

Witness Statement

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



Statement of Mrs Barbara Valerie CARY

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

This statement (consisting of two (2) 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 15th day of March 2004

Signature B V Cary

I have been employed as a counter clerk at Rugeley Post Office for the last 6 years and was here at this office whilst Carl Page was the Postmaster. I was employed throughout the period that Carl Page was the Postmaster and my main duty would be to serve the customers on the counter.

I had been shown how to perform the Bureau de change transactions and was able to use the Forde Moneychanger to conduct such transactions, however, I never had to change the exchange rates on the machine itself as someone else normally did this. Although I did conduct bureau de change transactions these would be fairly infrequent as Margaret or Jayn normally performed these transactions.

I was also aware of a customer called **GRO** who regularly come into Rugeley Post Office to buy euros, usually large quantities of euros, however I have never personally served **GRO** on the Bureau products

I was aware of the large amounts of euros purchased by **GRO** but I have never queried this with Mr Page.

Signature B V Cary

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Barbara Valerie CARY

As part of my duty on the counter, I have been responsible for the despatch of cheques taken over the counter to data Central which is performed late in the afternoon each day. I was also aware that the Cheques in the Bureau till were not despatched daily and were usually despatched at the end of the cash account week, though Carl normally dealt with these.

I have never been shown how to balance the Bureau stock unit and have never performed this task whilst Carl Page was the Postmaster. I have also never been asked to go to the local Co-op store in Rugeley to purchase currency when we are short, however, I do know that this practice did go on.

Signature B V Cary

Signature witnessed by M Patel

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Witness Statement

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



Statement of Mrs Lynn Patricia GRAHAM

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

This statement (consisting of two (2) 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 15th day of March 2004

Signature L Graham

I have been employed as a counter clerk at Rugeley Post Office for the last 6 years and was here at this office whilst Carl Page was the Postmaster. I was employed throughout the period that Carl Page was the Postmaster and my main duty would be to serve the customers on the counter.

I did know how to perform the Bureau de Change transactions, however, I very rarely performed any bureau transactions as Margaret or Jayn normally performed them, though I have done the occasional transaction.

I was also aware of a customer called **GRO** who regularly come into Rugeley Post Office to buy euros, usually large quantities of euros, however I have never personally served **GRO** on the Bureau products nor have I ever queried this with Mr Page.

At that time I did not get involved with the daily despatch of cheques from the office.

I have never been shown how to balance the Bureau stock unit and have never

Signature L Graham

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Lynn Patricia GRAHAM

performed this task whilst Carl Page was the Postmaster. I have on a couple of occasions been asked to go to the local Co-op store in Rugeley to purchase currency when we are short.

Signature L Graham

Signature witnessed by M Patel

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Witness Statement

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



Statement of Mrs Helen Margaret ROGERSON

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

This statement (consisting of two (2) 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 15th day of March 2004

Signature H Rogerson

I have been employed as a counter clerk at Rugeley Post Office for the last 18 years and was here at this office before Carl Page took over as Postmaster from Post Office Ltd. I was employed throughout the period that Carl Page was the Postmaster and my main duty would be to serve the customers on the counter.

I had been shown how to perform the Bureau de Change transactions and was able to use the Forde Moneychanger to conduct such transactions, however, I never had to change the exchange rates on the machine itself as someone else normally did this. I generally performed transactions on the Bureau till on Saturdays, as that was Jayn's day off though there were times during the weekdays when I did serve on the Bureau till.

I was also aware of a customer called **GRO** who regularly come into Rugeley Post Office to buy euros, usually large quantities of euros for which I have only ever taken a cheque or a couple of cheques as payment for them, I cannot ever recall having taken cash from **GRO** in payment for the euros. On one particular Saturday, I cannot know remember the actual date but a lady and a man who I believed to be relatives of **GRO** came into the Post office to purchase euros on behalf of Mr

Signature H Rogerson

Signature witnessed by M Patel

Witness Statement

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

Continuation of statement of Helen Margaret ROGERSON

GRO and I served them. As for the exchange rates I would use for these transactions for **GRO** I would have to ask Jayn or Margaret to come and set the exchange rate to use on the Forde Moneychanger.

Mondays are my early start days and when Carl was here there had been several occasions when I would arrive at the office at about 07:50 hours and unlock the door to find both Carl Page and **GRO** already in the office, **GRO** being on the public side in the Bureau de Change area.

I was aware of the large amounts of euros purchased by **GRO** and the large value cheques taken as payment but I have never queried this with Mr Page.

