

Claim No: HQ05X02706

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IN THE HIGH COURT OF JUSTICE
ADMIRALTY AND COMMERCIAL COURT

Royal Courts of Justice
Strand, London, WC2A 2LL

B

Monday, 11th December 2006

BEFORE:

HIS HONOUR JUDGE RICHARD HAVERY Q.C.

C

BETWEEN:

THE POST OFFICE
- and -
LEE CASTLETON

Claimant
Defendant

D

MR MORGAN appeared on behalf of the Claimant
MR CASTLETON in Person

E

Proceedings

F

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G

**(Please note that due to the poor standard of tape recording,
it has not been possible to produce a high quality transcript in this case)**

H

No of Folios in transcript - 482
No of words in transcript - 34,757

HELEN ROSE (SWORN)
EXAMINED BY MR MORGAN

A MR MORGAN: Mrs Rose, would you be kind enough to take bundle 3, which I think is to your right-hand side, and turn to tab 57, page 406? Do you see there the first page of a document? Can you tell the judge what that document is?

A. Your Honour that is my statement.

B Q. That is the first page of your statement, is it?

A. Yes.

Q. Could you turn through the pages to page 408? What do you see, please, at the bottom of that page?

C A. Signature and date.

Q. And whose signature is that?

A. That's my own.

D Q. Have you had a chance recently to read this witness statement?

A. I have. Yes.

Q. And are there any corrections or changes that you would like to make to it?

A. No.

E Q. And could I ask you please, is that statement true?

A. To the best of my knowledge. Yes.

Q. And is that your evidence in this case?

F A. Yes.

Q. There is one further matter, which the learned judge has asked that be raised with you this morning. Do you see at page 407 of the bundle, page 2 of your witness statement?

G A. Yes.

Q. You set out an overview of your investigations on 23rd March 2004.

A. Yes.

H

A
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H

Q. Could you tell the Court, please, what physical process you went through in order to reach your conclusion in paragraph 7, that the branch was short of £25,758.75 cash?

A. It was a sampled audit, so we would not have got any counted cash, counted stock, checked any documents at the office, receipts and payment documents, and we used (inaudible) what they call a P72, which was a computerised version of the Horizon on the laptops and did not actually touch the Horizon, we used to run us own and match them (inaudible). So I would have done just a basic standard audit.

Q. What physical documents would you have looked at?

A. Pension dockets, Gyro deposit slips, anything that was on hand at the office that related to that week's cash account.

Q. And how does that correspond to what a Postmaster would do each week?

A. That would have been exactly what a Postmaster would do each week on the balance.

Q. Mrs Rose, would you like to stay there. Mr Castleton may have some questions.

JUDGE HAVERY: You may sit down if you wish Mrs Rose.

A. I'm fine.

CROSS-EXAMINED BY MR CASTLETON

MR CASTLETON: Could you read paragraph 7 of your statement please, Mrs Rose?

A. Paragraph 7?

Q. Yes please.

A. A handwritten note of the audit --

Q. No, not of that, just for your own --

A. Oh, I beg your pardon. I thought you meant read it out.

Q. That is all right.

A. I've already read it. Yes. That's fine.

Q. So the £25,758.75 cash shortage shortage and it was cash shortage, yes?

A. Yes.

A

Q. Yes. Was a result of unauthorised -- was unauthorised, in your view, you were told --

A. I would have been told that it was unauthorised. Yes. That wouldn't have been my decision.

Q. Okay. But part of that appears on the front of the cash account as authorised. Is that not correct?

B

A. Just because it is in suspense does not mean to say it is altogether authorised.

Q. Right.

A. That would have been between yourself and whoever, not me as an auditor. That wouldn't have been my jurisdiction.

C

Q. So you were told it was unauthorised, but it appears in the cash sheet, or part of it as being authorised from there?

A. I, well like I said, anything that is in the cash account I wouldn't know whether authorised. I would only go by what I was told.

D

Q. Okay, fine. But it does say on the front of the cash account that is authorised?

A. Do you know I don't know that it were.

Q. That's okay. We can go and have a look at that. Could you turn to -- if you get bundle 9? Sorry, it should be just behind you. Sorry -- (inaudible) put my head down there.

E

A. Oh right.

Q. Tab 51.

A. 51.

F

Q. Which is the balance for the week prior to (inaudible) audit.

A. Oh, where you have got the £11,000 in?

Q. Yes. And what does it say across the top of table 2?

G

A. It says authorised, but --

Q. That's fine, that's okay. That is all I wanted to know.

JUDGE HAVERY: Sorry, where does (several inaudible words) -- oh, we are at table 2 (inaudible)?

H

A. Yes.

JUDGE HAVERY: Yes. I see.

A MR CASTLETON: And if we go back to your inspection of the office, you part completed, according to (inaudible) in your statement, part completed a security inspection?

A. Yes. I believe that wasn't fully completed on there.

B Q. I believe in your statement (several inaudible words).

A. (several inaudible words) that it wasn't finished.

Q. Yes. It was not fully completed. I notice that, I you turn to tab 58, just after your statement?

C A. In the first one?

Q. Yes please, page 412.

A. Yes.

D Q. You have got a signature at the bottom of that page. Is that yours?

A. Yes. That's (several inaudible words).

Q. And what does that denote?

E A. That I (several inaudible words).

Q. You filled that in?

A. Yes.

Q. And I presume that that is part of page 1 as well, 411?

F A. Yes. That would have been at the back.

Q. That would have been in front -- the back of that --

A. Yes.

G Q. And then if we turn to over to page 415, what does that denote?

A. That would have been the cash counted.

Q. But it is unsigned.

H A. It is unsigned, because it is --

- A
- Q. Is there a reason for that?
- A. Not necessarily. It would have probably input straight onto the laptop.
- Q. Right. So if it is signed the stock, but not the cash?
- A. Yes, yes.
- B
- Q. Okay. That's fair enough. And then we come to one that has all your handwritten notes on it on the day -- presumably they are all yours, are they?
- A. No. They are not all mine. Some of them are the associate, the lad that worked with me on the day.
- C
- Q. Ah right, he is not coming today, is he?
- A. No.
- Q. Is he still with the company?
- A. No.
- D
- Q. No. Okay. So we have got the security report running from 12 (several inaudible words)?
- A. Yes.
- E
- Q. We have various things in there running through all; I presume, the questions you asked at the time --?
- A. They are mostly questions that (several inaudible words), yes.
- Q. Okay. And that goes through all the different aspects of the security?
- A. Yes.
- F
- Q. Which part of it is incomplete?
- A. Sorry?
- Q. Which part of it is incomplete?
- G
- A. There are some questions at the end that haven't got --
- Q. Can you point them out to me please?
- A. Page 423. (several inaudible words) two pages I have got nothing on, so they would have been questions that obviously I have not got --
- H
- Q. Do you know what they would have been?

- A. I don't offhand, no.
- A Q. So you do not know whether they were questions, or whether --?
- A. They will have been questions, because all the control (several inaudible words) they would have had questions about security, but I honestly can't -- I can't (several inaudible words).
- B Q. (several inaudible words).
- A. I can't remember the sheets that were used at that time.
- Q. On the sheets there, there is no actual certificate of control objective, is there?
- C A. There would have been an additional question list.
- Q. (several inaudible words).
- A. An additional sheet with the questions on.
- D Q. You could have completed that list without completing (several inaudible words), or do they fit exactly your --?
- A. No. As you answered to -- from what I can remember (inaudible) through the question list and the security list, you would have filled this in as you (several inaudible words) you give the answers.
- E Q. Sure.
- A. However, I will be honest with you; I cannot remember how many questions are on that at the time, because --
- Q. So it could well be complete then?
- F A. No. It definitely is not complete, because there are another three (inaudible) security, but I couldn't tell you the number (several inaudible words).
- Q. And you cannot remember what they are?
- A. No.
- G Q. That is all right, that is fine. (several inaudible words) we have, at page 473. Can you tell me what that is, please?
- A. That would have just been a breakdown of those questions as far as we have got (inaudible), because as an auditor you have to write what was asked.
- H Q. But this does not say that it is incomplete there.

A. No. Those were just the questions that were asked.

A JUDGE HAVERY: Sorry, on 473 did you say?

MR CASTLETON: Yes, my Lord.

JUDGE HAVERY: What are the questions there?

B A. I have only got the questions (several inaudible words), so that is all the questions that were asked about.

MR CASTLETON: So -- my Lord, what the witness is saying is that she is unable, or (several inaudible words) what questions were asked, because she has not got the question sheet.

C A. I haven't got the question sheet in here.

Q. So she believes that the actual security checks were not completed. Is that true?

A. I don't believe they were, from memory.

Q. From memory, so you (several inaudible words).

D A. I honestly cannot say definitely.

Q. That's fine, that's okay. Could I ask you to look at 473 again, and just turn on -- let us have a look, third from bottom? What are they?

E A. (several inaudible words) cheques, they are not kept in safes.

Q. Okay. So how would you know -- presume maybe?

A. I presumed they would have been asked some of the security questions, if (inaudible) travellers' cheques (inaudible) are kept in the safe.

F Q. Okay.

JUDGE HAVERY: So it is not something you actually had a look at. You asked the question of somebody who has said they were kept in the safe. Is that right?

A. Yes.

G JUDGE HAVERY: Did you see any travellers' cheques not in the safe?

A. I will be honest, your Honour, I can't remember.

MR CASTLETON: Your Honour, can actually clarify (several inaudible words).

H A. (several inaudible words) travellers' cheques.

JUDGE HAVERY: (several inaudible words).

A. Looking at what is listed on here, it is possibly a list that (several inaudible words) off. It would have been a standard across all the branches that were covered at an audit and would go from a small office to a really big office.

JUDGE HAVERY: Right.

B MR CASTLETON: It is specific; it's incomplete at the top as well. It does not say from whom to whom, there is no date on there.

A. No. No, its --

JUDGE HAVERY: (several inaudible words) a date I think.

C MR CASTLETON: That's further down, my Lord.

A. I'm being quite honest, I (inaudible) not really sure (several inaudible words).

Q. So you do not even think this could be from the actual audit itself?

D A. Right. (several inaudible words) in the middle of it, so --

Q. So in actual fact then, all of these things could not be appropriate for the office (inaudible).

A. They may not have been appropriate. You will see there is another list the (several inaudible words) which is not complete.

E JUDGE HAVERY: Sorry, which page are we now talking about?

A. We have gone on to page 474, your Honour.

JUDGE HAVERY: What (several inaudible words)?

F A. Yes. These would have been pages that were embedded from what they call a (several inaudible words) certificate, which was the account (several inaudible words) filled in.

JUDGE HAVERY: Just a minute, I do not have it -- page 473 I (several inaudible words) something that you had written on, or had typed.

G A. No, no.

JUDGE HAVERY: It is not (several inaudible words) standard form, that is --

A. It's just a standard form that would have been used.

H JUDGE HAVERY: But it says, "The following control (inaudible) were identified at the audit." Do you agree with it?

A

A. With the P32 when you put the (inaudible), or the office name in on the (inaudible) sheet, it would automatically embed into every sheet that was still in that system. So every sheet then that was in there would actually have (several inaudible words) on whether you did anything in it or not.

B

JUDGE HAVERY: But is it your evidence that these various statements beginning, "Personal cheques on hand incorrectly (several inaudible words)," and finishing off, "Procedures for (several inaudible words) losses and gains were not acceptable." Are those statements your evidence, or is this just a (inaudible) --

A. No. No, this is just the branch that has been printed off the P32, your Honour.

JUDGE HAVERY: I see. Right.

C

A. Because when the audit did not get completed, I have just written this to add (several inaudible words) I wouldn't have written anything else.

MR CASTLETON: I understand what you are saying. I appreciate what you are saying, but obviously this (inaudible) opinion (inaudible) been -- misleads me into thinking that these control gaps were not replaced (several inaudible words)?

D

A. No. All I can say is that these handwritten ones would have been started. Once things worked out the way they did it would not necessarily have been completed.

Q. Yes, okay.

E

A. And because they didn't actually have anything to do with the outcome of the audit, or the shortage, they are not relevant so I would not have written a note.

Q. Okay.

A. As I would have had it been a normal audit.

F

Q. No. I appreciate that. Can I now refer you back to -- let me have a look at your statement again, which is tab --?

A. 37.

Q. And paragraph 10.

G

JUDGE HAVERY: Which page, please?

MR CASTLETON: Page 408, my Lord. (several inaudible words).

JUDGE HAVERY: Thank you.

H

MR CASTLETON: That would seem quite important to me. That I obviously went out for lunch came back (several inaudible words).

- A. I was asked if there was anything specific I could remember, and (several inaudible words) I could remember that I smelt alcohol on you.
- A Q. No. I appreciate that. So that is, in your opinion, (several inaudible words).
- A. It's just a vague memory that I had of the office.
- Q. Right, okay.
- B A. It's (inaudible) half years ago. Yes.
- Q. And how (several inaudible words).
- A. A lot.
- C Q. Could we now go back to page 475? Can you tell me what (inaudible) is, please?
- A. That's the first page of the audit report.
- Q. The only page?
- A. Only page by the look of it, yes.
- D Q. Yes. No mention of alcohol on there?
- A. Because it wouldn't be relevant.
- Q. But it is contracted (several inaudible words).
- E A. (several inaudible words).
- JUDGE HAVERY: Again, as it is in issue in the case, but you are putting to the witness that you did not smell of alcohol --?
- MR CASTLETON: I strongly did not, my Lord.
- F A. Well I can only apologise. I can only go by what my memory was.
- Q. I appreciate that. But (several inaudible words) just clarifying between what the audit report says and what your statement says.
- G A. I wouldn't put it in the audit report, because (inaudible) have any relevance to whether the money was there or not, or whether the audit was, the office was short or (inaudible).
- Q. It has relevance to your statement?
- A. Just because (several inaudible words) I couldn't remember (inaudible).
- H Q. Are you retracting that now?

A

A. As I say, (inaudible) if you had not been drinking (several inaudible words), what I remember.

Q. I understand. It is not problem. (inaudible) audit (several inaudible words) other things. Okay. Can you tell me what a P242 is, please?

A. Not off the top of my head.

B

Q. You do not know what that is, and you have been an auditor for --?

A. The -- I'm not an auditor, I haven't audited for two years.

Q. (several inaudible words).

C

A. I've heard of a P242.

Q. You have heard of them?

A. Yes.

D

Q. But you can't remember what it is?

A. I can't remember (several inaudible words). I would have gone more by names than --

Q. The certification form.

E

A. (several inaudible words).

Q. We could have a look at one if you like.

A. Yes, if you wouldn't mind.

F

Q. Yes. No problem.

JUDGE HAVERY: While you are looking for it, would you mind (inaudible) on page 475, Mrs Rose, please? Is that your actual report? Is it your evidence, or is it another (inaudible), and it has just got in there by mistake?

G

A. No. It's got my name on the (inaudible). I think that's one had (several inaudible words).

JUDGE HAVERY: And is it your report?

A. Yes.

H

JUDGE HAVERY: And you say that is true, is that right?

A. From my memory.

JUDGE HAVERY: Yes. Thank you. You are looking for a page are you?

A MR CASTLETON: Yes, my Lord. Apparently it is not been put into evidence. I asked for it to be entered into evidence, but apparently it was too late I believe.

JUDGE HAVERY: Not in the bundle, is that right?

B MR CASTLETON: Apparently not, my Lord. I do have a copy, if it would be appropriate.

JUDGE HAVERY: You can put that to the witness.

MR CASTLETON: Thank you my Lord. (several inaudible words).

C JUDGE HAVERY: (inaudible) have a look at it first, and then --

MR CASTLETON: Sorry my Lord, I do apologise. It is from another office, my Lord.

JUDGE HAVERY: I see.

MR CASTLETON: But it is just the layout of the form.

D JUDGE HAVERY: Okay. (inaudible) now, thank you.

A. Thank you. Yes.

MR CASTLETON: Just simply to refresh your memory.

E A. (several inaudible words) office, yes.

Q. Every single office?

A. Every office that was either transferred or closed.

F Q. Okay. And what or what reason would you do that for?

A. It's just a final cash account. It is just sending (inaudible) final figure (several inaudible words).

Q. So that is the physical form that the Postmaster would sign to hand over the office to another (inaudible), or another Postmaster?

G A. Yes.

Q. And that certifies whatever the account is at the end of that period of time? So that is a certification form? It says across the top that it certifies the findings of (inaudible) auditors at that office on that day?

H A. Yes.

