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Financial Investigation Events Log

Case Number: GRO

Robert Daily Juliet McFarlane (no Case file yet)

Date	Events	Initials
09/06/09	1. **Suspects name: Peter Anthony HOLMES** 2. **Suspects Position held:** Post Office Manager (not the Sub-Postmaster) 3. **Enquiry type: Audit shortage** 4. **Loss:** £46,049.16 5. **Office:** Jesmond 6. **Branch Code:** 475/329 7. **Address of Office:** St Georges Terrace, Jesmond, Newcastle-upon-Tyne 8. **Suspects Home address:** GRO GRO 9. **Other details:** wife owns and runs a cake shop GRO GRO	**GH**
09/06/09	**Case Summary:** **These papers refer to a £46,049.16 shortage realised during audit at Jesmond Sub Post Office Branch (SPOB) on Thursday 18th September 2008 and my subsequent interview with Mr Peter Anthony Holmes, Post Office Manager. The facts of the case are as follows:** **On Thursday 18th September 2008 Post Office Ltd Auditors Mike Webb, Mick Renshaw and Dave Longbottom carried out an audit at Jesmond SPOB. Mr Webb reported a £46,049.16 shortage in the accounts.** **On Friday 19th September 2008 Mr Holmes was cautioned and interviewed** **The search of Mr Holmes' home produced several financial documents that were seized.** **3 x Horizon receipts – Barclays Cash Deposits £200 (10/09/08), £500 (15/09/08), £500 (17/09/08)** **Horizon Transaction Log 07/08/08 – Jesmond Post Office** **Barclays Deposit Book – Joint Account** **Barclays Current Account Statements** **Barclays Bank Giro Credits** **Questions were put to Mr Holmes regarding the £46,053.01 shortage discovered at audit. Mr Holmes said the auditors found that there were two cash declarations made, and that one was around £46,000 out. Mr Holmes stated he had no idea what happened to the money, adding it may have been the Horizon system. He further stated nobody in the office had stolen the £46,000. He then said he didn't have it, it wasn't in his bank account. He further said he had spent too many years in the Police force seeing things go wrong, to start stealing money from anyone.** **Mr Holmes stated one of the cash declarations was done to**	**GH**

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cover up the fact, that the office was short in cash. He said the shortage was initially £4,000 or £5,000 about 6 or 9 months previous (January or March), and had gone up by £3,000 or £4,000 a month. Mr Holmes further stated he didn't realise how much the shortage had risen to. Mr Holmes admitted he made the second cash declaration.

Mr Holmes said he didn't tell Mr Khanna or his brother as it would cause trouble. He further said he didn't get on with Mr Khanna's brother Anil.

Mr Holmes admitted to producing false accounts for a period of 6 to 9 months. He also admitted he knew it was a criminal offence to produce false accounts. He denied he had stolen it.

Mr Holmes stated his wife's business takes in £200 to £300 a day and up to a £1,000 on Saturdays. He further said the money goes into their Joint Account as it gives more interest than the business account.

He said the deposits at Jesmond SPOB are made by him, while the deposits at Brunton Park SPOB are made by his wife. Mr Holmes stated Brunton Park SPOB is next door to his wife's business.

Mr Holmes said the deposits he makes at Jesmond SPOB are legitimate. He denied making deposits and not putting the money in the till.

Mr Holmes resides with his wife and 20 year old daughter at GRO GRO The house is owned by Mr Holmes and his wife. The house was purchased in 1997 for £73,000 on a 17 year repayment mortgage, and has approximately £40,000 outstanding. The monthly repayments are unknown as is the current value of the property. Mr Holmes took out a £20,000 loan in 1997 to be repaid over a 15 year period. Further details are included on the Financial Evaluation sheet at Appendix B.

Mr Sunil Khanna (the SPMR) has made arrangements with Retail Line to repay the £46,049.16 shortage in full.

The loss to Post Office Ltd currently stands at £36,400.

For section 18 statements sent to LS and Investigators.

Please find attached a section 18 request to be served on the defendant should he plead or be found guilty in a crown court.

We need to ensure that our agents ask for confiscation and ask for compensation, and that they request the compensation be deferred to the outcome of any future confiscation hearing.

With an outstanding amount for £46,049.16 the court may " incorrectly" at an early time agree confiscation and compensation and make an order at the time of the hearing without waiting for a financial report (I say incorrectly because this offence falls into the category of "General Criminal Conduct" and as such it would be impossible at this point for the court to agree the defendant's total benefit from crime).
In this case the section 18 need not be served and a benefit,

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	confiscation and compensation figure of £46,049.16 should be sought. If there is any other way I may assist please do not hesitate to contact me	
07/09/09	**From Juliet.** The defendant wants the charges changed from theft to false accounting and states that he does not have any money to pay the loss figure back.	**GH**
07/09/09	Land registry checks show • GRO GRO the property is the freehold not held by suspect. • **LRS275b** GRO **GRO the property is owned by the suspect lease hold the mortgage is with Barclays and is for less than £20,000** • LRS275c - GRO the property is the freehold not held by suspect • LRS275d - GRO – return is in the post. • **LRS275e** - GRO GRO **the property is owned by the suspects wife Marion lease hold there is no mortgage on this property.** • LRS275f – GRO GRO – not the suspects • LRS275g – GRO GRO - return is in the post.	**GH**
19/01/10	Informed by Robert Dailly that the suspect pleaded guilty in December to false accounting. Section 18 served at that time. Info. from Juliet McFarlane that a response to the section 18 has been received. Requested that it is forwarded to me. Also received the information held by HMRC (forwarded by Robert Dailly). This to be examined as well as the s18 response when received. Due to be sentenced next week.	**PS**
21/01/10	Defendant to be sentenced on 29/01/10. Robert Dailly informed of the requirements for the confiscation timetable.	**PS**
02/02/10	Email from Robert Daily Peter Holmes, ex Manager Jesmond PO appeared at Newcastle Crown Court today for sentencing. His GRO were taken into consideration and he was given a Community Order in way of a curfew from 19.00 hours to 07.00 hours for 3 months. The Financial Investigation is ongoing with a hearing set for 14/05/10 (Sect 16 12/03/10)	**GH**
19/02/09	**REGINA v PETER ANTHONY HOLMES** **CASE NO: POLTD/0809/0128** The above named Defendant appeared at Newcastle Crown Court on 29th January 2010. Having pleaded Guilty on the 22nd December 2009, the Court imposed the following Sentence:- **The Defendant also accepted 9 TIC's which were taken into account by the Court when passing Sentence.** There was no order for costs or compensation. The Defence to respond to Section 18 request within 6 weeks. **The case has been adjourned to the 14th May 2010 for Confiscation proceedings.**	**GH**
30/03/10	Email to CLT I have reviewed this case and find that we have dropped the theft charge and successfully prosecuted the 3 counts of false accounting.	**GH**

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	As this defendant is a sub-postmasters assistant (office manager) and his contract is with the sub-postmaster and not us I find it difficult to quantify the benefit figure in this case. I believe that we should withdraw from the confiscation process and that recovery for POLTD should be through the sub-postmasters contract and for the sub-postmaster through the civil courts for compensation based on any contract that they believe is enforceable. Please withdraw from the confiscation process.	
30/03/10	Close case	**GH**
20/04/10	• **Handed case over to Paul Southin** • **Close case**	**GH**