As part of my duty on the counter, I have been responsible for the despatch of cheques taken over the counter to data Central which should be performed late in the afternoon each day, however, there have been some occasions when these cheques have not been despatched daily and may have been delayed by a day or two due mainly to the pressure of work. I was also aware that the Cheques in the Bureau till were not despatched daily and at times I had seen cheques in the Bureau till on a Thursday morning which where from the previous Wednesday and being the end of the cash account week they should have been despatched.

I have never been shown how to balance the Bureau stock unit and have never performed this task whilst Carl page was the Postmaster. I have also never been asked to go to the local Co-op store in Rugeley to purchase currency when we are short, however, I do know that this practice did go on.

Signature H Rogerson

Signature witnessed by M Patel

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Witness Statement

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



Statement of Mr Robert Neil Davies

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

This statement (consisting of four (4) 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 16th day of March 2004

Signature R N Davies

I am employed by Post Office Ltd a part of the Royal Mail Group as an Inspector working within the Security & Audit section and have been so employed for approximately 11 years though have been employed by the Post Office for about 18 years.

The role of the audit team is to carry out routine audits of Post Office Branches in order to carry out verification of cash and stock as well as conduct certain compliance checks.

On Thursday 27th June 2002, I was the Lead auditor and part of a team of four auditors who attended Rugeley MSPO, 18 Anson Street, Rugeley WS15 2BF, the other members of the team were Mr G Burrows, Mr S Roberts and Mr K Orgill.

Upon our arrival at the Post Office, I was informed by the officer in Charge, I believe her name was Margaret, that the Postmaster, Mr Page had gone on Holiday at short notice on Monday that week. It was also discovered that this lady only had clerk access to the Horizon computer system and therefore there were certain reports and cash accounts, which could not be produced by the officer in charge.

Signature R N Davies

Signature witnessed by M Patel

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

Continuation of statement of Robert Neil Davies

It soon became apparent that the accounting at the office was in a real mess and that certain stock units had not been 'rolled' over in readiness for the new cash account week and a thorough check of all the counter stocks had to be undertaken and rather than performing a verification of cash and stock at the office it became a process of actually performing the office balance.

On moving onto balancing the Bureau stock unit, we became aware that none of the staff knew how to balance the Bureau stock and therefore it was explained to them how to balance the Bureau stock.

There were problems with the Bureau stock in that the brought forward figure from the previous week was around £30,000, with currency received that week of over £100,000 and travellers cheque sales of around £5,000 this meant the total should have been around £135,000. There were also cheques on hand to a value over £200,000 which had been remitted out to data central but were still in the office at the time of the audit, none of the staff were able to explain why they were still in the office. When the Bureau stock was finally balanced it showed a surplus of £191,192,95.

The main stock unit, which we were told was the Postmaster's stock, was then balanced. The initial horizon printout produced suggested that there should be some £325,000 in cash in the main stock unit. When it was verified only about £181,000 in cash could be located.

During the course of the audit the Postmaster did telephone the office on several occasions and as a result I was lead to believe that some of the cheques on hand had been declared as cash against the main stock unit hence the difference in what we had

Signature R N Davies

Signature witnessed by M Patel

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

Continuation of statement of Robert Neil Davies

actually found.

Ultimately the main stock unit (AM) balanced showing a shortage of £145,873.74, which meant that by taking the surplus of £191,192.95 away from the above figure left the overall office balance with a surplus of £45,319.21, therefore we began to recheck the bureau stock and the main stock again to try and identify the error.

It was then discovered that the Bureau stock was wrong, as the figure declared for the sterling value of currency on hand from the Forde moneychanger to the Horizon computer system was incorrect. The figure, which had been declared by the office, indicated a sterling value of currency on hand as £82,772.85, however our physical check showed that the sterling value of currency actually on hand was £29,487.39 and when this was corrected it produced a shortage of £53,285.46 in the Bureau stock unit.

The cash account we produced showed a surplus of £191,192.95 and a shortage of £145,923.64.

The declared shortage in the AM stock (main stock) of £145,873.74 and the declared surplus of £191,192.95 in the Bureau stock were both transferred to the suspense account, which gave a net surplus of £45,319.21.

Taking the shortage produced in the Bureau stock of £53,285.46 away from the above surplus of £45,319.21 gave an overall shortage of £7,966.25 in the main stock unit and adding to this the other small shortages and surpluses in the other counter stock units the overall audit balance came to a shortage of £8,335.63, which the Postmaster was informed should be made good as soon as possible.

