record. JW recanted, legal rights explained and told he is free to leave if he wishes. The necessary form completed and signed – Solicitor present. Friend Form completed and signed – Offer of friend – Friend present.
4.50		The contents of the previous interview recapped when JW states he now believes members of staff may possibly have been dipping into the till although he had believed the loss of £27,000 over 5 years could be put down to errors.
6.57	GT	At what stage do you think you would have been in a position or you're going to get in a position to repay the Post Office the money that was clearly missing?
7.44	JW	I just wish I had as I said previously hindsight's a wonderful thing I just wish I'd made more of it in the early days with Paul and later with Keith and said you know this (inaudible)
8.15		JW shown Branch Trading Statement dated 11 <sup>th</sup> April 2007 and 16 <sup>th</sup> May 2007 and he confirmed it to be his signature on page 3.
8.29	GT	And the amount shown as cash on hand on that occasion is £76,363.18p. Would that be a true reflection the 26,363.18 of what cash would have been in the office at that time?
	JW	As previously said it would have been an inflated, inflated figure.

## Royal Mail Group

**ROYAL MAIL – CONFIDENTIAL**  
**Record of Tape Recorded Interview\_Continued**

Tape counter times	Person speaking	Text
	GT	Right ok with that figure being 26,000 then I would imagine that clearly back in last April you wouldn't have been able to have been inflating it by 20, £25,000 or so because it would have suggested you had no cash in the office.
	JW	No cash in the safe.
	GT	So what sort of amount would you have been looking at being short at that time and what's your sort of cash holdings on a general daily basis?
	JW	Normally you hold about 14, that's what I've been advised my cash holdings should be around 14, 14 and half thousand.
	GT	Right so I mean even at that time if it was 14 then we would have looked at an inflated figure of perhaps about just 12 at that time?
	JW	Yeah
	GT	Which would suggest that maybe from April or May well actually 16 <sup>th</sup> May 07 to September it's increased quite considerably so 12,000 to 27 15,000.
	JW	15,000
	GT	In about the last year or so?
	JW	Yeah
	GT	Which is obviously a lot more than we were suggesting I thought it was more of the you know every year it was around the sort of same amount 5,000?
	JW	No no no some it's, it has increased slightly that's for sure I don't know whether there's another one we could just look at in-between those probably between those 2.
10.24	GT	Cash on hand carried forward yeah total carried forward 47, the cash on hand 26, 28, 34, 29, 36, 41, 34, 42, 46, 41, 39, 40, 48, 41 so yeah certainly over the last 6, 7 8 months it's gone up a bit and that may have reflection in that we've got 1,064 as you talked about on the first statement we looked at. £5.70 that one, 1,047 short on that one, 377, 565, 1300 short and that one is a particular large one which I'll show you that one as well. Well that one is £2,306.99 short and the month before £1590.58 short so this one being a 4 week period we're looking now at 2,306 over a 4 week.
	?	Have you mentioned the.
	GT	Yes we're just going to go through that in a moment. Obviously we're looking at 5, £600.00 a week on our monthly trading period which is from the period of the 9 <sup>th</sup> January 2008 to 13 <sup>th</sup> February 2008 and the cash on hand there carried forward states 46,795.60 so again would that be a true reflection of the cash that would have been in?
	JW	Same answer as I gave.
	GT	Same answer it would have been an inflated figure?
	JW	Yeah.
	GT	Ok any recollection as to why you would be £2,306.99 short in that particular trading period 'cos obviously it's quite a bit higher than the other?
	JW	Yeah and it's early part of the yeah isn't it it's January, not that I can off the top of my head think of. As I said the thing is or other things you can check back through the system the system is very good and they only need to check back but to me there that sounds as though there's one transaction or a couple of transactions that have not been done perhaps correctly which has I mean that's a big jump.