- A Q. And we do not have a copy for (several inaudible words) (Marine Drive?).
- A A. There will have been one for --
- Q. There will have been one completed.
- A. Yes. There will have been one completed. Yes.
- B Q. There will have been one completed.
- A. There is one completed at every office that was transferred on.
- Q. I believe the reason why it is not here today is because I never signed it.
- C JUDGE HAVERY: Well did you ever sign it?
- MR CASTLETON: No, my Lord. It has been mentioned on numerous occasions in (several inaudible words), and --
- JUDGE HAVERY: Yes. The only question for the witness I think, is, "Are you aware Mr Castleton did not sign that form?"
- D A. No, your Honour. I'm not.
- MR CASTLETON: In fact, did I sign any form on (inaudible) on your findings?
- E A. I honestly can't remember. I would have thought they would have been (several inaudible words) sign, yes. But I can't say whether you did or not.
- Q. Did you give (inaudible) to any evidence in your statement?
- A. Did I what?
- Q. Is there any (inaudible) concerning your statement with a signature of mine to agree the figures found, or you found?
- F A. In my statement?
- Q. Yes. Within your audit report?
- A. You wouldn't sign the audit report.
- G Q. No, no, I appreciate that. But is there anything where I would sign to clarify the losses, or any stock, or --
- A. (several inaudible words).
- H Q. So that is the only document that would be (inaudible) that would agree what had occurred on that day?

A. That would agree the final figure. Yes.

A Q. And that is not in evidence, no signature--

JUDGE HAVERY: That is a matter for argument.

MR CASTLETON: I am sorry (several inaudible words), my Lord.

B A. So far as I am concerned that was correct.

Q. No. That's fine.

JUDGE HAVERY: (inaudible) document (inaudible) 242 had better be copied, and I will call it exhibit, EX1 we will call it. You can mark it on the original if you like.

C MR CASTLETON: I will certainly, my Lord.

JUDGE HAVERY: Mark it on the copy (several inaudible words).

MR MORGAN: My Lord, if it would be of assistance, might I (inaudible). We will have it copied and produced for the court.

D JUDGE HAVERY: Yes. (several inaudible words). Thank you.

MR CASTLETON: Could you have a look on page 408 of your statement again, please?

A. Yes.

E Q. Just at the very bottom of that paragraph, if you could refresh your memory from it, it is only (inaudible), as I understood, and it is referring to --

A. The snack shop?

Q. Yes. The snap shot. I know previously the question was raised whether you had taken any (several inaudible words) from the snap shot with you, which I have always accepted that that is not the case.

F A. No. I would not have.

Q. No. I appreciate that. But you do go on to say that in your opinion, something that is not, what, classed as an account document, would you say?

G A. A snap shot is not there.

Q. Why? Why is that?

A. It's just a balancing (inaudible) report. It is not (inaudible).

H

A

Q. Right, okay. So anything that changes on (inaudible), or anything that is different on a day-to-day basis produced (several inaudible words) snap shot, compared to the physicality of the office is not, in your opinion, to any advantage?

A. On a snap shot, the minute you do anything it will change from the previous snap shot. So no, it is just (several inaudible words), there is nowhere to sign on it, or stamp on it, and a snap shot doesn't need to go into the cash account.

B

Q. No. I appreciate that. But as an aid?

A. It is just an aid. Yes.

Q. Yes. And it gives a reasonably accurate picture of the office at that point in time, as long as everything has been transacted correctly?

C

A. Exactly.

Q. Yes. So, if you produced a balance snap shot say, on a Thursday evening after one day's trading and everything has gone through the office correctly, that balance snap shot would produce you a balance?

D

A. It would advise you what cash in the office provided and was correct, but it can only go by providing everything is correct.

Q. No, no. I appreciate that. I understand that completely. Could you turn to -- if you look behind you -- book 8, tab 9 (inaudible), page 257? It is actually the page (inaudible).

E

A. (several inaudible words)

Q. 257.

A. 257. (several inaudible words).

F

JUDGE HAVERY: (inaudible) 257, I think. These are letters, are they?

MR CASTLETON: Yes.

JUDGE HAVERY: Is it (several inaudible words) something marked, it is a blank one, then 2557A and so on, which is the one you are wishing us to look at, Mr Castleton?

G

MR CASTLETON: Sorry, my Lord. AO.

JUDGE HAVERY: AO, 2557 AO. That is then half towards the end of all the ones with a similar letter of the alphabet. You may find it after 97A (several inaudible words).

H

A. (inaudible).

MR CASTLETON: Could you just have a read of that for me, please? (several inaudible words).

A

A. (several inaudible words).

Q. That's the one, yes please. Is it quite clear on that? Do you understand what Mr (inaudible) is talking about there?

B

A. Vaguely, yes.

Q. So, from two computers in his office produces two balance snap shots, they are different or different settings and amounts of cash on the same document?

A. Without actually seeing it I can't comment on that.

C

Q. I appreciate that. But reading, as you have read, that if the difference in the two balance snap shots, should that occur on a computer that works correctly?

A. I've never, ever come across that.

Q. In your opinion should that occur, having used the system repeatedly?

D

A. As I say, I can't comment on that, because I wasn't there physically to see (several inaudible words) snap shots, so --

Q. No, I appreciate that, but in your opinion --?

A. In my opinion I've never come across that.

E

JUDGE HAVERY: I (inaudible) unfair, because she is not actually an expert witness --

MR CASTLETON: Fine, my Lord. Sorry about that.

JUDGE HAVERY: That is all right.

F

MR CASTLETON: That is fine. Thank you very much.

RE-EXAMINED BY MR MORGAN

MR MORGAN: Mrs Rose, just one question. In bundle 9 at tab 51, page 2749 you were taken to the cash account for week 51.

G

A. Yes.

Q. Could you tell the court please, what does authorised mean, in the context of a suspense account?

H

A. It's the way that an auditor will deal with it. Whatever figure was in there, any processor could put the figure in there. So even though it actually says it is

authorised on, it does not necessarily mean, whereas I would just go by whatever I was told when I went in there.

A JUDGE HAVERY: Are you looking at Table 2A?

A. Yes. I am, yes.

JUDGE HAVERY: You see where it says, "Authorised cash shortages."

B A. Yes. It does.

JUDGE HAVERY: And the question was about a suspense account. Can you explain your understanding of the question to me? What is meant by, suspense account?

A. A suspense account is just somewhere that records a figure of cash that is not actually in the office.

C JUDGE HAVERY: I see.

MR MORGAN: Your Honour, I have no further questions.

JUDGE HAVERY: Thank you very much, Mrs Rose. You can stand down now.

D A. Thank you very much.

MR MORGAN: Your Honour, may the witness be released?

JUDGE HAVERY: Yes. That means you do not have to come back.

E A. Right. Thank you very much.

(WITNESS RELEASED)

MR MORGAN: My Lord, my next witness is Ruth Simpson.

F JUDGE HAVERY: I do prefer the witness actually to be asked her name.

MR MORGAN: I do beg your pardon.

JUDGE HAVERY: That is all right. I appreciate you will refer to the statements, so it is implicit.

G MR MORGAN: My Lord, I will. Yes.

RUTH SIMPSON (SWORN)

EXAMINED BY MR MORGAN

H MR MORGAN: Mrs Simpson, could you give the court your full name, please?

- A. My name is Ruth Simpson.
- A Q. And could you look please, in front of you, and find bundle 3?
- A. Yes.
- Q. And could you turn in that to divider 59, page 476?
- A. Yes.
- B Q. Could you tell the court what you find there, please?
- A. My witness statement.
- Q. And is that the first page?
- C A. Yes.
- Q. Could you turn on, please, through that divider, to page 479?
- A. Yes.
- D Q. And what do you see there?
- A. My signature at the end of the witness statement.
- Q. And have you had a chance to read this witness statement recently?
- E A. Yes. I have.
- Q. Are its contents true?
- A. They are.
- Q. And do you wish for that to stand as your evidence in this case?
- F A. Yes. I do.
- Q. Could you please, look very briefly in paragraph 3?
- A. Yes.
- G Q. Can you remember on what day you actually opened it for the first time?
- A. It was the Wednesday after the Tuesday. On Tuesday I actually went to take over the cash and stock, and then I actually started to run the branch the next day, which was Wednesday.
- H Q. And how did you take over the cash and the stock?

A
A
B
C
D
E
F
G
H

A. I basically left my own branch. I went over to Marine(?) Drive and I took the cash and the stock from the auditor when I arrived.

Q. How did you take it?

A. I physically counted the cash and the stock in the presence of the auditor.

Q. And what did you do with it then?

A. Securely put it in the safe and left for the evening.

Q. How did you secure the safe?

A. The safe was a very, sort of, primitive one. I had no time delay on it, just purely on a key.

Q. What did you do with that key?

A. I took that key home with me then.

Q. And how did you secure the sub-post office?

A. The sub-post office, again, it was just on an actual key, and there was an alarm system as well, which is (inaudible).

Q. And what happened to the keys to the sub-post office?

A. They came home with me.

Q. On the following morning, what happened when you arrived at the premises?

A. I just opened up, just took the cash and the stock out and started to operate.

Q. Was there anything left for you that morning?

A. Erm, in respect of, I'm not sure what you mean with that question really.

Q. Might I move on, in fact? Can you look please, at paragraph 11?

A. Yes.

Q. Again, could you read that please, briefly.

JUDGE HAVERY: To yourself.

MR MORGAN: I (inaudible).

A. Yes. I can read that. That, in general, is what would happen with the lottery cash. Whether there was one left on that particular day, I couldn't be specific, but that

was the routine on the following day. I would think the lottery cash on that particular day would have been handed over by the auditors.

A Q. Mrs Simpson, could you wait there please. Mr Castleton will ask some questions of you.

CROSS-EXAMINED BY MR CASTLETON

B MR CASTLETON: Can you tell me how you know Mrs Oglesby, please?

A. Cath Oglesby was my retail line manager, so just purely on a professional basis.

Q. And have you ever gone out with Mrs Oglesby anywhere else in any similar situations?

C A. I've worked for the Post Office before, yes, when a postmaster has been (inaudible).

Q. Yes.

A. And I've been asked (several inaudible words).

D Q. Would that happen on many occasions?

A. Fortunately they don't happen that often, but I try to actually take (several inaudible words) Scarborough, and I've since recently been asked to work at (inaudible) branch, which I hadn't planned.

E Q. Okay. How do you obtain that work? How does it come to you, who would organise that for you?

A. There is an actual list within the Post Office of approved postmasters that are approved to take on that sort of work.

F Q. Okay. And so, how did you hear about the work at Marine Drive? Through the same way?

A. Cath Oglesby actually telephoned me and asked me if I would be interested in actually taking over that particular (inaudible).

Q. So she called you directly in your office?

G A. She did. Yes. On the Tuesday I --

Q. And that's the only occasion that's ever occurred?

A. In that respect, in that particular office?

H Q. Well no, in any office?

- A. Yes. She did the same for Scarborough. I found out, basically on the day.
- A** Q. You said previously that you got them from a list.
- A. Yes. But at the moment there is a list of approved sub-Postmasters that can actually undertake that work, of which I'm one.
- B** Q. Yes. I appreciate that. That's good. And specifically you, I remember when you arrived, I know this isn't in your statement, but I'm sure you will agree that you have a very good knowledge of Horizon systems, do you not?
- A. A reasonable working knowledge. I (several inaudible words).
- Q. No, no. I'm not saying you are an expert, but you have obviously been very in tune with the system and the way the system works?
- C** A. Yes.
- Q. Yes. Good, that's brilliant. And you obviously met the auditors on 23rd?
- A. Yes.
- D** Q. (several inaudible words).
- A. Yes.
- Q. And you went through the process of going through the cash and the stock, for which (several inaudible words)?
- E** A. Correct. Yes.
- Q. Where did you sign, please?
- A. On the auditors' statement that they actually take away.
- F** Q. Right. Okay. And on that statement was there any other signatures on there?
- A. I can't honestly remember.
- Q. You cannot remember. And was that a P242, certification. I can show you one if you like?
- G** A. It was. Yes.
- Q. Could you remember that?
- A. No. I (several inaudible words).
- H** Q. Yes. I know, but it was just to certify that that is what the position of the office is on that day?

- A. Correct.
- A Q. Yes. And obviously you went through all the stock and the cash, and took possession roughly when, of that? Would it be -- it was quite late in the day, was it?
- A. I didn't actually arrive until four o'clock, and I left at six so, some time in between.
- B Q. Okay. And so you had the stock. You put it all away into the safe, as you said?
- A. Yes.
- Q. And then what did you do after that?
- C A. What did I do?
- Q. Yes. You took possession of the keys, I presume?
- A. Took possession of the keys, I made sure I had a chat with you, and asked whether --
- D Q. How to change the alarm.
- A. The alarm code?
- Q. Yes.
- E A. Yes.
- Q. So nobody else had access to that area after that point?
- A. No. It was my own code. Yes.
- F Q. It was your full responsibility of that area?
- A. Correct. Yes.
- Q. Okay. And so you had the keys, you had the alarm code changed, and you have complete control of the office. From then to the time that you left the office just after, what was it (several inaudible words)?
- G A. Yes. (several inaudible words).
- Q. Yes. And you reported on one occasion that I had given you the receipts for the lottery.
- H A. You just used to slip them underneath the counter.

- A Q. But there was no money there?
- A. There was no money.
- Q. And what did I do then?
- A. You made that good.
- B Q. Okay. From my own position on 23rd March, the lottery terminal was still running until, 19.30 hours, the end of the day. And obviously, you having gone and no access to give (several inaudible words) to do anything, to input any of the monies or transactions, whose responsibility would that be?
- A. The responsibility for the lottery cash?
- C Q. For the transaction of that as cash?
- A. They weren't undertaken until the following morning as I recall.
- Q. That's right.
- D A. Yes. So that would be my responsibility to take the cash from you, because obviously you would still in the shop, and then input those.
- Q. Okay, and did you do that?
- A. I would imagine so.
- E Q. Okay. There are (several inaudible words) error notices for 23rd March of just over £100 and 20p.
- A. I'm not aware of those.
- Q. No.
- F A. No.
- Q. Would you like a copy of them? Would you like to see them?
- A. Well if I'm being held responsible to make them good, then obviously I will want to see the documentation.
- G Q. Okay. It is the same bundle, but we are into tab 61.
- A. Yes.
- Q. And page 502.
- H A. So where does that equate to the £100?

A

Q. You have got £176 of lottery sales, and £75.80 of credit, which would equate to £100.20.

A. Right. So what are we saying here, that neither of those are actually processed?

Q. Apparently not.

A. I would want the documentation from the cash account and from obviously the balance snap shot.

B

Q. Okay. Just (several inaudible words) if we can go back to that? We need bundle 10.

A. Which file is that one in please?

C

Q. Bundle, behind you, sorry Ruth, it's just behind you.

A. This one.

Q. Yes. I'm sorry about that. Tab 52, 2758 page, I believe.

A. No. This starts 3021.

D

Q. I've got 2765, no.

JUDGE HAVERY: Which page are you looking for?

MR CASTLETON: The trial balance for week 52, my Lord, bundle 9.

E

JUDGE HAVERY: Thank you.

MR CASTLETON: It is bundle 9, I do apologise.

JUDGE HAVERY: (several inaudible words) bundle 9, tab 52, I think, is that right.

F

A. Right.

MR CASTLETON: Sorry, there are that many. In 773, my Lord, is your file (inaudible) account, 2765 is the cash account.

A. 2773 did you say there.

G

Q. Yes.

A. That's just a receipt for the (inaudible).

Q. Is it? And then back one, is it 2771, has it got a trial balance there, and then the cash account is 2765.

H

A. That was (inaudible) final balance (inaudible) trial balance.

Q. Yes. These are all the paper work we have.

A

JUDGE HAVERY: Which one do you say is the trial balance (inaudible)?

A. The one on 2771.

JUDGE HAVERY: Ah yes, I see.

B

A. That's what the auditors would have pulled out to put a straight position, so that I could take the cash and the security. That's not an actual (inaudible) account balance.

JUDGE HAVERY: Yes.

C

A. So are you saying from this trial balance, which isn't the actual (inaudible) balance?

MR CASTLETON: (inaudible) if you do it from the cash account --?

A. Well you would need two of these to actually see the difference.

D

Q. Okay.

A. You would need your trial balance, and then the actual balance (inaudible) completed (several inaudible words) items --

E

Q. You have got the trial balance from the Friday, haven't you, from the auditors that handed over to you?

A. Are saying that the process transactions on 23rd or 24th?

Q. The 23rd.

A. Then well whatever the auditors took over there?

F

Q. Yes, after. No after, because it would have been (several inaudible words) lottery finished.

A. Should they not have then stopped the lottery? Did they take any of the lottery transactions up to that point?

G

Q. No.

A. No. Right, so what you are saying is those were not processed the day after?

Q. That's correct, yes.

H

A. Were they not just processed in a different balance period?

A

Q. No. I am sorry. That's what I believe raises the error notice to my (inaudible).
A. Right. Well all I can say is that a (inaudible) notice is attributed to me, then subject to the (several inaudible words) then I will make that good, because (several inaudible words).