Signature R N Davies

Signature witnessed by M Patel

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Witness Statement

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

Continuation of statement of Robert Neil Davies

In order to provide this statement, I have referred to a report I made shortly after the day of the audit and other documents contained within the audit file to refresh my memory.

Signature R N Davies

Signature witnessed by M Patel

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Witness Statement

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

Statement of **Nigel ROBERTS**Age if under 18 ☐ Over 18 ☐ (If over 18 insert 'over 18')

This statement (consisting of 2 (two) 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 6th day of July 2004Signature **N A Roberts**

I am employed by Royal Mail and have been for the past 21 years. My current role is that of Agents Remuneration Support, a position I have held since August 2000.

I have been requested by the Post Office Ltd Investigation Team to provide information concerning the pay of a Mr Carl Adrian Page, formerly the Sub Postmaster at Rugeley Post Office, Financial Accounts Department (FAD) code 264 242.

I am able to say that Mr Page's salary, or remuneration, consisted mainly of a fixed payment and variable product payments.

The fixed payment was the MSPO core payment that is paid to all Sub Postmaster's who have the MSPO contract.

The variable product payment was based on the transactions conducted at the Post Office, which were paid and paid roughly three months in arrears at the time of Mr Page's appointment. The variable product payments were calculated from data contained within the Cash Account of Rugeley Post Office, which should have been completed and submitted to the accounting section at Chesterfield on a weekly basis. Remuneration was paid monthly, usually the last day of the month, into account number

Signature **N A Roberts**Signature witnessed by **Janice Thompson**

Witness Statement

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

Continuation of statement of Nigel Roberts

GRO

sort code GRO up to 30 April 02 after which the account was changed to

GRO

Due to my position, I have access to certain records in relation to Royal Mail and its Business Unit, Post Office Ltd. I have examined payslips relevant to Mr Carl Adrian Page and amalgamated certain information onto an excel spreadsheet, which I now produce as item number NR/1. This schedule also indicates the portion of the variable product payment in relation to the Bureau product.

Any records to which I refer in my statement form part of the records relating to the business of Royal Mail and were compiled during the ordinary course of business from information supplied by persons who have, or may reasonably be supposed to have, personal knowledge of the matter dealt with in the information supplied, but are unlikely to have any recollection of the information.

Signature N A Roberts

Signature witnessed by Janice Thompson

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Witness Statement

(CJ Act 1987, s9; MC Act 1980, ss 5A(3)(a)
and 5B, MC Rules 1981, r 70)



Statement of Claire Michelle PARKER

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

This statement (consisting of four (4) 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 4th day of August 2004

Signature C Parker

I am employed by First Choice Plc as the Finance Services Manager for the Retail element of First Choice Plc and have been so employed for approximately 5 years. My role is Financial controls surrounding Bank reconciliations and Foreign Exchange transactional support, which involves the authorisation and price matching on currency transactions and Money Laundering compliance.

As part of this role I have access to records and data concerning transactions that have taken place at our various outlets throughout the United Kingdom.

In early July 2004, I received a request from Mr M Patel of the Post Office Investigation Department concerning an incident, which occurred at our Holiday Hypermarket outlet in Fort Dunlop, Birmingham on Monday 13th January 2003.

The Foreign Exchange (FX) advisor who was present at the outlet at the time of this

Signature C Parker

Signature witnessed by

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

Continuation of statement of Claire Michelle PARKER

incident, has since left the employ of First Choice Retail, however I have access to the records relating to this transaction.

The Bureau de Change part of the operation provides customers with foreign currency and travellers cheques for which First Choice set a daily exchange rate for the selling of and purchase of the various types of foreign currency. Our supplier of currency is American Express and we apply different margins dependant on the location of our outlets and offer price matching. The exchange rate, plus margin is to be used by our staff when conducting such transactions with the ordinary members of the public. In certain circumstances, if an individual wished to either purchase or sell a large amount of foreign currency to us we would be able to negotiate a more favourable exchange rate, though this would have to be approved by our Foreign Exchange support desk who have access to the Bank rates and this is done over the telephone.

Normally we work on a percentage profit for the general everyday transactions, however with a very large transaction we would be able to lower that percentage and still make a reasonable profit, this percentage would vary depending on the size of the transaction.