## Royal Mail Group

**ROYAL MAIL – CONFIDENTIAL**  
**Record of Tape Recorded Interview\_Continued**

Tape counter times	Person speaking	Text
	GT	Right and that's again your signature?
	JW	My signature.
	GT	Ok but what you're telling us then is if we were to get the cash accounts of trading period ends and obviously as you could see each period end whether it be a week or a month would give us a loss figure if we were to go back to after the last audit and go the last 5 years forward.
	JW	The majority of them yeah
	GT	If we added them all up, if we added them all up we should be getting around that 27,000 is that correct?
	JW	Yeah.
13.45		JW states he stopped making a written record of his discrepancies when they changed over to Branch Trading Statements.
14.00	GB	Any reason why you stopped record, 'cos whether you do a weekly account or whether you do a month account what was the reasoning for stop recording the discrepancies?
	JW	Again because I had a hard copy I just you know perhaps didn't want to know how bad it was, it never seemed to be in my favour.
14.30		JW states he never explained to his Line Managers that he wasn't making good his losses and never asked for any advice in respect of this.
14.44	GB	You were sort of saying that to sort of coin your phrase 'burying your head in the sand' a wee bit hoping that somebody in the Post Office would identify the predicament you've got into and hopefully do something to happen resolve the issue.
	JW	Yeah
	GB	And we say they wouldn't is because every week you were showing a discrepancy whether it's £300 or whether it's £1000 and then you're telling the system that you've made it good.
	JW	Yes I realise where I was going wrong there.
	GB	(inaudible)
	JW	Because there are 2 options on the screen there's the 'settle centrally' screen and then there's the 'make good cash' and I wasn't aware that the 'settle centrally' button to push would highlight, would highlight the problem that I'd had.
	GB	But you have to get authority to get it settled centrally anyway and they will you know refer to what they call like a hardship case it's like Gary was (inaudible) to you earlier, if you have a large discrepancy and you think 'oh I've made a mistake I'm pretty sure it's a girobank error I'm going to be £4,000 short at the moment but when this error comes back I'll be good but I can't afford to make it good at this moment in time' or for whatever reason, sometimes, I'm not saying all times sometimes a decisions made where it will be settled through hardship i.e. settled centrally and they would, you would effectively pay back through deductions in your remuneration.
	JW	I wasn't aware of that.

## Royal Mail Group

**ROYAL MAIL – CONFIDENTIAL**  
**Record of Tape Recorded Interview\_Continued**

Tape counter times	Person speaking	Text
	GB	But you would need to get authority for that so settling it at the branch making it at the branch is how you should be doing it but of course you should be actually putting the money in because you're telling the system you've made this good.
	JW	Yeah
	GB	And then that will effectively, Horizon will recalibrate the cash figure that you would need to balance believing that you've actually put that money in whether you've done it as a cash or whether you've done it by cheque
	JW	I understand what you're saying that's my mistake.
	GB	But also the Post Office to use the general term Post Office might have set some alarm bells ringing if you're actually showing the discrepancy that would have been relevant to the accounts.
	JW	Yeah I understand where you're coming from.
	GB	So if you'd have shown it when it first started £500 next one if you show it £1500 going forward going forward going forward until say maybe 3 months ago you show £22,000 short then you show £25,000 short then you show £27,000 short I'm pretty certain somebody in the Post Office would have been alerted to that fact long before now but because.
	JW	Because I was operating the system incorrectly and I should have been putting it there.
17.25	GB	Well you say that but to me you were hiding the actual true state of the accounts by inflating the cash therefore somebody in the Post Office wouldn't have been alerted to it. If you did want this person to be alerted whoever this person may be it was BDM, somebody at the helpline, somebody at Chesterfield to be alerted (a) either mention it to somebody to one of your phone calls (b) contact the helpdesk, contact the BDM or declare the true state of the accounts and trust me somebody would have come out.
	JW	I understand where.
	GB	To have dealt with them.
	JW	Yeah I understand what you're saying Graham yeah I understand what you're saying.
	GB	Ok so have you inflated the cash figure so that it didn't alert somebody?
	JW	No.
	GB	Right so what was the reasoning for just showing £1,000 short on the Trading Statement for period 4 as oppose to showing it roughly £27,000.
	JW	Because it you, in my thinking, whether this is incorrect or not, if you had doctored the figures which alright yes I have done on this, if you doctored the figures so this bottom figure more or less lined up the same as being so many 3 quid adrift or £4.00 adrift, in the event of an audit you would have been that much more cash short.
	GB	Yeah but there's on £1,000 on top of, instead of being, so basically the audit would have found £26,000 discrepancy in the cash plus £1,000 further discrepancy which hadn't been made good.
	JW	Yeah
	GB	So whether, so.
19.20	JW	But because I was still declaring that that was the discrepancy I wrongly assumed that somebody from Post Office would pick up the phone that you'd got a problem.
	GB	But because you're telling the system you're making it good the Post Office isn't concerned.