B

Q. No. I appreciate that. The next question would be -- never raised the fact obviously that you were short, or in excess, shall I say, on the final balance or week 52 for £100.20?

A. Well I would want to see the documentation prior to that.

Q. Okay.

A. So I can then comment on that.

C

Q. Right. We will do that now then. So what would you like to see in order for you to make a comment on that point?

A. I would like more than five minutes to actually look at it and go through it.

D

Q. My Lord, could we have a short adjournment.

JUDGE HAVERY: Yes. I think you had better look through the documents you want to put to the witness.

MR CASTLETON: Right, okay. What would you like to see?

E

A. I would like to know what the lottery transactions were for each day so we can make sure that we have, you know, the right relevant transactions for each day.

Q. Yes of course, I appreciate that.

A. The lottery receipts.

F

Q. Yes.

A. And (several inaudible words) to make sure the balance -- you have got (inaudible) for that week for £5,015, so (inaudible) figures that make up that to make sure that there is (several inaudible words).

G

Q. Okay.

MR MORGAN: My Lord, might I ask --

MR CASTLETON: Looking for the spreadsheet --

H

MR MORGAN: My Lord, if he witness could be kind enough to take bundle 3, and look behind divider 39 from page 270 onwards that might be of assistance.

JUDGE HAVERY: Thank you.

A A. These aren't the -- what I wanted to look at. These are just the actual, from the lottery (inaudible).

MR CASTLETON: No.

B A. These are just the actual things, what the lottery terminal actually shows on that date.

Q. That's right. So you want to look at the cash accounts then.

A. So have you got the actual lottery receipts?

Q. They are not in evidence, I'm afraid.

C A. Right. Well I would want to see those before I made that (inaudible).

Q. They are actually in evidence in the fact that two witnesses have said that they have seen them in the office in (inaudible) for that week (inaudible).

A. Yes. Well, you know, I would like to see the evidence.

D Q. Okay. But you would agree that from that day you took control of the office obviously?

A. Oh, correct. Yes.

E Q. And from the spreadsheets that you have just seen it shows that those two transactions were not placed?

A. They weren't placed on those particular days. Yes.

Q. I appreciate that. And the error notices were generated (inaudible) obviously?

F A. Well those are the error notices that we have just referred to.

Q. And they claimed you never showed on week 52's final balance, any increase in cash subject to what was required?

A. Well the cash is (several inaudible words).

G Q. Okay. I appreciate that. And obviously, it should have been at that, should it? Even if it had been --

JUDGE HAVERY: Could you speak up a bit Mr Castleton?

H MR CASTLETON: Sorry, my Lord. It should not have been at that though, should it? Because even if you had transacted them after in that balance?

A

A. I think it's unfair to make that comment without seeing the documentation. We all make mistakes. If there is a mistaken, then, you know, I may well then --

Q. Yes. I appreciate that, but as you can appreciate from my point of view that on that balance you should have been £100, or £98 up surely, because you were £2.14 down, I believe?

A. If that relates to that, yes. But --

B

Q. Yes. Well the spreadsheets show that they relate to there, do they not?

A. I can't believe that (several inaudible words) taken a slice, you know, would not have taken a cut off point at that to make sure that it was right.

Q. Yes. But they didn't you see.

C

A. No I know they didn't. Well I don't know what the procedure is regarding that, so I can't make a comment.

Q. But you (inaudible) £2.14 on that day?

A. Yes. The cash account states that I did.

D

Q. Okay. And you never, over the period that you were in the office, did you have any computer problems?

A. Just one morning when the screens were completely blank.

E

Q. And what (several inaudible words) or completely blank?

A. Completely blank.

Q. Right. And what did you do?

A. (several inaudible words).

F

Q. And everything rebooted (inaudible)?

A. It did, yes.

Q. Do you remember what morning that was?

G

A. It was the morning of the second cash account. You can tell from the figures that I didn't actually produce them until some time after lunch; I think it was about one o'clock, and obviously it must have been that particular day.

Q. And the reboot took a long time then?

H

A. The reboot took a long time, but obviously I was the only one in the office and my main priority was to serve the customers manually.

- A Q. So you served manually?
- A A. Yes. And you know, gave that a back seat, if you like. It wasn't the main priority.
- B Q. So in organising the cash account itself, and just for the benefit of the court, when you say the customers took the priority from manual serving, what did you actually physically have to do to produce that balance?
- A A. To produce what balance?
- C Q. The final balance.
- A A. Well you would have had to put the lottery transactions through, I did, and (inaudible) revaluation of stamps on the same day, if you look at the cash account (inaudible) cash account.
- Q. That's true. Yes.
- A. Basically it would have all just taken time.
- D Q. But all the bulk of the work would have been done the prior day?
- A. The actual balance would have been done prior to that day, yes.
- Q. You can see the importance of it, because they are all dated the prior day --?
- E A. I basically waited until it was a quieter period to actually do it.
- Q. You were already working manually?
- A. Yes. I was working manually. Yes.
- Q. And you chose to wait four hours for you to actually produce the cash account?
- F A. I wouldn't think that unreasonable if you were working on your own.
- Q. Well you do not physically do anything to the computer if you are not working on apart from the lottery and the -- sorry.
- G A. You would have to revalue the stamps, actually do a (inaudible) and revalue the stamps, put that transaction through, put your lottery through, and then actually doing the next trial balance, and then produce your final balance, then produce your cash account, so --
- Q. But all of those are just put (inaudible) away, are they not?
- H A. They are, yes. But obviously --

Q. You don't have to physically write anything out there?

A MR MORGAN: Let her answer.

MR CASTLETON: Sorry, I apologise.

A. Well you know, at the end of the day you can't physically do two jobs at once. If you are serving customers then your full attention has got to be with that.

B Q. Okay.

JUDGE HAVERY: Mrs Simpson, would you just take up bundle 4 for a moment?

A. Yes, of course.

C JUDGE HAVERY: It is behind you actually, on the shelf. Tab 67.

A. Yes.

JUDGE HAVERY: And if you would turn to page 637.

D A. Yes.

JUDGE HAVERY: And you will see the last page, perhaps it is not the last page, a page of a statement of Mrs (inaudible).

A. Yes.

E JUDGE HAVERY: And paragraph 28 I think, is dealing with what she had been questioned about. Would you just read 28 to yourself?

A. Yes.

JUDGE HAVERY: Anything you want to comment on that?

F A. No. I mean, a reboot does take longer than ten minutes. It probably takes in reality about probably 30 minutes, but the machines probably would have been up within that time. But the actual physical act of serving customers and doing a revaluation of the stamps and putting the lottery through, I wouldn't put myself under any pressure. I would have just done the job in hand, waited until it was quieter and then do the rest.

G JUDGE HAVERY: Yes. Thank you. Yes, go on Mr Castleton.

MR CASTLETON: Thank you, my Lord. Can we go back to your statement, please, at tab 59, book 3, page 477? I just want to clarify -- I need to find it myself -- if you just have a look at paragraph 6 at the top of that page 477.

H A. Yes.

- A Q. If you would just refresh your memory with that?
- A. Yes. That's fine.
- A Q. And you are talking there about during Lynn's days off. Can you just read that next line for me, please?
- A. Which one?
- B Q. "During Lynn's day off," it is the actual last sentence of that paragraph.
- A. Yes. "I would log on to both computer terminals and serve from both of them."
- Q. So you would log on to both computer terminals and serve from both computers?
- C A. I would physically serve customers from one, and do, perhaps, parcels on the other.
- Q. But you could not do that on this occasion with the (inaudible)?
- A. No. I wouldn't have been able to do that at all. No. Not on that particular morning.
- D Q. Not on that particular morning?
- A. Through my own choice.
- Q. Through your own choice. Okay. And that took four hours for you to get enough gap for you to actually give 100 per cent into the balance and the rollover on that day?
- E A. Well --
- Q. For the re-evaluation and the lottery?
- F A. Well, yes.
- Q. Two transactions?
- A. Yes.
- G Q. (inaudible).
- A. Obviously I felt comfortable doing it at the end.
- Q. Yes. But you are more than capable to use two computers on usual (inaudible)?
- H A. No. It is for convenience. What I would do is serve through one computer to serve customers physically, and they will have, there were a couple of customers

that used to leave parcels, so if you like, I would do those on an ad hoc basis when I didn't actually have somebody in front of me...

A

Q. I've been there; I know exactly what you mean.

A. ...on a different screen, because it was more convenient than swapping screens.

Q. Well you couldn't do that on this occasion with a final balance. You couldn't do that on an ad hoc basis?

B

A. You would have to (several inaudible words) the computer terminals to get them both up, and I just chose to leave them and actually serve customers to do the, you know, the routine (inaudible) at a later date.

Q. Yes. But you have said that the reboot generally take what, 30 minutes maximum?

C

A. Yes. Correct.

Q. Three and a half hours, still not rolled over?

A. Well as I've said, my priority was to the customers.

D

Q. (several inaudible words), yes. I just wanted to clarify. And you worked manually all morning through choice?

A. I did, yes.

E

Q. And through that choice you chose to rollover and balance (inaudible) at what, quarter (several inaudible words)?

A. Yes.

F

Q. And yet on other occasions there were two single transactions which were re-evaluation of stamps and lottery would take a minimum amount of time, and you could have asked for the computer to print out, physically print out the cash account once you have you have (inaudible) it, yes? You don't actually have to stand over the computer while it goes through those processes of producing a final account, do you?

A. No. But I would have had to revalue the stamps, and therefore I would have to take stock (several inaudible words) and put them through.

G

Q. Yes. Was it on all the stamps?

A. It would have been. Yes. You would have had to look at all, whatever was re-valued at that particular time.

H

Q. I just wanted to be clear, that is all.

- A. Yes.
- A Q. So you never had any other problems?
- A. In what respect?
- Q. With the computer?
- B A. No. I just chose to leave it.
- Q. You just chose to do that?
- A. Yes.
- Q. And nothing untoward was happening with the computer that morning?
- C A. No. I would imagine if I had to make a telephone call I (inaudible) people sometimes forget to revalue the stamps, I probably couldn't even get through on that, but in all honesty I can't remember.
- Q. Okay. And you mentioned the power failure at the office?
- D A. I mentioned that the (several inaudible words) screen go blank is through power failure.
- Q. Okay. And we do actually have a letter from the power company, if you like, to open the safe, that there wasn't a power failure there that morning?
- E A. A power failure could be a plug switched off.
- Q. But nobody else has access to that office.
- A. (several inaudible words).
- Q. You know, so it is impossible for it to be a plug turned off, is it not?
- F A. It could be anything, couldn't it?
- Q. I don't know. It could be the computer was broken, but far be it from me to make that suggestion. You know, there was no break in power, yet the computer was off-line, and you say that --
- G A. (inaudible) computer was dead when I got there.
- Q. Yes. And --
- JUDGE HAVERY: At any rate, you did not have to switch anything on that had been switched off?
- H A. No. I didn't, no.

JUDGE HAVERY: Okay.

A MR CASTLETON: So it was all (inaudible), but the screen wasn't live?

A. Yes.

Q. That's fine. I'm happy with that. Thanks Ruth.

B RE-EXAMINED BY MR MORGAN

MR MORGAN: Mrs Simpson, why do you need time to prepare a final balance?

A. To prepare a final balance (several inaudible words) final checks and make sure everything is right.

C Q. And why do you need time to prepare a cash account (inaudible)?

A. The same reasons. You have to make sure that you have done all you can to check (several inaudible words) what you have got.

D Q. Could I move on to the lottery receipts for week 52? Could you look please, at bundle 9?

A. Which file am I looking at?

Q. Sorry, bundle -- file 9, please. There should be some (inaudible) on the left-hand side of that, and if you turn to divider 52.

E A. Yes.

Q. Do you see there are two sets -- sorry, what do you see at page 2758?

A. The cash account, final one.

F Q. And whose signature is that?

A. That's mine.

Q. How did you prepare this?

G A. Erm, I prepared this on the first (inaudible) that was actually there -- I prepared that on first (inaudible) where I printed it out the following day.

Q. Could you look please, at page 2760?

A. Yes.

H Q. And look at item 30, a figure of £2,218.50 national lottery game?

- A. Yes.
- A Q. How would you have arrived at that figure?
- A. Those are the actual takings from the national lottery, so every day's transactions should add up to that figure.
- Q. And what would you have checked that figure against?
- B A. That particular figure we wouldn't have checked on that particular day, because whilst at my own office I have actually, or I used to have what lottery scratch cards, we didn't have them on-line, so I probably (several inaudible words). But with hindsight you would check it to the actual lottery, the pink tickets that the actual terminal produces.
- C Q. What pink tickets, do you have any recollection of those pink tickets?
- A. Yes.
- Q. On this date?
- A. Not particularly on this day.
- D Q. Can you tell me what the difference -- the monetary difference -- is between the figure that you have declared, and the figure in bundle 3 at page 271 behind divider 39?
- A. It is a £176(?).
- E Q. Why would that difference have arisen?
- A. A transaction not being processed.
- Q. And why would that transaction not have been processed?
- F A. Human error.
- Q. Mrs Simpson, I have no further questions for you. Would you just wait there?
- JUDGE HAVERY: Yes. Thank you very much Mrs Simpson.
- MR MORGAN: Might this witness be released?
- G JUDGE HAVERY: Yes.
- MR MORGAN: I am grateful.

(WITNESS RELEASED)

H

MR MORGAN: My Lord, both my proposed next witnesses are (inaudible) time available. In those circumstances might I continue with Catherine Oglesby?

A JUDGE HAVERY: I did not hear what you said.

MR MORGAN: Both witnesses -- there is no convenient witness who we could fit in before.

JUDGE HAVERY: (inaudible) interrupted.

B MR MORGAN: My Lord, yes.

JUDGE HAVERY: Yes, yes of course.

MR MORGAN: Might I call Catherine Oglesby.

C MRS CATHERINE OGLESBY (SWORN)

EXAMINED BY MR MORGAN

MR MORGAN: Mrs Oglesby, could you give the court your full name, please?

D A. Catherine Oglesby.

Q. Could you look please, for bundle 3 on the desk in front of you? I think it may be on your right-hand side.

A. Yes.

E Q. Could you turn in that bundle please, to tab 53, and looking at page 348, could you tell the court, please, what you find there?

A. My witness statement.

Q. Is that the first page?

F A. Yes it is.

Q. Could you turn along, please, through that tab all the way to page 363?

A. Yes.

G Q. Could you tell the court what you find there please?

A. The last page of my statement.

Q. And whose signature is that?

H A. That's mine.

- A Q. And have you had a chance to read this witness statement recently?
- A. Yes.
- Q. Do you have any corrections or alterations you wish to make to it?
- A. I do. Yes. On the first page the address that is stated there, that branch, that area office is now closed, and I don't work from there any more.
- B Q. Could you give the court please, your full address?
- A. Yes. I work from home now at [REDACTED] GRO
- Q. Who is your employer, please?
- C A. The Post Office Limited.
- Q. Are there any other changes you wish to make?
- A. (inaudible) in my job title is on there.
- Q. And what is that?
- D A. It is now business development manager. (several inaudible words) branches now, not 35.
- Q. Are there any other corrections you would wish to make?
- E A. Just the length of time is obviously, time has gone on.
- Q. And are the contents of this witness statement truth, save to the extent you have just corrected it?
- A. Yes.
- F Q. And do you wish this statement to stand as your evidence in-chief?
- A. Yes.
- Q. Would you wait there please, Mrs Oglesby. Mr Castleton will have some questions for you?

G JUDGE HAVERY: You may sit down if you wish.

CROSS-EXAMINED BY MR CASTLETON

H MR CASTLETON: When a sub-Postmaster has a loss or a gain, as he comes up to trial balance on Wednesday evening, just a single (inaudible) with lottery being put in on the following morning.