I am able to say from our outlet and Head Office records that a customer by the name

Signature C Parker

Signature witnessed by

CS011A

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

Continuation of statement of Claire Michelle PARKER

of GRO carried out a transaction at the Holiday Hypermarket outlet in Fort Dunlop on Tuesday 7th January 2003, at which time we bought 293,600 euros from him at an exchange rate of 1.5625 which therefore equated to a sterling value of £187,904.00, this amount was paid into his bank account by CHAPS.

The Bank exchange rate that day for the purchase of euros was 1.5468 and by applying our margin, which is variable depending on location of the outlet, the normal exchange rate we would have applied that day would have been about 1.6086, though we do not have records to show this. I am able to confirm that the exchange rate provided to Mr GRO had been negotiated by telephone to the outlet concerned on the day of the transaction before the transaction actually took place. The outlet concerned would contact our FX support desk and foreign exchange regional sales Manager to agree the rate to be offered.

I have recovered from our records one large transaction form concerning the above-mentioned transaction, which I now produce as item number CMP/1. This form indicates the quantity and amount mentioned above, which I confirm is relevant to the transaction which took place with GRO on 7th January 2003. I have been made aware of a 2nd Large Transaction form held by Mr Patel for a slightly different amount of euros, however dated 7th January 2003 and for GRO. There is no

Signature C Parker

Signature witnessed by

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

Continuation of statement of Claire Michelle PARKER

known reason for there to be two forms for that day and I can only assume that the amount of euros was changed after the completion of the 1st large transaction form possibly due to further euros having been produced by **GRO**.

Further records show that **GRO** had communicated with our Fort Dunlop outlet on the morning of Monday 13th January 2003 enquiring about the best exchange rate we could offer him, to buy euros from him, he suggested that he may have between 400,000 to 700,000 euros for sale, the outlet advised **GRO** to come into the branch to agree the purchase.

The bank rate that day was 1.5305 and working on the same principle as the transaction on the 7th, which had a 1.01% margin, the rate **GRO** would probably have been given on the 13th would have been about 1.5459, however this transaction did not take place. The normal exchange rate we would have applied that day would have been about 1.5917, though we do not have records to show this.

Any records to which I refer in my statement form part of the records relating to the business of First Choice Retail and were compiled during the ordinary course of business from information supplied by persons who have, or may reasonably be supposed to have, personal knowledge of the matter dealt with in the information supplied, but are unlikely to have any recollection of the information.

Signature C Parker

Signature witnessed by

CS011A

Version 3.0 11/02

Witness Statement

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



Statement of **Manish PATEL**

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

This statement (consisting of one (1) 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 4th day of November 2004

Signature M Patel

Further to my statement of 25th February 2004, I have made an amendment to the purchase and deposit scheduled referred to previously as item number MP/4, the amendment to this schedule relates to the deletion of all comments recorded by me the last column labelled 'Remarks'. The new amended schedule is now produced as item number **MP/4a**.

Furthermore, during the course of the interviews I conducted with Mr Page, I mentioned on numerous occasions a figure of £1.12 as the commission earned per transaction by a postmaster for the sale of foreign currency. I have since been made aware that the commission figure at the time of the relevant period of the transactions was in fact £1.16 and not £1.12 as I had originally quoted. This is illustrated in the copy payslips relevant to Mr Carl Adrian Page as mentioned in Mr Nigel Roberts statement of 6th July 2004.

Signature M Patel

Signature witnessed by

Witness Statement

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



Statement of Mr Raj KALSI

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

This statement (consisting of One (1) 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 30th day of November 2004

Signature R Kalsi

Further to my previous statement of 23rd September 2003, I wish to add the following.

The Bureau de Change Operations Manual, which I have produced as item number RK/01, indicates a date of September 2002, this date refers to the print date. The Operations Manual itself would then have been distributed to all of the outlets concerned within 5 to 6 weeks of the print date and would have been effective from that date. I have tried to establish the actual date that this Operations Manual was effective from, however I have been unable to establish this date from any archived material, though as stated above it would have become effective some 5 to 6 weeks after the print date of September 2002.

Signature R Kalsi

Signature witnessed by M Patel

Witness Statement

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



Statement of Hugh Richard STACEY

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

This statement (consisting of 1 (one) 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 8th day of November 2004

Signature H R Stacey

Further to my statement of 23rd September 2003, I referred to the sum of £1.12 commission paid to Sub Postmasters for every Foreign Exchange transaction conducted on behalf of Post Office Ltd. The correct amount at the time was in fact £1.16 for each transaction and not as originally quoted. This is reflected in the remuneration pay advices sent to Mr Carl Page.

Signature H R Stacey

Signature witnessed by M Patel