## Royal Mail Group

**ROYAL MAIL – CONFIDENTIAL**  
**Record of Tape Recorded Interview \_Continued**

Tape counter times	Person speaking	Text
	JW	No, yes I wasn't aware of that.
	GT	And in the following week if you have a £300 discrepancy there's nobody going to be looking at all this out of the 14,000 branches trust me they'll be no-one looking at somebody showing £1,000 short if they're telling us this and they're making it good. What they will be doing is if it suddenly becomes 1,000, 2,000, 5,000, 8,000, 10,000
	JW	I understand where you're coming from.
	GB	Up to 27,000 we have the situation where somebody be alerted this branch appears to be rolling losses and if we're not alerted certainly the BDM would have been alerted and they'd have done a visit and if there looked to be anything untoward.
	JW	Yeah I understand what you're saying Graham, I'd thought the other not being aware that that's the way you should have done it.
20.20	GB	Ok if you had have declared this £27,000 do you think somebody would have been alerted to the fact there was a problem at your branch do you think that would have set alarm bells ringing?
	JW	I would hope so.
	GB	Ok and if it had, irrespective of what's going on here today, irrespective of that if it had have set alarm bells ringing somebody would have then phoned you up or somebody would have come out and visited you and said Mr. Wilson you need to make this £27,000 don't you would they not have said that to you?
	JW	Mm.
	GB	Ok so by not declaring the £27,000 short which you should have done which was a true state of the accounts you've effectively gained because you've then not had to find that £27,000.
	JW	Yeah I understand what you're saying. The bit I can't understand is how you can be one week you know 6 grand and the next week you can be £8,000, £1,300 out that's the bit, it's human error.
	GB	It's one of two reasons.
	JW	It can only be human error.
	GB	Either a general errors been made or somebody's taken that money and that's either yourself or could be a member of staff, Who actually works in the Post Office apart from yourself?
	JW	Just Jane.
21.50		JW states Jane Robinson has worked at the Post Office for 26 years working Monday to Thursday mornings serving behind the counter. She is not involved in Trading Statements and cash declarations. He always does the end of day work and weekly balance. JW confirmed he has had time off in the school holidays when Michael Cowling covers.
23.57	GT	So when you were away and you were off how did Michael deal with the balance and the cash account and the cash declarations and that did you instruct him that there was monies missing that had to be inflated to enter?
	JW	I told him that we were short in the cash but how, I don't, I didn't ever check his, because he used to do a Monday to a Friday I would never check and see what it was on the, what he declared cash wise on the Wednesday.

## Royal Mail Group

**ROYAL MAIL – CONFIDENTIAL**  
**Record of Tape Recorded Interview\_Continued**

Tape counter times	Person speaking	Text
25.10	GT JW GT JW	So you've made him aware how did you make Michael aware then? - I just told him I just told him that there was short in the cash. Right ok so did he ask you how am I going to account for that then or he didn't ask a thing? No.
26.20		JW admits that he has been dishonest to the Post Office for the last 5 years by producing such statements.
27.55		JW reiterates he has not taken any money for personal use.
28.10		JW confirmed there is a CTM shop attached to the Post Office, the net income of the same being about £8,000 gross per month, the staff wages being about £1,000.00. His suppliers are W H Smiths of about £900.00 per week and Bookers between £800 - £1000 per week. He said they do sell a small amount of stationery. He continued that his Post Office remuneration is about £4,500 per month.
30.33		JW states the Post Office shop is leased with a rent review due in November 2008. The current rent being £730.00 per month. He does not pay rates at the moment.
31.10		JW states his home address is subject to a mortgage of under £100,000 with GE Capital, the recent value being £250,000. He does not own any more properties. He has no other significant income.
32.40		JW states his utility bills will be on the bank statements and they spend about £100.00 per week on food. He has a credit card with a balance of 'four and a half'. He continued that the £60,600 loan is additional to their mortgage.
35.35		JW states he has nothing further to add.  JW informed he may have rendered himself liable to prosecution and again cautioned.  Explanatory notice regarding the tapes given to JW Master tape seal signed on number 50314. Interview terminated at 16.33.