- A. Yes.
- A Q. I know you don't deal with this any more.
- A. I don't, no.
- Q. I apologise for asking, but obviously you come to trial balance, what procedures would he go through if he had a loss or a gain?
- B A. To be honest, I wouldn't like to say -- I've never had to deal with that.
- Q. In that context then, what would you (several inaudible words).
- A. You can ask me if I --
- C Q. Yes. All I was going to say -- all I am looking to establish is, just the way that the trial balance is produced, how that is produced in context to the other paperwork that is produced in the office, and where the Postmaster would then go for advice, i.e. if there was a problem on that date --?
- A. As far as the procedures that you would go through on that (several inaudible words), if you were having a (several inaudible words).
- D Q. And then what would you do -- having looked for it, and not being able to establish a reason why, what would you think he would do then in your opinion?
- A. To be honest, I don't know the workings of the Horizon system, so I wouldn't know what (several inaudible words).
- E Q. No. Well on the -- let us take it away from the Horizon then, and bring to procedural and say, would you notify somebody about that?
- A. What, if you had a loss or a gain?
- Q. Yes.
- F A. If you had a large loss or a gain you would probably notify myself.
- Q. And how would you do that?
- A. By contacting the (several inaudible words).
- G Q. Okay. Would the helpline offer any advice?
- A. (several inaudible words).
- Q. No, I appreciate that.
- H A. (several inaudible words) somebody else. They may do.

- Q. And then they would do what to establish contact with you?
- A. At that particular time, talking those years ago, we have a pager and they would page, they would put a message on the pager to contact (inaudible).
- Q. Right. And then you would know that message (several inaudible words)?
- A. Yes. It would say, "Please contact Marine Drive," and give the phone number.
- Q. Okay. And then that's what obviously you would then do, over a period of what sort of time? Probably in the same --
- A. Within that same day, that same working day possibly.
- Q. Okay. Could you look for me, at your witness statement and at paragraph 10 on page 350 please?
- A. Yes.
- Q. Could you just refresh your memory of that please?
- A. Yes.
- Q. On obviously, what you have just said there is that possible?
- A. Yes. That I was contacted by pager and I called you back.
- Q. Okay. It actually says by telephone.
- A. Well I would ring you back on the telephone from my mobile.
- Q. Okay. And could we now go to bundle 10 at tab 39, page 2558.
- JUDGE HAVERY: Which bundle, 9? Tab 39 I think.
- A. Bundle 9. Tab 39?
- JUDGE HAVERY: Tab 39 on page 2558, as I understand the question.
- MR CASTLETON: Do you -- sorry --
- A. I have got (several inaudible words), is that what you are looking at?
- Q. Yes. Is there a loss on there?
- A. Yes, .70p.
- Q. Okay. And if you flip back through that (several inaudible words) at the back of there, if you carry on going through 39 is there a final balance at the back of that?

- A. This is the cash account final (several inaudible words).
- A Q. (several inaudible words) to the actual final balance for the office prior to that?
- A. On page 2568?
- Q. Yes. And are there any losses or gains on there?
- B A. (several inaudible words) discrepancies net discrepancy is 70p.
- Q. .70p, and if you (inaudible) you say that £1,100 was shown on week 39?
- A. That's what you told me. Yes.
- Q. That's what I told you?
- C A. Yes.
- Q. Can we now have a look at tab 4B2 2608, page 2608? Yes? Could you (inaudible) final balance there?
- D A. It's a final balance.
- Q. 342?
- A. Yes.
- Q. And does it have any losses or gains there?
- E A. On the next page (several inaudible words) net discrepancy of .50p.
- Q. No. I mean on the actual file that you have got in front of you, the top box? The top left-hand corner Cath. (inaudible) shortage.
- F A. Those are the bits that I don't understand (several inaudible words), those are the bits that I would like clarified. I don't understand what (inaudible) are.
- Q. So (several inaudible words) --
- A. I can read it out to you.
- G Q. Retail line manager (several inaudible words).
- A. I don't know. That wasn't part of my responsibility --
- Q. It was never part of your responsibility?
- A. Not (several inaudible words).
- H JUDGE HAVERY: Can we be clear. You are looking at page 2608?

- A. Yes.
- A** JUDGE HAVERY: (several inaudible words).
- A. Yes.
- JUDGE HAVERY: Thank you.
- B** MR CASTLETON: (several inaudible words), for clarification Cath, you do not know what that --
- A. I could make an educated case that that is why I asked somebody else to clarify what those actually were, because I wasn't 100 per cent sure what they were saying.
- C** Q. Okay.
- A. So that's why I got advice on that (several inaudible words).
- Q. (several inaudible words) your role as a retail line manager incorporates what?
- D** A. (several inaudible words) really, in a nutshell.
- Q. Okay. Is that not (inaudible)?
- A. That's (several inaudible words), well it's more so now, to be honest, but there was (several inaudible words) then.
- E** Q. Okay. So why then, would I be put through to you from the helpline?
- A. Because (inaudible) the line manager.
- Q. Okay. And in this (inaudible) statement you make no referral to passing any of these problems on in this particular case?
- F** A. In which paragraph?
- Q. Paragraph 10, page 3.
- A. No. I didn't pass that particular problem. We talked on the telephone about what might be a possible, why you might have been £1,100 short, that's what we chatted through.
- G** Q. But you have no recollection of how that works in there, but you know how to --?
- A. I don't (inaudible) --
- H** Q. You know how to do the checks?

- A. The checks?
- A Q. You know the checking things off? You (several inaudible words).
- A. Oh, you mean (several inaudible words), only through my own experience. Yes.
- B Q. (several inaudible words) expecting the court to believe that through your own experience you can go through the procedural checks of finding why those differences and mistakes if you like, or whatever have occurred in that particular document. Do you not understand how to read the top of that column?
- A. Well when you had asked me detailed questions on that I wasn't totally clear on how, from the workings of the system.
- C Q. Okay. Well then you are still unable to add to this (several inaudible words)?
- A. I've no more experience with Horizon since then.
- Q. Since then?
- A. Just the day-to-day, but I don't (several inaudible words).
- D Q. Yes. I am very surprised at that.
- A. Well it's the truth.
- JUDGE HAVERY: (several inaudible words).
- E MR CASTLETON: Sorry. I apologise, my Lord.
- A. When we chatted through about your loss Lee, that that (several inaudible words) between Christmas and New Year, I gave you all the possible explanations that a loss might normally be to try and resolve that.
- F Q. But the loss didn't occur then Cath, which is surely (several inaudible words).
- A. No, because you made the amount good or you (several inaudible words).
- Q. That document there shows (inaudible) good in week 42, Cath.
- A. Right.
- G Q. We see that in the top left-hand corner, week 42.
- A. Well my recollection was that we spoke between Christmas and the New Year.
- H Q. Okay. But there is no (inaudible) call for me, in fact, shall we go and have a look at that?

A

JUDGE HAVERY: Before we do, may I just ask you to clarify (several inaudible words) Mrs Oglesby, in paragraph 10, three lines from the bottom when you say you asked Mr Castleton to make good the sum of £1,100.

A. Yes.

JUDGE HAVERY: What did you mean by that? Had you asked him to pay that back from what?

B

A. Yes. To make up the shortfall.

JUDGE HAVERY: I see.

MR CASTLETON: So if we go to page 319 of the same book, Cath?

C

A. Which bundle, the 9 or the 3?

Q. 3, 319.

JUDGE HAVERY: It is volume 3.

D

MR CASTLETON: I'm sorry, volume 3, the same book you are in.

JUDGE HAVERY: And it is tab 48. And I think it is the list of telephone calls (several inaudible words).

MR CASTLETON: It is my Lord.

E

JUDGE HAVERY: Given in evidence by (several inaudible words), who will be giving evidence later on.

A. Right.

F

MR CASTLETON: I'm sorry, if we just go back through there to page (inaudible)? So we are starting at paragraph 37 is 1st December.

A. Yes.

Q. This is a week I made calls to Horizon NBSC.

G

JUDGE HAVERY: Can we just take this a little more shortly? (several inaudible words) establish is there is no record of a call about the £1,100, is that your point?

H

MR CASTLETON: There is no actual call, my Lord, of asking Mrs Oglesby to ring me, and that would be the only contact, as Mrs Oglesby (several inaudible words). The only way that she could know that I had a problem, and in order for her to ring me would be, her pager would go off, and she would then ring the office, from which the pager stipulated the problem, or for whatever reason I'd made the call, would ask her to call me.

JUDGE HAVERY: So what you are saying is there is no record here, of the paging of her call to you. Is that right?

A

MR CASTLETON: No, my Lord. (several inaudible words).

JUDGE HAVERY: I think I will assume that is correct, unless Mr Morgan (several inaudible words) rather than the two of you going through it. So can you explain why (several inaudible words)?

B

A. If I got a paged message I would contact the branch. Some (several inaudible words) mobile, but I can't say which. I can't recall either getting (several inaudible words) a paged message, but I could (inaudible) speaking to him.

MR CASTLETON: So if we can go back please? Page 50 of your own tab, please.

C

JUDGE HAVERY: Which tab?

MR CASTLETON: 350, yes.

JUDGE HAVERY: Yes.

D

A. Bundle 3, yes?

MR CASTLETON: 51.

JUDGE HAVERY: 53.

MR CASTLETON: 53, sorry yes, sorry, my Lord.

E

JUDGE HAVERY: Tab 53, page (inaudible).

F

MR CASTLETON: So we go back to this paragraph, paragraph 10. There was no loss on week 39, it was week (inaudible), which we have already seen the paperwork that you have (several inaudible words). There was no asking for a call on my behalf from yourself in that week that you say the call occurred. There was no shortfall of £1,100 and no discussion obviously, because the call didn't take place as proven, about how to find anything (inaudible) losses were, and that's pretty good out of a whole paragraph.

JUDGE HAVERY: But (inaudible) question yet.

G

MR CASTLETON: Sorry, my Lord. (several inaudible words) --

JUDGE HAVERY: What Mr Castleton is putting to you is, having looked at the, well having established you did not actually look at it, but we established that there was no record of a telephone call, and having seen no (inaudible) of £1,100 in week 39, and a figure of £1,100 in week 42, do you stand by what you say in paragraph 10, or do you think it might be wrong?

H

A. To the best of my recollection, and I made notes at the time, Lee and I spoke between Christmas and New Year.

A JUDGE HAVERY: Thank you.

MR CASTLETON: So you clarify in paragraph 11, and that was the first time I actually occasioned a loss as (inaudible) specific value, (inaudible) value since taking over on 18th July.

B A. To the best of my (several inaudible words), yes.

Q. And we went through the same (inaudible) you believe happened. We went through the breakdown of cash checks, and all the specific checks?

C A. I gave you some (several inaudible words) where a loss of that amount might be, it was gyro bank money.

Q. Yes. And from there what would be the next step?

A. As regards to what?

D Q. As with regard to obviously advice, taking (several inaudible words) to the reason why this has occurred, did you contact anybody else?

A. Not at that particular time.

Q. No?

E A. As I can recall. No.

Q. No. (several inaudible words) has appeared just a loss (several inaudible words) one of those things?

A. (inaudible) one of those things I thought it might be a gyro bank error.

F Q. Yes. When you were told (several inaudible words).

A. Who by?

Q. I'm sorry, that was a question. Were you told that that wasn't the case, or did you just leave it at that? (several inaudible words).

G A. I don't understand what you mean really.

Q. (several inaudible words). Well (several inaudible words) --

H JUDGE HAVERY: I think the point that Mr Castleton is making, he was not given any advice on this. You have given evidence that he was given some advice to try the gyro bank or cheque deposits.

A. Yes.

A JUDGE HAVERY: And then the next question I believe he is putting to you is, did anybody, did you come back and give him any further advice?

A. Not on that loss. (several inaudible words).

B MR CASTLETON: Okay. If we turn over to 351, paragraph 12, and if you just refresh your memory there? So you visited the offices, just your normal planned office visit in January, and you reviewed the previous three balances?

A. Yes.

Q. With just that, I asked you a question on the final balance there, what are you reviewing (several inaudible words)?

C A. Its not the paper balances that I'm looking at, it's the actual cash accounts.

Q. Okay. So did (several inaudible words). You understand the cash accounts, or you don't understand that particular (several inaudible words).

A. I don't understand the top. No.

D Q. Just the top?

A. Well it's not my particular role to (inaudible) these, so if you, you know, if you ask me a specific question of the (inaudible) of figures, then yes, I could tell you what that is. But the balance there, the processes, no, it's not a day-to-day thing that I do.

E Q. So are you quite happy with the rest of the document, it's just the top piece?

A. Well as I say, if you ask me a question on something, I can tell you whether I understand it or not.

F Q. Right. That's fine. And so you reviewed the previous three week's balances, but everything seems to be fine?

A. Yes.

G Q. That there was no missed balance on week 39, as we have already looked at the account balance and it had occurred in the previous (several inaudible words)?

A. No.

Q. And why would you look back and go three weeks (several inaudible words)?

H A. Because I always have a, just a quick check through of the cash accounts to look at the (several inaudible words) account entries to see if there any (several inaudible words).

A Q. Specifically a suspense account (several inaudible words)?

A. Yes.

Q. And that's the only reason you looked there?

A. Well, and just to have a look through and just to see (several inaudible words) everything okay, there were not any problems.

B JUDGE HAVERY: So, Mr Castleton, how much longer are you going to be? You can be as long as you like, but if you are going to be more than a couple of minutes I shall (inaudible) for a short adjournment.

MR CASTLETON: My Lord, it is going to be quite some while.

C JUDGE HAVERY: Okay. Then I will rise now.

MR MORGAN: Might I make one short application? Mr Castleton put to Mrs Simpson this morning, and it was disclosed on Friday, that there are documents, certainly within the custody of one of his witnesses -- that have been seen by two of his witnesses -- and Mr Castleton suggests he himself has seen those, which are lottery receipts. Mr Castleton is under a continuing obligation to give (several inaudible words), and I would invite your Lordship to order that those, the copies of the document, or the originals in fact, be produced to the court so that we can have a look at them?

D JUDGE HAVERY: Yes. You must do that.

E MR CASTLETON: I will certainly, my Lord. It will have to be by post. Is that okay, my Lord?

JUDGE HAVERY: Yes.

MR CASTLETON: They are in Bridlington. I have no access to the office myself, my Lord. I can make a phone call to get them posted.

F JUDGE HAVERY: You had better do that (inaudible).

MR CASTLETON: I will certainly, my Lord.

JUDGE HAVERY: Well five past two then. Mrs Oglesby, you must not talk to anyone about your evidence (inaudible).

G A. Yes.

(The short adjournment)

H JUDGE HAVERY: Yes, Mr Castleton.

A. Sorry, my Lord.

A JUDGE HAVERY: Do continue.

MR CASTLETON: Could you please turn for me, to tab 54 of the same book of your witness statement, book 3, page 392.

A. Yes.

B Q. The bold type there, from just little bit short of halfway down, down to the bottom there, could you just read through it for me, please just to familiarise yourself?

JUDGE HAVERY: Where do you want to start?

MR CASTLETON: It's from the bold type, my Lord. Her reference is CO.

C JUDGE HAVERY: Right.

A. Yes, thank you.

MR CASTLETON: Could you tell me what these represent, these figures?

D A. This is our interview between myself and yourself when you came to interview to give me any reasons.

Q. Okay. And these figures are all drawn from what documents?

A. From cash accounts.

E Q. Okay. So it does not necessarily --

JUDGE HAVERY: Just let her finish the answer.

MR CASTLETON: Sorry, my Lord.

F A. Cash accounts, and we have had some cash declarations.

Q. Yes. Anything else?

A. Then we had some snap shots.

G Q. Okay. Anything else?

A. I think there was a (several inaudible words) notice, it says in here there was.

Q. Yes.

A. And (inaudible) that from there.

H

Q. Okay. And we looked at a document earlier, would you like to refresh, or would you like me to take you back to that document.

A

JUDGE HAVERY: Well she does not know what it is.

MR CASTLETON: It is the -- I am sorry, I apologise -- it is the balance from week 39, 42, I apologise.

A. The cash account?

B

Q. No. The final balance. Do you remember, where you said that you did not know --?

A. I didn't know what the top entries were.

C

Q. Right.

A. Yes. I do not understand the workings --

Q. You don't understand the workings of that.

A. Yes.

D

JUDGE HAVERY: That is, I think, bundle 9, tab 42 at page 2608, is that right?

A. Yes. It is still open.

MR CASTLETON: It is still open at that page, my Lord.

E

JUDGE HAVERY: Yes.

MR CASTLETON: And can you tell me what the difference is between that and the balance snap shot is, please, Cath?

A. What, between the final balance?

F

Q. Yes. That particular document, that particular file balance there, and a balance snap shot?

A. I could give you what my understanding is.

G

Q. Okay.

A. Okay. My understanding of a snap shot is, that you call a snap shot, and it is a snap shop in time, at that particular point in time, of what cash you have got in the (inaudible), or the machine thinks its got, the stock on hand, and your vouchers that have gone through. That is what a snap shot is.

H

Q. Yes. Okay.

A

A. And a final balance -- in my understanding -- is that that is the one that you do at the end of the week.

Q. Okay.

A. It's the cash account and (inaudible).

Q. So that represents, in effect, what is transposed across onto a final --

B

A. Onto a cash account. Yes. That would be my understanding.

Q. No. Okay. And does that look any different to, apart from the title at the top, to the workings of a balance snap shot to a cash, that final balance there?

A. Sorry. Could you just say that again?

C

Q. The final balance that we are looking at.

JUDGE HAVERY: If you are referring to a particular snap shot, are you referring to a particular snap shot?

D

MR CASTLETON: Well my Lord, Mrs Oglesby -- as a retail line manager -- has obviously dealt with this paperwork on numerous occasions, and I just want to make absolutely sure in my own mind that what Mrs Oglesby is telling the court today, is that she is unable to read, or understand part of that document. Now in her own speech earlier, she explained that she had broken down figures from balance snap shots, which are, in effect, look exactly the same document as the document that she claims she cannot read, and in her experience throughout working for the Post Office, I just find it very, very difficult to believe that Mrs Oglesby is in fact, unable to clarify those figures on that document.

E

JUDGE HAVERY: But are these snap shot figures mentioned on page 392 in the bundle anywhere?

MR CASTLETON: They are, my Lord.

F

JUDGE HAVERY: Well then let us look at them. The beginning of the first one, which I think is 1727 on Friday, 14th February.

MR CASTLETON: Which is cash count week 47, my Lord, and it is documents 2961, 2963 --

G

JUDGE HAVERY: 2961?

MR CASTLETON: 2961, my Lord.

JUDGE HAVERY: What bundle is that?

H

A. What tab is that in?

MR CASTLETON: It is tab 47, book 9.

A JUDGE HAVERY: It is the 2691, is it not?

MR CASTLETON: I apologise.

JUDGE HAVERY: Can you help at all, Mr Morgan, as to where we find this figure of £92,095.36? Or perhaps you can help us?

B MR CASTLETON: It is from, my Lord; it is from the cash figure from the balance snapshot, which is actually the first line underneath the starred box. It says, "Value stock and volume value."

JUDGE HAVERY: Yes.

C MR CASTLETON: And then it says, "Cash," and that figure should match, my Lord.

A. Does that (several inaudible words)?

Q. Yes. It does.

A. Yes. (several inaudible words).

D JUDGE HAVERY: Where is 81265 here in your statement? It is not there, is it? This in any case is 19th February, and you are referring to 13th February, so it must be in perhaps the previous week, is it?

MR MORGAN: My Lord, your Lordship would find it if we looked in bundle 10.

E JUDGE HAVERY: Yes.

MR MORGAN: Tab 48, if the witness could find it.

A. I will have it in a second.

F MR MORGAN: Page 2955 that is 13th February.

JUDGE HAVERY: It is tab 47 in mine, but --

MR MORGAN: I beg your pardon, tab 47.

JUDGE HAVERY: Yes. Do you have bundle 10 Mrs Oglesby?

G A. No.

MR CASTLETON: (several inaudible words).

JUDGE HAVERY: It is --

H A. Oh, yes, sorry. It is 10 there.

A JUDGE HAVERY: If you turn to tab 47 of that at page 2955. Now towards the top left, not at the very top, but below the asterisks it says, "Cash £92,095.36."

A. Yes. That is the snap shot.

JUDGE HAVERY: There are two entries to that effect. That, I assume, is what you are referring to in your statement here.

B A. The snap shot, and entry on the snap shot would depict what the computer thinks the branch has got at that particular point.

JUDGE HAVERY: Yes. And you say that that does not agree with the cash declaration, which I take it we find in bundle 9. Is that right?

C MR MORGAN: My Lord, yes. It is at page 2695.

JUDGE HAVERY: Right.

MR MORGAN: (several inaudible words) 17.34 on 13th February as against 17.27.

D A. I was just going to say, shall I explain what my understanding is of those two?

JUDGE HAVERY: Yes. Please, do.

A. Okay. So the balance snap shot there that is stated is timed at 17.27 on 13th. The snap shot says the cash is £19,095.36, yes?

E JUDGE HAVERY: Just a moment. £19,095.36 on page 2955

A. Yes.

JUDGE HAVERY: Yes, yes.

F A. And my understanding of that is that computer, to have a perfect balance the computer thinks you need £92,095, but the cash (inaudible) a few minutes after, just a few minutes after that you have entered £99,108.40.

MR CASTLETON: Yes.

G A. So my understanding is that you have got more money than in the branch, and the computer thinks you need to balance.

Q. Yes.

JUDGE HAVERY: Do you agree with that so far?

H MR CASTLETON: I do, my Lord, absolutely. In the sentence prior to that you state that, "CO said this was very important, as although the cash account for week 46 showed a loss of £8,243.10, the following snap shots and the credit cash did not

evidence this. She explains," which is what you have just explained to my Lord, yes.

A

A. Oh, yes.

Q. The £8,243.10 appears above that in the starred box on that same, 2955.

A. Yes. Those are the bits that I'm not sure about.

B

Q. All right.

A. That I asked for clarification on. That must be --

C

Q. Okay. I appreciate that. I just find it very difficult to say that you can break down all those figures and cross-check those figures without understanding what's in that top box.

A. Yes. That was the only one, to be honest. I mean, I probably have a better understanding now, because it has been tried to be explained to me. At that point in time --

D

Q. Yes, sure. I appreciate that.

A. Yes. And if you recall, my job isn't to look at these on a daily basis. I just try and help people with problems.

Q. With problems.

E

A. Yes. If I can (inaudible).

Q. Okay. So in that interview then, that these notes obviously were taken from.

A. Yes.

F

Q. Yourself presided.

A. And yourself.

Q. Myself, and who else?

A. Christine (inaudible), and Leslie (inaudible).

G

Q. Okay. So knowing that through the 12 weeks the problems that we had, and all the questions obviously, that I would ask with respect to the paperwork that we had, you are now saying, telling me, I believe, I (inaudible), that you were not qualified to answer those questions, or to ask me any of those questions if you couldn't actually read that document?

H

A. Well what I explained at the interview was that I didn't understand that box, and I would seek clarity for you, which I did. So --

A Q. Yes. Could we now have a look at 21st January call log, which will appear in -- sorry, my Lord -- page 319?

A. Bundle 9, or --?

Q. It is bundle 3, sorry. And that is actually the end of the call log, but if we went back to 21st January, which appears on page 311 in tab 48.

B A. Yes, I'm there.

Q. You say in your statement that I contacted you again on that day, yet there is no call logged?

A. (inaudible) rang on my mobile direct.

C Q. Why? We have already established that I had no opportunity to do that.

A. Why?

Q. And how did I do that?

D A. Just by doing 1471 (several inaudible words).

Q. Is that what you're saying?

A. Well I don't know. I'm asking you. If you called me direct how else would you have my number?

E Q. But Cath, I didn't phone direct during that period. All calls were made through that Horizon help desk, weren't they?

A. I don't know. I can't recall.

F Q. Okay then. If you turn on to page 319, call logged number 114 written way down the page on 15th April, the office wish to contact their retail line manager.

A. Yes.

Q. The call was passed to the admin team and a message left for the retail line manager to contact the office. Why would I do that if I had your mobile number on 21st January?

G A. I don't know. I don't know.

JUDGE HAVERY: I do not know if Mr Castleton is suggesting he was the sub-Postmaster at that time.

H MR CASTLETON: No. I wasn't. No. No, I'm not suggesting that at all. What I am clarifying is, at that point I was still asking for documents and reasons on moving

A forward. But throughout this period I had no way of calling Mrs Oglesby direct, and I would have to call the help line in order to log a call, as Mrs Oglesby clearly states previously, that in order to speak to her I would have to log a call to be put through on her pager.

A. Pager.

Q. And then she would return and call back to me, my Lord. But Mrs --

B JUDGE HAVERY: (several inaudible words).

A. Or he could ring me on my mobile --

JUDGE HAVERY: I am sorry?

C A. Or he could ring on my mobile if he had the number.

JUDGE HAVERY: Yes. Well had he rung you on your mobile?

A. Well I can't recall whether I rang him or he rang me. No.

JUDGE HAVERY: No.

D A. Don't forget, I've got 85 branches which are ringing constantly.

MR CASTLETON: During this call we discussed the cash count for week 33?

A. Which call are we on now Lee?

E Q. No, sorry. I have gone back to your statement. Page 351, tab 53, paragraph 13.

A. I beg your pardon, can you tell me the tab again?

Q. Yes, of course I can. Its tab 53 in book 3, bundle 3, and it is 351 on the page numbers.

F A. Thanks. Yes, I'm there, which paragraph?

Q. Paragraph 13, sorry. Could you just refresh your memory of that?

A. Yes. I can read it through.

G Q. Okay. So we have just established then that I made no call into the help line for a call back. And you go on to say that you asked me, however, to immediately make good the shortfalls and complete a hardship form, setting out the details of my earnings and other relevant information to seek the Post Office's permission to make good the shortfalls by instalments payments rather than immediately.

H JUDGE HAVERY: What are you reading from? Oh, the very last (several inaudible words).

- MR CASTLETON: Yes. It is just the very last bit then, my Lord.
- A JUDGE HAVERY: Do you see that, the last five lines in paragraph 13. Would you mind putting the question again?
- MR CASTLETON: Sorry, my Lord.
- JUDGE HAVERY: All right.
- B MR CASTLETON: Do you still maintain that that call took place, even though it's not on the call list?
- A. Yes. I wouldn't have called to ring you other than just, you know, you had rung me or else I had rung you.
- C Q. Right. But there is no record of that call being made?
- A. Okay.
- Q. And in that call that you say that I was told to apply for a hardship loan.
- D A. That was my understanding, and I prepared, as I say, I prepared summary of the (several inaudible words), and that's what (several inaudible words).
- Q. Okay. Was the loan applied for?
- A. I don't know. That would be up to you to apply for.
- E Q. In paragraph 14 part of this phone call that took place where you go on to explain individual balancing.
- A. Yes.
- Q. And you explain that you felt that it was an important point, and -- could you explain to me what you had to do in order to implement individual balances?
- F A. Yes. Marine Drive is a two position branch, and therefore it has two computer systems, that worked as a joint ledger, as it were really. And to implement individual balancing what you would do is set each computer up as their own mini-Post Office, as it were, if that is easy to understand. Therefore, you would have to keep the cash separate for both machines, the stock separate, well everything separate and working two little entities, really.
- G Q. Yes. How many safes do we have at Marine Drive? Can you remember?
- A. One, and there is a coin one, I think --
- H Q. But we couldn't use the coin one for stock, could we?

A

A. No. But what you could do is to have done individual balances at different branches, is you would get some kind of file that you could actually seal with a clip or something, and you would keep your individual bits and pieces in the big safe, but separately.

Q. And you have made an assessment of that; you obviously went through all the ways that you could do that. You assessed how it would be done --

B

A. It was just one thing I suggested to you that perhaps you might like to try to try and pinpoint one of the (several inaudible words).

Q. And the call was not logged. If you turn over the leaf to 352 and in a further telephone call from yourself, I presume that is you contacting me directly, is it?

A. Well it could be either way, it could be either way (several inaudible words).

C

Q. Okay. I won't go into the fact that there was not a logged call there.

A. But did you never speak to me on the telephone that you can recall in these terms?

D

Q. Not at this point, but that's okay. We discussed the fact that we had had a further £2,500 shortfall, and we went through lengthy discussions on the daily workings of the office, and a copy of the cash account, signed by myself, as you point out, was brought into the conversation that the possibility that somebody might be taking the cash. Now again, there's no logged call here, but you claim to suggest (inaudible) carried out again individual spot balancing. Now this is the second occasion that this has been mentioned. Is there any form of documents, assessments, written letters, recommendations, anything that you need to complete in order to provide that service?

E

A. No.

Q. Nothing at all? It is just a pure suggestion?

F

A. A suggestion, you know, to try and help you to (inaudible). That was a suggestion from myself. Yes.

Q. Okay. And you say that I didn't take the suggestion up, because there was some more work involved?

G

A. Not work. Your branch didn't lend itself, which if you bring (several inaudible words) some things into suggestion (inaudible) that might be why (several inaudible words).

Q. And yet you still recommended that that would have been a way forward?

A. Well it would have been. I've helped other people do it.

H

Q. So --

A. It is quite, you know, if you want to really keep on top of what you have (inaudible).

A Q. I appreciate that, I appreciate that.

A. Yes.

JUDGE HAVERY: But would Mr Castleton have to have a second safe, for example?

B A. No, sir, he wouldn't. He could have got a -- you do have to keep the cash and stock separate for the two machines, but what you could have done is put it in some type of sealed container, a plastic wallet perhaps, with a clip, you know, that you can sometimes, that when you break the seal you know its been opened, and then they could go in the safe.

C MR CASTLETON: If we look down to paragraph 16, and 5th February, cash count week 45. The branch was actually £25 over, and again, cash account signed by Mr Castleton. However, the week ending 11th February there was a further shortfall of £1,500. Is that something you have taken from the cash account?

A. Yes.

D Q. Yes. By now, after just four weeks, the Marine Drive branch had a total of £8,243.10. What did you instigate from that point in order to get to the bottom of the losses? I mean, obviously it is very severe. I had obviously made numerous phone calls.

A. Obviously none of them to me.

E Q. But we have spoken on each and every week.

A. Yes. We have. What I did as far as that, I contacted the investigations team.

Q. Okay.

F A. To try and get some (several inaudible words).

Q. Okay. And did you (inaudible) formally?

A. I did it on the telephone.

G Q. And yet it is not on the log, it is?

A. But it is on my mobile phone; it's just on my mobile phone that's how I work (inaudible).

Q. Right.

H A. I contacted a gentleman called Paul Whittaker, and explained you know, what had been going on at the branch, and asked for some advice. In some cases they will

A

then take on the case, as it were really, but because you had obviously let me know about all the losses, he thought there was, it wouldn't (several inaudible words) case. They didn't want to take that on.

Q. Make a case for -- is that for --?

A. (several inaudible words).

B

Q. (several inaudible words), right. But I had been completely honest and --

A. Well you told me about the losses, yes.

Q. Yes. And again, you mentioned the hardship (inaudible). Had it been applied for even then?

C

A. Well just referring back to my notes here, I asked you whether you did obtain the form, and you said that you hadn't.

Q. Okay.

A. So I had asked you to get one.

D

Q. Okay. And then you go on to say that obviously you made a booking entry. Could you explain that to the court, please?

JUDGE HAVERY: Where is that?

E

MR CASTLETON: It's the following line, my Lord. We said we had not, and I told (inaudible) to get one, which was referring me to the hardship point, and then --

JUDGE HAVERY: The book entry?

MR CASTLETON: Yes, my Lord.

F

A. Its when you transfer, if you just continue reading, transferred the sum of £8,243.10 into the suspense account, so you would make, if you touched the screen it would make an entry.

Q. And that was done in week 14?

A. I would have to refer back to the cash in house, is that okay?

G

Q. Yes. I think you will find it in (inaudible) 47, 1047.

A. I've no reason to --

Q. No. I appreciate that, but --

H

A. Yes. If you look at the cash account 46 its still in the discrepancies table, which is just the rolling loss.

JUDGE HAVERY: What page are you looking at now?

A

A. I'm in bundle 9 on page 2663.

JUDGE HAVERY: Yes.

A. Just towards the bottom of the page where it says, "Discrepancies table," there is an entry of £8,243.10 with a square round it.

B

JUDGE HAVERY: Yes.

A. That is just an accumulation of losses if they are not made good, or -- and if you look on the cash account for the following week those have actually moved up into the authorised cash shortages.

C

JUDGE HAVERY: I follow.

A. Yes. So that's all I'm meaning there.

JUDGE HAVERY: Thank you.

D

MR CASTLETON: If you continue reading on, four lines from the bottom starts with, "By this time."

A. Yes.

E

Q. "I was very concerned and contacted the investigations team." Did you contact anybody else?

A. Well during the time I was speaking with my own line manager, but I've not made a note of how many occasions, but that was just (inaudible). And I also completed a request for (several inaudible words).

F

Q. Okay. There is no comment of the order you request in (several inaudible words)?

A. No.

Q. There is no. Is there a reason for that?

G

A. It would have either been on email or on my telephone records. I couldn't recall.

Q. So we have no copy of that occasion?

A. No.

H

Q. Did you progress the investigation yourself with anybody else in any other areas?

A

A. I'd have to refer to my notes. I know I did make phone calls, but I don't know what the chronological order would be.

Q. Okay.

A. And I asked you to contact Gyro Bank, Savings Bank, Chesterfield for outstanding errors.

B

Q. So each and every time that you are (several inaudible words) I appreciate you know of that anyway. Did you have a concern, it seems, I mean, that's just my opinion, I appreciate that.

A. No. I was very concerned.

C

Q. But throughout this whole period with £8,000, over £8,200 worth of losses put into a book account, £1,100 made good by myself, and yet nothing from yourself to show any contact with Fujitsu or anybody, there was no contact whatsoever. Is there a reason for that?

A. No.

D

Q. (several inaudible words) investigations team, there is no evidence of, there is no paperwork of. You have contacted the, your line manager, the person above you, which again we have no paperwork for, and you also made contact again with the audit team with no paperwork again. And yet, throughout all those contacts, with all the hours that we had spent talking over the phone calls (several inaudible words), you didn't take the matter further with anybody other than those people?

E

A. What would you have wanted me to (several inaudible words)?

Q. Fujitsu, or --

A. I had no reason --

F

Q. Somebody who could read, obviously, the balance snap shots, the final balances, somebody who could give me an answer to my questions that I was raising?

A. I did ask you to contact the helpline, because that would be your first point of call the helpline.

G

Q. Which obviously, the calls that I have (inaudible) as having been taken (inaudible), but this affair, my physical contact of it is yourself. And throughout this whole period you tell us about the calls you made, and (inaudible) passed and those sorts of things, and there is absolutely no (several inaudible words) paperwork, yet there is no mention of any calls to any of the service providers, or --?

A. No.

H

Q. Is there a reason for that?

- A. No.
- A Q. I put it to you Cathy, you didn't do it?
- A. I didn't do what?
- B Q. You didn't make any calls on behalf of the Marine Drive Post Office. You never sought to find a remedy to process the problems that occurred in those weeks. Is that true?
- A. We looked at the (several inaudible words), you have just said that I contacted the investigation team, and I talked to my line manager. But unless I go through and look at the chronological order I don't know if yet I have contacted Fujitsu.
- C Q. We will move on if we may, to 27th February, which is paragraph 18 on the same page 353. "I visited the branch again, and we discussed the losses shown on the various cash account figures." Is that true?
- A. To the best of my knowledge. Yes.
- D Q. I became stressed and angry and (several inaudible words) also upset. Could you understand why that was the case?
- A. Yes.
- Q. (several inaudible words) done.
- E A. When you say nothing done. I was giving you advice as to look, you know, how - - I was giving (several inaudible words) advices as to what to do. There wasn't anything physical I could do, except stand with you for the full week, was there?
- Q. And you couldn't organise anyone else that could do that, or could, looking at the balance snap shots and final balances you claim not to be able to read in order to give us answers to those questions that we were obviously raising?
- F A. But I did ask you. I said, "Is there anything that I can do? Are there any figures that are not ringing true," and you said, "No."
- Q. Is that what I said?
- G A. Well you couldn't show me anything that the computer had done, and you kept saying it is the computer --
- JUDGE HAVERY: Let her finish (several inaudible words).
- MR CASTLETON: Sorry. I apologise, my Lord.
- H A. You kept saying it was a computer problem, and then (several inaudible words) show me where the computer is changing a figure, or -- but you know, you had

A

streams of paper transaction (several inaudible words) at one point, and there we were sat there, and there was nothing on them that you could say, "Well yes, look its done (several inaudible words)."

Q. Okay. So again, you chose not to ring anybody, no further advice required on your behalf (several inaudible words) final balance or a balance snap shot.

B

A. (several inaudible words) go through what we did on 27th. We had talked through all the balances, you know, you were obviously upset, and we talked about (several inaudible words) normal things that could occur like, the Gyro Bank error notices, and there was still no error (several inaudible words), was there, to hand. Again, we were talking about the Horizon system helpline.

Q. Yes.

C

A. And concerned that it was working correctly.

Q. Yes.

A. And --

D

JUDGE HAVERY: Who is HSH?

A. Horizon System Helplines.

JUDGE HAVERY: Oh, I see. Okay.

A. Yes. Was there another question?

E

MR CASTLETON: (several inaudible words) reasons whatsoever other than, it's the computer. (inaudible) that period?

A. Yes. As far as I can recall, that's what you were saying, it was the computer system.

F

Q. Yes. So I just blindly said, it's the computer, and there was no, we had obviously been through, as you quite correctly state, reams of paper, and it turned up with nothing.

A. That's my recollection. Yes.

G

Q. Yes. So throughout all this period you have been the person that you have just told the court, cannot read a final balance, or a balance snap shot?

A. No. I said I don't understand the bit at the top.

H

Q. Oh, sorry. Oh, okay. Then you would have no understanding of the bits at the top, the final balance, the balance snap shot. You were quite happy with just to leave us with that there?

A
A
B
C
D
E
F
G
H

A. It wasn't that I wasn't doing, you know, I had made phone calls to the investigation team.

Q. None of them logged.

A. Well, it's just that I'm ringing them on my mobile (several inaudible words) get my mobile phone records from (inaudible) years ago.

Q. Cath, if you had made those calls you would have presented them in evidence today?

A. No. I don't need (several inaudible words).

Q. You explained about the paragraph 20, which actually passes over the page from 353 to 354, where you explain (inaudible) in, and taking balance snap shops prior to (several inaudible words).

A. Yes. I remembered that you had said to me that you (several inaudible words) on a certain day of the week when you were (inaudible) in, you stock, and I suggested -- and because you were doing that, and (inaudible) workings of the day it was quite difficult to know if anything had gone wrong, so I suggested that you might do that after you (several inaudible words) for the day, do a snap shot first, (several inaudible words) in, (several inaudible words) snap shot and just make sure all the figures hadn't changed where they weren't supposed to change.

Q. Okay. And did you look at that paperwork?

A. I didn't. No.

Q. You didn't look at that? You weren't interested in --?

A. No. It wasn't that I wasn't interested (inaudible), (several inaudible words) you could look at it as well as I can.

Q. Okay. And how long were you at the Post Office?

A. Nearly 25 years.

Q. And my contract lasted?

A. Why? Are you not aware of how long it lasted?

Q. (Several inaudible words).

A. Christine had worked in your branch for 18 years.

Q. Yes.

A. She used (several inaudible words).

- Q. So you never saw any of those balance snap shots?
- A. I'm not saying I didn't see any. I can't recall seeing the one where you did those snap shot (several inaudible words) snap shots.
- Q. Fine.
- A. Yes. We looked at lots of things, didn't we, in the branch?
- Q. And so on your behalf no calls to Fujitsu or HSH or helpline? Just (several inaudible words)
- A. If I can just refresh my memory of (several inaudible words).
- Q. Yes. Please do.
- A. My summary of events, if that's here, because I tried to do (several inaudible words).
- Q. (several inaudible words). Behind at page 373, 371.
- A. Yes. Thank you. I can't see anything in there, Lee.
- Q. Okay. So as I say, I am sure you would have mentioned in the notes --
- A. Yes. (several inaudible words) possibly, yes.
- Q. Yes. So (several inaudible words) then?
- A. Well I can't say for sure. I cannot remember (several inaudible words).
- Q. And you have not made notes, not in your notes. You were very concerned, I believe.
- A. I was. Yes.
- Q. Do you know what an audit form P242 is, Cath?
- A. No.
- Q. You have never seen one?
- A. I don't recognise the number, but if you show me one I might recognise it.
- MR MORGAN: (several inaudible words) copies. There is one for the court, which is the original. There is a copy for the file and one for the witness, one for Mr Castleton.
- MR CASTLETON: This is actually (inaudible) --

- A. Oh, right.
- A** JUDGE HAVERY: Is it (several inaudible words) form familiar to you, or not?
- A. No. It's not really.
- JUDGE HAVERY: Right, yes. (several inaudible words).
- B** MR CASTLETON: You are not familiar with it?
- A. No.
- Q. Do you preside over the handing over of offices?
- A. No. (several inaudible words).
- C** Q. Only (several inaudible words).
- A. I sometimes attend.
- Q. Okay.
- D** A. I don't do the paperwork.
- Q. You don't -- no, I appreciate that. So it's not a form that you have ever seen?
- A. I can't say I've never seen one, but its not one I'm familiar with or would complete. The auditors maybe have them with them.
- E** Q. Have you ever seen one from March 23rd from Marine Drive? On 23rd March, obviously the auditors arrive.
- A. Yes.
- Q. It's around 08.00 in the morning, and the (inaudible) I would imagine you knew (inaudible) a call from the auditors to yourself. Is that true?
- F** A. No.
- Q. No. Fine. Did you know that prior to that?
- A. Yes.
- G** Q. Right. And what time were you asked to attend the office?
- A. Approximately after lunch, maybe half one, something like, maybe two.
- Q. Was I there?
- H** A. When I got there?

- A Q. Yes.
- A A. I can't remember exactly, I believe so.
- Q. So you obviously went through the details of the previous 12 weeks with Mrs Rose, the auditor?
- B A. I can't remember if we did on that day.
- Q. Right, okay. Would you rely on the report that she produces?
- A. (inaudible) rely on.
- C Q. On the report that she produces, you know, the audit report, or would you rely on a phone call (several inaudible words), or another email, or, how would she report her findings (several inaudible words)?
- A. The morning I went to the branch I went into the secure area, and she told me what the (inaudible) balance was at that point.
- D Q. Right. Yes. And that's the only contact that you had --?
- A. And then I would receive an audit report after the (several inaudible words).
- Q. You would receive the audit report? I see --
- A. Yes.
- E Q. Okay, and at that point you telephoned Leslie Joyce, the contracts manager?
- A. (several inaudible words) not at that point.
- Q. No.
- F A. It would be from the day after the suspension, because I would need to get a letter out to you, and she would (inaudible) on my behalf.
- Q. Yes. And the suspension was for my (several inaudible words)?
- A. You are the sub-Postmaster. Yes.
- G Q. That's fine. I'm just clarifying. And a temporary sub-Postmistress --?
- A. The first one was Ruth Simpson.
- Q. And how do you know Ruth?
- H A. She is also a sub-Postmaster.

- A Q. From?
- A. From (several inaudible words) in Hull.
- Q. And you only know her through work?
- A. Through work. Yes.
- B Q. And how did you contact her?
- A. Telephone.
- Q. Telephone. And did you have her name on a list, or did you have to ring the helpline to contact (several inaudible words) or --?
- C A. No. Ruth, I thought a lot of (several inaudible words) Ruth on her branch she had done, you know, really well, and she was my first. I rang her and asked whether she would be willing to come and (inaudible) the branch.
- Q. So it is just purely from (several inaudible words)?
- A. (several inaudible words). Yes.
- D Q. Yes, okay. And did you speak to her on the evening of 24th March?
- A. 24th would be the next day?
- Q. The first chance, yes.
- E A. I (several inaudible words) texting me just to let me know how the branch was run.
- Q. And she never mentioned anything to do with the lottery either in a text or in conversation?
- F A. Not to my knowledge.
- Q. Okay. And just to clarify again where you -- obviously, Ruth Simpson had already clarified to ourselves that at some point in the afternoon she took control of the office by, signature, I presume?
- G A. Well again, I would leave that down to them auditors. Ruth arrived probably quite late into the afternoon.
- Q. Yes. (several inaudible words).
- A. Yes. And then the auditors would transfer the cash and stock to Ruth. I wouldn't get involved in that.
- H Q. In that transfer she would take the keys?

- A. Yes. She would take the keys.
- A Q. She would put everything away in the safe, would she?
- A. She should do. Yes.
- Q. And she would change (several inaudible words)?
- B A. I think you did that with her, didn't you?
- Q. No, I didn't. She (several inaudible words).
- A. (several inaudible words).
- C Q. Okay. So the alarm was changed at some point?
- A. I think so. Yes. I can't remember really, but I think so.
- Q. A whole (inaudible) of things would have been done?
- A. They should have been. Yes.
- D Q. So nobody else had any access to the office after that point on 23rd March?
- A. They shouldn't have done. No. That would then be her responsibility. Yes.
- E Q. Okay. Would you turn to tab 61, 8500 for me, please? Do you know what that is?
- A. I don't know. I'm just trying to read it.
- Q. Ah.
- A. No. What?
- F Q. You don't know. No. This is a document given to me by Mr -- sat in Mr John Jones's evidence, and if you just flip two pages forward at 502 you will see an error (inaudible). Have you ever seen a document like that?
- A. No.
- G Q. You've never seen an error notice?
- A. I've seen an error notice, but that's a statement of outstanding debt.
- Q. Okay. Can you confirm the first other errors on 17th March 2004 for me, please? (several inaudible words).
- H A. Sorry, where am I looking? I'm on page 502?

- A Q. Yes. If you look at other errors, which is (inaudible).
- A A. Oh yes, sorry. (several inaudible words), yes. Other errors?
- Q. And the first line we have got 17th March 2004, automated product and that is £1,256.88?
- B A. Yes.
- Q. What are automated products?
- A. They are plastic card payments that customers would come in and make a payment on a plastic card. They are like a utility bill, or a TV licence, or --
- C Q. All kinds of different things?
- A. Yes. All kinds of different things.
- Q. All the same sort of scenario?
- A. Yes. All kinds of plastic swipe cards.
- D Q. Okay. Can we turn back to 500 please? Do you know what third column? It is the only column there with everything in --
- A. What, the EAS UP?
- E Q. Yes. Do you know what that is?
- A. No.
- Q. You don't. Could you tell me what date that that line was transacted?
- A. 13th May.
- F Q. Okay.
- JUDGE HAVERY: Well that is what it says, but it is not in your own knowledge at all, is it?
- G A. Well no. (several inaudible words) reading from this document.
- JUDGE HAVERY: No. (several inaudible words).
- MR CASTLETON: Okay. So can we (several inaudible words)? If we can go back to the calls log, and --
- H A. Is that another tab?

- A
- Q. Yes. It is page 319. (several inaudible words).
- A. Same book?
- Q. Yes. Same book, tab 48, page 319.
- A. Yes.
- B
- Q. And this is just a representation of the actual call log for helpline, yes?
- A. That's what it looks like. Yes.
- Q. Yes. And if we -- in these calls these are relating to NBSC, is that correct?
- A. I don't know.
- C
- Q. You don't know?
- A. Well I don't know what I'm looking at really. I'm just looking at a log of calls.
- Q. Okay. So is there any other --
- D
- A. There is two helpline numbers.
- Q. Two.
- A. The Horizon system helpline and the NBSC.
- E
- Q. So what would be dealt with on this particular helpline?
- A. This is the NBSC, is it?
- Q. Yes. NBSC, yes.
- F
- A. Well anything really, but I suppose (inaudible) wanted to ring up and ask. It could be anything from, "Can you tell me a phone number, a transaction that didn't come through, or help with the balance." You know, anything, absolutely anything that you didn't know that would be your first point of call, and they would try and sort it out and help you.
- Q. So are there any other help lines?
- G
- A. There is the Horizon System Helpline.
- Q. Okay.
- A. That if you were having problems with your Horizon system --
- H
- Q. The Horizon system itself.

- A. Or the software, the hardware, you know, piece of kit, or --
- A Q. Yes. That looks like (several inaudible words).
- A. Yes.
- Q. And you would obtain that directly, or do you have to go through a new (inaudible)?
- B A. I can't remember to be honest.
- Q. (several inaudible words). No, that's fine. So could you go to book 12, and tab 16? I think it will be behind you actually, its folder 120.
- A. Thank you.
- C Q. So these are --
- JUDGE HAVERY: What are these?
- MR CASTLETON: These are the Horizon, HSH help desk, my Lord.
- D JUDGE HAVERY: They are records of calls received at the HSH help desk. Is that right?
- MR CASTLETON: Yes, my Lord.
- JUDGE HAVERY: Right. Are there any here that relate to the particular (several inaudible words), Mrs Simpson (inaudible), page 4148 I see.
- E MR CASTLETON: Could we go to page 4147, my Lord.
- JUDGE HAVERY: Right. Yes, you are the caller apparently, Mrs Oglesby, on page 4147. Do you see that, about the second section of boxes?
- F A. Oh yes.
- JUDGE HAVERY: Yes. What is the question Mr Castleton?
- MR CASTLETON: In the problem text, can you see, there is the long box, third box down? It starts with ROM states.
- G A. Oh yes.
- Q. If you just have a quick read through that.
- JUDGE HAVERY: Who is RLM?
- H A. Me. I am.

JUDGE HAVERY: Do you know what RLM is?

A Retail line manager.

JUDGE HAVERY: Ah. Well the first question, does that ring a bell?

A. No, not particularly, but I've no reason to doubt it.

JUDGE HAVERY: No. But what place is this referring to? Is this in your own post office (inaudible)?

MR CASTLETON: In the top right-hand corner, my Lord, it says, "Affected site, (several inaudible words)."

JUDGE HAVERY: Oh, that (inaudible). We are now talking about --?

MR CASTLETON: 213337, my Lord.

JUDGE HAVERY: Thank you. When it says, "The (inaudible) was (inaudible)," does it mean swapped, I wonder?

MR CASTLETON: I presume it does, my Lord.

JUDGE HAVERY: How do you read that, do you read that the same way?

A. I (several inaudible words), yes.

MR CASTLETON: It certainly was swapped at that time, my Lord.

JUDGE HAVERY: It could have been wapped as well, by the (several inaudible words) of it.

MR CASTLETON: It should have been, my Lord.

JUDGE HAVERY: Yes. Well you say, you do not seem to have a clear recollection of this, but it is a rather important point, is it not. Did you think there were discrepancies in the system?

A. Well Lee had told me that this is what he thought, since the base unit had been swapped, well it says February there, but I'm not sure that it was February, and so I was trying to chase that up and ask them to have a look --

JUDGE HAVERY: I follow. Do you know what answer they gave?

A. That there was nothing wrong with the system.

JUDGE HAVERY: Right.

MR CASTLETON: Can I just clarify one point, my Lord. Throughout all of these calls, which (several inaudible words) at no point during the 12 weeks I constantly

A

badgered everybody that I could possibly contact, including yourself, which I am sure you will agree, did you ring HSH. Yet on 19th April, almost a month after I came out of that office you ring the HSH helpline, and in your own words, "RM states she thinks there is something wrong with the system, and wants the system to be checked from our end." At no point prior to that did you ever make that call, ever.

B

JUDGE HAVERY: You take that as a question, do you agree that you did not before then?

A. If the call log states so, I can't recall --

JUDGE HAVERY: Did you think there was something wrong with the system?

C

A. No. I was just asking for a check. I don't know whether they've typed that word-for-word, or I would have just said, "Look, there could be a problem with the system, can you check it for me."

JUDGE HAVERY: And going down it says, "RM wants the system checked as there have been discrepancies," and it says (inaudible) text as well.

D

A. Yes.

JUDGE HAVERY: Was that referring to the -- re Mr Castleton's figures, or something else?

A. That would be Mr Castleton.

E

JUDGE HAVERY: I see.

MR CASTLETON: You never made that call in the time period up to 23rd March?

F

A. Well if the call log is saying that, then it --

Q. And then -- so (inaudible) after, nothing changed, but you made the call to say that you felt that something was wrong with the system?

A. Well I thought I had made them earlier, but I can't dispute what you're saying with the call log.

Q. There were no problems in the branch from me coming out.

G

A. Not a far as I'm aware. Just a few, a few little bits and pieces (inaudible).

Q. Okay. So nothing changed after I came out.

A. What do you mean, nothing changed?

H

Q. Well, nothing was wrong, sorry, I apologise. Nothing was wrong in the branch?

A

A. The only, you know, when you were really upset and I came in and I suspended you, I said, "Look, lets just change the people and keep the equipment the same and see how things go," which is what you wanted as well. Shall I put this one back Lee, yes?

Q. Yes please, do, yes.

JUDGE HAVERY: Just a moment, before you put it away.

B

MR CASTLETON: Sorry, my Lord.

JUDGE HAVERY: Would you mind opening it again at page 4147?

A. Yes, sure.

C

JUDGE HAVERY: Do you see about halfway down the big box at the bottom it says, "Call failed SLA, because power (inaudible) froze twice, and the RNM kept asking more questions." Can you clarify that, do you know what SLA means?

A. Service Level of Agreement, but I'm not sure where you are looking.

D

JUDGE HAVERY: Well just more than halfway down, the big box at the bottom. It is the third item headed, "Information (inaudible) 19th April."

A. I could only guess as to what it means. I don't know what it means.

JUDGE HAVERY: Well what is your guess?

E

A. I think they are meaning the call, I think they have a Service Level Agreement with the length of time that they take to answer a call, or something like that with it being a call centre.

JUDGE HAVERY: Oh, I see.

F

A. And I think the same, the call will fail, they must have a time limit, or probably because I was asking them things. I'm only guessing. I don't know what, "Power help froze," (several inaudible words).

JUDGE HAVERY: Right. Thank you. Do you recall being advised, I am now looking at the bottom two lines of the same box.

G

A. Right.

JUDGE HAVERY: It says, "Advised that events were normal and health check power." First of all, do you recall being given that advice?

A. I can't recall this particular call. No.

H

JUDGE HAVERY: No. Very well.

- A. Is that okay.
- A JUDGE HAVERY: Yes.
- MR CASTLETON: Have you ever worked on the counter?
- A. A long time ago.
- B Q. (several inaudible words)?
- A. Yes, yes.
- Q. That's fine.
- A. Prior to (several inaudible words), prior something else.
- C Q. Do you ever get involved in the daily workings of an office when you go to visit, do you have any problems?
- A. Very occasionally I might try and help them something just from my own knowledge.
- D Q. Okay, thank you.
- A. I normally tell them to try and ring the helpline.
- E Q. So throughout the whole of this period, the 12 weeks of losses, various things, you say, occurred that there are no hard copies of the paperwork, no (several inaudible words), no call logs, nothing to say that you actually put into place some measure that you could have put into place. Is that true?
- A. Well, I (several inaudible words) here.
- F Q. And almost a month after I had given power of the office I would never passed to HSH anything, any query of problem, or anything on my behalf having told me to do it myself, you ring HSH and you state that you feel there is a problem with the computer causing discrepancies. Did anything change from 23rd March to 19th April in your opinion?
- A. No.
- G Q. Nothing changed whatsoever, nothing prompted that call?
- A. I can't remember Lee.
- Q. You can't?
- A. No.
- H Q. You do not believe that anything changed?

A. Well the balances were okay when they were with Ruth, and they were okay with Greg, and that would be round about that time.

Q. It was just after that; Greg came (inaudible) on 21st April (several inaudible words).

A. Right.

Q. So throughout this period nothing that occurred had changed anything in your opinion --?

A. Oh, I know there was some -- the computer crashed (inaudible) and things like that.

Q. Right.

A. I can't recall all, you know if you tell me what you're trying to --

Q. I'm just asking just to clarify (several inaudible words).

A. Not that I can't remember.

Q. There's nothing (inaudible)?

A. No.

Q. In your evidence you produced a list of all the things that you used with respect to the decision made on my termination.

A. Okay.

Q. Who (inaudible) that list of things as obviously (inaudible) the paperwork for, which I presume was produced by --

A. Show me where you're looking and I will --

Q. It's in the very front of the book you have a, of any of the books there should be a list of all the documents pertaining to the case. If you have a look on the third page of that listing, eight pages, pick out primary documents and all accounting (several inaudible words), and its tab number 77 (several inaudible words) particularly look at. I don't need to look at that particular item, I just want to question as to you have got four handwritten sides of A4 paper marked, CO week number listing weeks 34 to 42, and nothing and 1 to 3, prepared by Catherine Oglesby.

JUDGE HAVERY: Just a moment. What is the question?

A. Can I have a look at it?

MR CASTLETON: You can have a look at it. Go on.

A JUDGE HAVERY: This is just the contents page.

MR CASTLETON: It is my Lord, yes.

JUDGE HAVERY: What is the question?

B MR CASTLETON: Well there is no paperwork for the whole of the period (inaudible), my Lord, from Mrs Oglesby's own workings out.

JUDGE HAVERY: I see.

MR CASTLETON: She has not released those A4s, for whatever reason, into the court, my Lord.

C JUDGE HAVERY: You say the contents are wrong, the page (several inaudible words)?

MR CASTLETON: No, my Lord. She has not -- it has not been released into evidence, my Lord.

JUDGE HAVERY: 2302 are you on.

D MR MORGAN: My Lord, I think that is a bit of an assumption. Perhaps Mr Castleton might do me the courtesy of asking us whether the paperwork exists before he says it has not been released.

MR CASTLETON: Okay.

E JUDGE HAVERY: Well what paperwork are you referring to other than what is shown on 77 here, Mr Castleton?

MR CASTLETON: From weeks 34 to 42 Mrs Oglesby prepared a cash account week analysis, I presume. Is that correct Mrs Oglesby?

F A. I don't know what it is unless --

Q. Oh, we can go to it, it is book 8, tab 77, page 238.

JUDGE HAVERY: (several inaudible words).

G A. Okay. All these handwritten notes? I think they are just extracts from my notepad. I will just have a read through.

MR CASTLETON: Yes.

A. What they look like is, I telephoned Chesterfield and I made some notes whilst I was talking on the phone to them.

H Q. Okay. Sorry, I'm just (inaudible). Is that this 2382?

A
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H

A. No, 2386.

Q. (several inaudible words) last, it is before the last one, 2382, tab number 77 it should be.

A. Oh yes.

Q. Have you got them?

A. Yes. They are just my own handwritten. There was cash account running from 34 with the (inaudible) in there.

Q. (several inaudible words) 32 --

JUDGE HAVERY: So what is the question, Mr Castleton?

A. I don't know.

MR CASTLETON: My Lord, I just would like to know why weeks 42 to 01 are missing from our workings out there.

JUDGE HAVERY: Well they are not, are they?

A. They are not.

JUDGE HAVERY: They are there, it is the index that is wrong not the contents --

A. This is my own --

MR CASTLETON: Sorry, (several inaudible words).

JUDGE HAVERY: Have you got 2382, bundle 8, tab 77.

A. They are just my own workings out, Lee.

MR CASTLETON: (several inaudible words).

JUDGE HAVERY: (several inaudible words) 43 to 52.

MR CASTLETON: That is the point, sorry, my Lord. I apologise. I misread (several inaudible words).

JUDGE HAVERY: Very well. (several inaudible words).

MR CASTLETON: That's fine, my Lord. Thank you.

FURTHER EXAMINED BY MR MORGAN

MR MORGAN: Mrs Oglesby, I think Mr Castleton is suggesting to you that he does not have your mobile phone number.

A

A. It seems like that.

Q. Yes. Would it help your recollection if you were to look in bundle 8, page 2453?

MR CASTLETON: My Lord, just to clarify, that's not what I said, my Lord. I did not, not have Mrs Oglesby's --

B

JUDGE HAVERY: Leave it now. That is just comment.

MR CASTLETON: Okay. I apologise.

MR MORGAN: Do you see there at page 2453 behind divider 88, tab 88, letter from Mr Castleton to Mr (several inaudible words)?

C

A. I do. Yes.

Q. And if you look about halfway down the page you see, "Colin, I rang Cath today"?

D

A. I do now.

Q. Does that assist you with your recollection of whether there were phone calls?

A. To be honest, I spoke with Lee several times, and I cannot recall whether Lee rang me, I rang Lee. I would have thought Lee would have my mobile number

E

Q. Well now (several inaudible words) question of the support that you were meant to be providing Mr Castleton?

A. Yes.

Q. With whom was a sub-Postmaster meant to raise issues about the Horizon system?

F

A. To the helpline.

Q. Which helpline?

A. That would depend on the problem. There are two helplines, and if he rang either they would assess the problem, and make sure he was in touch with the right one.

G

Q. And could you help the court, what does NBSC stand for?

A. National Business Support Centre.

H

Q. And what calls are they likely to deal with?

A

A. Transaction amounts, anything. As I said to Lee earlier, it could be absolutely anything. If they didn't know something, ring them and they would try and help.

Q. And by whom was NBSC rung by?

A. I'm not sure who it was rung by. It is a call centre (several inaudible words).

Q. Do you know by whom the Horizon system helpline was rung?

B

A. I've only Fujitsu.

Q. Finally, Mrs Oglesby, you were asked about why you made a call to the helpline to check the computer in April 2004. Could you look please, behind your witness statement in bundle 3 at tab 54, and turn to page 391? First of all, do you see it says there, "(inaudible) interview 10th April 2004." Could you tell the court what that is?

C

A. Yes. That's the reasons (several inaudible words) that Lee was invited to offer his explanations as to why his contract should not be terminated.

Q. And could you look down the page to just by the second hole-punch on the left-hand side, and do you see there a passage beginning, "CO went on to discuss actions she had taken"?

D

A. Yes.

Q. Could you tell the court, who is CO?

E

A. That's myself, Cath Oglesby.

Q. And what actions had you taken?

A. Asked for a system check twice and then (several inaudible words) although when Lee was asking me I couldn't remember the chronological order these notes were taken at that time, and I've been told that everything was okay with the system.

F

Q. Why did you ask for a system check?

A. Because Lee continually said that it was the computer that was at fault, and I wanted to try and support him.

G

Q. Sorry, you wanted to --?

A. Support him, and try and help him.

Q. Mrs Oglesby, I have no further questions, but maybe the learned judge has.

H

JUDGE HAVERY: I did not hear that.

MR MORGAN: It may be the learned judge has some questions. I do beg your Lordship's pardon, my voice dropped slightly.

A

JUDGE HAVERY: Yes. I have -- just one moment.

Yes. Could you turn to page 358 of your own statement in bundle 2(?), tab 53?

A. Yes.

B

JUDGE HAVERY: If you look at paragraph 35, this is actually a transaction you had of Mr Booth, who was a successor -- I think -- of Mr Castleton, and I wonder if you could explain the technicalities. You say in line 5, "I asked Mr Booth to put £100 into the shortages line on the suspense account. First he ran an office snap shot, then he placed the £100 into the account, then he rang a second snap shot, and a suspense account report. During this time the same Horizon kit was still being used by the assistant. The £100 was in the correct place, and the cash figure on the snap shot had changed by £100. What I am really asking you is to explain that. I can give you the reference to the documents, because someone has helpfully written them in. I think the first document is this very bundle at page 597; in fact, they are all in this bundle.

C

A. My Lord, if you go back to paragraph 34, the paragraph before that.

D

JUDGE HAVERY: Yes, certainly.

A. The reason I did that with Mr Booth, was because Lee contacted me and said that he found a large amount of the losses, and he was (inaudible) saying that the suspense account had doubled the figures, and therefore I rang Greg and I asked Greg to carry out this, like, test, to make sure that the suspense was acting in the normal way.

E

JUDGE HAVERY: Yes. What I am asking you to do is explain to me how that satisfied you that the system was (inaudible)?

A. Right. Where do you want to go to --?

F

JUDGE HAVERY: 597, I think it is. Really, it is from 597 to 602.

A. Right. I said to Greg, "If you put £100 in the suspense account," but I asked him to run a snap shot first.

G

JUDGE HAVERY: Yes.

A. So if you are looking at page 597 the snap shot there, and at 10.22 in the morning.

JUDGE HAVERY: Yes.

H

A. And so, Greg put £100 in the suspense account.

A
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JUDGE HAVERY: That is after 10.22, (inaudible) after, its not (inaudible) on 597 and 598. Is that right?

A. So that was just a snap shot prior to doing anything, to sort of, give you a starting point.

JUDGE HAVERY: Pause a minute I will make a note.

A. Yes.

JUDGE HAVERY: Yes.

A. So if you just note on there the cash amount that the system thinks it has got is £41,777.87.

JUDGE HAVERY: Yes.

A. So that is like, the snap shot at 10.22.

JUDGE HAVERY: Yes.

A. Then Greg placed £100 into the suspense account.

JUDGE HAVERY: So this is 599 we are looking at?

A. Yes, sorry.

JUDGE HAVERY: All right.

A. Between (inaudible) 600 --

JUDGE HAVERY: Just pause a moment, I have got 599 here. Yes, 600 then.

A. On 600 there is an asterisk in the right-hand column with £100 entry there.

JUDGE HAVERY: Oh yes, yes.

A. That is the £100.

JUDGE HAVERY: That is the £100.

A. But it's like a fictitious amount. He just put £100 in there. But if you look at 599, the cash now at the top of the balance.

JUDGE HAVERY: Yes.

A. Its changed --

JUDGE HAVERY: But not by £100 has it?

A. Well we were still serving customers, so if the branch had been closed it would have been exactly the £100, but we were still serving customers.

A JUDGE HAVERY: So what you are saying is that 41,665 would have been 41,877, would it, but for the customers, is that right?

A. No. The previous £41,777 would have gone to £41,677.

JUDGE HAVERY: Oh, I see.

B A. But because he was serving there was some other money, so it went to 65.

JUDGE HAVERY: So about £12?

A. Yes.

C JUDGE HAVERY: Yes.

MR CASTLETON: My Lord, if you look at 568 that is (several inaudible words).

JUDGE HAVERY: Thanks for that, but if you just wait a moment. So what is the next thing we are looking at?

D A. So then that was all he did at that point in time, entered it into the suspense account.

JUDGE HAVERY: Oh, I see, he did not take it out again?

E A. No, no, not at that point. I think this would have been a Monday or a Tuesday, prior to the Wednesday balance, I don't know what 5th May was, it would have been a Monday or a Tuesday, perhaps.

JUDGE HAVERY: I see.

F A. Then I asked him to balance on the Wednesday, leaving everything as it was.

JUDGE HAVERY: Yes. So where do we find that?

A. So that then we need cash for the next cash account, do we not? I'm not sure where the cash accounts are.

G JUDGE HAVERY: (inaudible), are they not?

MR MORGAN: 85.2.

JUDGE HAVERY: 95.2 (several inaudible words). Thank you. We are going back in this bundle to find 502.

H A. All right. Yes, so week 6, cash account there, you will now £100 in an authorised cash shortages, which is actually the suspense account. That is where he has put.

JUDGE HAVERY: Ah.

A A. And it has made £103 over, well £100, it would have been £3.11 over surplus, but by moving that £100 (inaudible) it made him £103,11, because it is just a fictitious sum we have now got.

JUDGE HAVERY: But this does not really prove anything, does it, because he has put £100 in, and we see the fourth one, 777 has gone down to £41,665.

B A. Then when he balances after that the £100, it has made him £100 surplus, that's what it's done --

JUDGE HAVERY: Well you say it has made him do that.

C A. Well that's what this means.

JUDGE HAVERY: How long did he have that surplus?

A. Well, I had asked him how it was balancing, and he said there was a couple of pounds (inaudible).

D JUDGE HAVERY: And one of my hates, because it is assuming this thing is working.

A. Well then what he did after he balanced on cash account week number 6, I think on the Friday, or later on in that week we then removed the £100 from the suspense account, and it had the opposite effect.

E JUDGE HAVERY: Now can you help me on that. That is (several inaudible words).

MR MORGAN: It is page 603, my Lord.

JUDGE HAVERY: 603, right.

MR MORGAN: Let us look at the (inaudible) stuff.

F A. So again, the snap shot before anything was taken out of the suspense account, the cash was showing at £40,481.

JUDGE HAVERY: Yes.

G A. The snap shot after --

JUDGE HAVERY: And then 605.

A. Again, if you look at the times he was actually serving customers during that point, so from quarter past two to twenty past two there were still customers in there, so the cash has then increased.

H JUDGE HAVERY: So but for that it would be 40581, is that right?

A

A. Yes. That's right. And then the balance for number 7, you have got week 7 --

MR MORGAN: 571.

JUDGE HAVERY: I have (several inaudible words), that is page 606, is that right?
Halfway down the right-hand column, am I right?

B

A. You are. Yes.

JUDGE HAVERY: The slight problem with this as a proof or anything, is that the system would have gone on all the time?

A. Yes, it was, because the system is there all the time, well not all the time, there are customers there.

C

JUDGE HAVERY: Well, I mean, one could check now, but the arithmetic on these things is correct.

A. Ah yes, because I didn't --

D

JUDGE HAVERY: Because of what they are showing.

A. Yes. (several inaudible words).

JUDGE HAVERY: Yes, yes. Thank you. I think that answers that one.

E

But it is not quite right then, when you say the cash (inaudible) on the snap shot had changed by £100?

A. Well that was more than or less.

JUDGE HAVERY: Because it is marginally different, because --

F

A. Because of the customers (several inaudible words).

JUDGE HAVERY: We are talking about five minutes. You cannot really tell (inaudible). Could have been a payment out of £100 to a customer, pensioner or something. It could go in five minutes.

A. Yes.

G

JUDGE HAVERY: That is (inaudible), thank you.

And then, would you mind going on to page 362 of your witness statement, page 53 to the first four lines of that?

H

A. Which page, my Lord?

JUDGE HAVERY: I am sorry, page 362, paragraph 50.

A. Paragraph 50, yes.

A

JUDGE HAVERY: Yes. The second sentence, or the third sentence and the second line, "The figure declared for cash on the system does not match the physical amount of cash he had in his office -- we are now back to Mr Castleton again. This shows that there was an actual loss rather than a completely different problem." Now can you explain that? I do not quite follow the logic of why that shows that there was an actual loss rather than a computer problem?

B

A. When I -- from the snap shot, the snap shot tells you in the beginning the amount of money that the computer thinks you should have in your branch for a perfect balance.

JUDGE HAVERY: Yes.

C

A. Therefore, if you look at your snap shot, and then count your memory, you should be somewhere near that amount to be balancing.

JUDGE HAVERY: Yes.

D

A. If you are a long way off then you are not (inaudible) balancing. That's what that means.

JUDGE HAVERY: But that is assuming that the computer has not got a problem (several inaudible words), does it not?

A. Well it is a double-entry --

E

JUDGE HAVERY: Well this is all printed out so you can check it manually anyway, all the figures are checked.

A. Yes, you can check -- that is what they do on a Wednesday when they balance. They physically count the money. They count their stamps --

F

JUDGE HAVERY: Yes, I see. So these things you have shown me at 600 and thereabouts, we need not look at them again, these are things which are all capable of being checked manually anyway.

A. Yes.

G

JUDGE HAVERY: Yes, I see, and if they all add up then that is the end of it?

A. Yes.

JUDGE HAVERY: Yes. Thank you. Any questions arising out of that.

FURTHER CROSS-EXAMINED BY MR CASTLETON

H

MR CASTLETON: My Lord, can I just refer back to page 571, please?

JUDGE HAVERY: Yes.

A

MR MORGAN: (several inaudible words).

JUDGE HAVERY: Yes.

B

MR CASTLETON: In the top column there, my Lord, that is when the £103.11 is being taken out from the final balance of the following week, this was the -- the question that was raised throughout, or has been raised repeatedly from this point -- the balancing with the rise in both shows that in order for a further loss to have occurred the discrepancy shortage must show an increase of above the amount in the (inaudible), which is the line above, my Lord.

JUDGE HAVERY: Yes. (several inaudible words), what, £20,432?

C

MR CASTLETON: Yes, my Lord.

JUDGE HAVERY: Yes.

MR CASTLETON: If you look at the final balance in week 49.

D

JUDGE HAVERY: Just a moment. Week 49 is 4th March, is it not?

MR CASTLETON: Forgive me, my Lord.

JUDGE HAVERY: Page 571 is 13th May.

E

MR CASTLETON: Oh yes, my Lord, but this is a comparison between the two. This is an occurrence that happened --

JUDGE HAVERY: Yes. Just a minute.

MR CASTLETON: Which is --

F

JUDGE HAVERY: What should we be looking for? Are you looking for --

MR CASTLETON: Its book 9, my Lord.

JUDGE HAVERY: I am sorry?

G

MR CASTLETON: Book 9, my Lord, tab 49.

JUDGE HAVERY: Yes.

MR CASTLETON: And I believe -- I know that I have seen the discrepancies on numbers in that book, but I believe it is 2993.

H

A

JUDGE HAVERY: 2993. No, no, that is not in book 9. It may be in 10. 2993 is volume 10; tab 49. That may be what you want. That is dated 4th March. This is the thing you really want to compare with 2174, is it not?

MR CASTLETON: Yes, my Lord.

JUDGE HAVERY: Right, now what is the point you want to make?

B

MR CASTLETON: Well in this you will see there is a book (inaudible) for £3,509.68, which is actually on 2994, the following page.

JUDGE HAVERY: Just pause a moment. Whereabouts is that?

MR CASTLETON: It's about a quarter of the way down, my Lord. You will see other payments loss 2A.

C

JUDGE HAVERY: £3,509.68.

MR CASTLETON: Certainly, my Lord.

JUDGE HAVERY: Yes.

D

MR CASTLETON: That book entry does not show in the same light as it does on 571. It still shows as a shortfall (several inaudible words) --

JUDGE HAVERY: So go back to 571.

MR CASTLETON: It is slightly different. It is has got £3.08 discrepancy difference.

E

JUDGE HAVERY: Well just one moment. This is 4th March 2004, 2994, and this is 13th May 2004 at 571.

MR CASTLETON: That's right, my Lord. This is the comparison that Mrs Oglesby instructed Mr Booth to do.

F

JUDGE HAVERY: Well you tell me what is your point, and then we (inaudible) differences. What is your point?

MR CASTLETON: My Lord, in the top line of the discrepancy order, and the bottom line in the shortage, if you compare the two, having put a book entry into 2A, unauthorised -- or authorised, should I say -- account of £3,509, it should appear on that top line. In the discrepancy shortage --

G

JUDGE HAVERY: 3509?

MR CASTLETON: Yes, my Lord. 68 --

JUDGE HAVERY: That sum of money on page 2995.

H

MR CASTLETON: That's right, my Lord, 2994.

JUDGE HAVERY: Yes.

A

MR CASTLETON: We made that book entry, but it does not appear as it does on 571.

JUDGE HAVERY: Well why should it. The one we have been looking at is 4th March 2004.

B

MR CASTLETON: Yes, my Lord. It is a comparison between how the system itself works, my Lord. The same procedure --

JUDGE HAVERY: I do not see your point at all. Say it again, will you?

MR CASTLETON: Right. The £100 on 571 was placed into the suspense account, my Lord by Mr Booth.

C

JUDGE HAVERY: Just a moment. I have not yet seen the £100 on 571.

MR CASTLETON: You will see in the top line it is £103.11, my Lord.

JUDGE HAVERY: Yes.

D

MR CASTLETON: Which is the over, which is turning to the book entry in other payments on the following, on 574, my Lord.

JUDGE HAVERY: Other payments is £100, is that it, the last 2A out?

MR CASTLETON: Yes, my Lord.

E

JUDGE HAVERY: £100.

MR CASTLETON: So in the shortage column, the following column below, you have a discrepancy of £204.32, leaving a balance of a shortage of £101.21.

JUDGE HAVERY: Yes.

F

MR CASTLETON: So you have made a book payment which shows in the office records for 574, and then you have reinstated that book to clear away the loss. But if you compare that entry to 2993 in the other book, my Lord.

JUDGE HAVERY: Yes.

G

MR CASTLETON: You made a book entry of £3,509.68, which does not clear on that column above. Balancing with a rise in the handbook that aided you in your working through the system, states that in order for the £3,512.26 loss to have occurred in that week, it would have had to have shown £7,100 odd, double the amount, my Lord, because a book entry was placed, but then taken away.

H

A

JUDGE HAVERY: What you are saying is, I think, is first of all we look at 2994 and 2993, and you are saying on other pages the loss of £3,509.68 ought to appear as the discrepancy (inaudible), is that right?

MR CASTLETON: It is an over, my Lord, because you have placed it into the suspense account, and it should negate the shortage of prior weeks, which is £3,509.68.

JUDGE HAVERY: But it just says, "Other payments £3,509.68."

B

MR CASTLETON: That is the book entry, my Lord.

JUDGE HAVERY: (inaudible) against the previous week's loss?

MR CASTLETON: Yes. You move it into the suspense account the following week, my Lord.

C

JUDGE HAVERY: So where do we find the £3,509.68 for the previous week?

MR CASTLETON: It is concerned in ash account, or the final balance (inaudible), week 48, my Lord.

JUDGE HAVERY: Can we have the page numbers?

D

MR CASTLETON: It is --

A. 269.

JUDGE HAVERY: 569?

E

A. 269.

JUDGE HAVERY: Oh, 269.

A. Bundle 10.

F

JUDGE HAVERY: 269 is not in that bundle.

A. 2698 in bundle (inaudible).

JUDGE HAVERY: Right. Thank you very much £3,509.68. So that is a (inaudible), (inaudible) in the suspense account there, it says shortage there.

G

MR CASTLETON: That's right, my Lord.

JUDGE HAVERY: And that is why it is reproduced as overpayments there, is that right?

MR CASTLETON: No, my Lord. In the following book the other payments it is reproduced is (inaudible). As a book entry (several inaudible words) into the suspense account, my Lord.

H

JUDGE HAVERY: Oh, I see.

A MR CASTLETON: So in effect there should have been a positive figure in the box at the top of that balance to create a balance again. But that hasn't occurred, my Lord.

JUDGE HAVERY: Why should it be a discrepancy over?

B MR CASTLETON: Because you have made a book entry, my Lord, in effect, taking that money away and increasing the overs.

JUDGE HAVERY: Yes, I see. Treated as an ordinary payment, which has to be made, and therefore is not a discrepancy, is your point?

MR CASTLETON: Yes, my Lord.

C JUDGE HAVERY: Yes, I see.

MR CASTLETON: But it has occurred in that particular occasion, my Lord.

JUDGE HAVERY: What you are saying really, is that if this arithmetic is right it ought to show the discrepancy. How do you know this £3,509.68 has not appeared? Why should it be a discrepancy?

D MR CASTLETON: Because, my Lord, if it had appeared and gone across as a book entry as occurred, then it would have appeared on the discrepancies (inaudible) as it does on 571.

JUDGE HAVERY: Pausing there, do you agree with that?

E A. Those are the parts that I don't understand very well. That's the part that I wanted to get clarification on.

MR CASTLETON: It is clarified in balancing the Horizon, my Lord.

F JUDGE HAVERY: Yes. Well we are just looking at -- we are likening this to page 571, are we not?

MR CASTLETON: That's right, my Lord.

JUDGE HAVERY: Well could you take me back to 571?

G MR CASTLETON: I can my Lord.

JUDGE HAVERY: So we have got under the payments this is the £100, which is now shown as minus, which is not shown in 2994, is it?

MR CASTLETON: No, my Lord.

H JUDGE HAVERY: Well that makes a difference, does it not?

MR CASTLETON: It does, my Lord. In order for that payment to have been made it should have shown on both sides, my Lord.

A JUDGE HAVERY: Well at 574 -- if one adds up all these figures, that is the long and short of it, is it not, if one adds up all these figures then one would know whether there (several inaudible words) a discrepancy or not. You are saying the £100 minus appears as a discrepancy over. It is not quite £100, is it?

MR CASTLETON: No, my Lord.

B JUDGE HAVERY: We do not know whether this is right or wrong, I mean, it may all add up for all I know, because some of the figures are not even visible.

MR MORGAN: My Lord, might I help, try to help.

C JUDGE HAVERY: Yes, please. Yes.

MR MORGAN: My Lord, I think it may have something to do with timing. If your Lordship would be kind enough to go back to the passages that have been proved by this witness, and look at page 597 in bundle 3. This is the (inaudible) balance snap shot taken immediately before the transfer to suspense.

D JUDGE HAVERY: Yes.

MR MORGAN: And on 598 you get that, because you do not see a figure of £100 going into suspense, but it is hard to take your Lordship to a figure that is not there, but there is not a figure there for £100 going into suspense.

E JUDGE HAVERY: (several inaudible words), that is before (inaudible).

MR MORGAN: On the next page, page 599, it is headed, "After entry of test item to suspense account." I beg your pardon, let us stop. 597 then. Your Lordship sees on the top left-hand side, "Discrepancy over £14.76, discrepancy short (inaudible) net discrepancy £14.76."

F JUDGE HAVERY: Yes.

MR MORGAN: Page 599, "After entry of test item to suspense account." Over the page...

JUDGE HAVERY: 600, yes.

G MR MORGAN: ...at page 600 you see the test entry of £100.

JUDGE HAVERY: Right.

H MR MORGAN: However, at the time of taking that snap shot the discrepancy over (inaudible) £14.76, and the discrepancy short (several inaudible words), and there is still £14.76 discrepancy. It does not show up the discrepancy figure at that stage.

JUDGE HAVERY: No.

A MR MORGAN: So that, it seems to be some issue to do with timing. Now what I have in mind (several inaudible words) is the original document for week 49 cash account.

JUDGE HAVERY: Yes.

B MR MORGAN: And this is a list of all the value stock and in, first of all, which your Lordship has on page 2993 in bundle 10.

JUDGE HAVERY: Yes.

C MR MORGAN: And then it has got, "Receipts," and that then goes on down the page, and it comes to a total over the page on 299, or would be on 2994, but for your Lordship it is (several inaudible words) the photocopy has not been done satisfactorily.

JUDGE HAVERY: Yes.

MR MORGAN: But the total receipts are £164,573.68.

D JUDGE HAVERY: Yes.

E MR MORGAN: And if your Lordship goes on to spend some time with a pocket calculator (several inaudible words) that adds up all the figures in the payments column, your Lordship would come to the position that in order to balance even with the transfer into suspense, one would need to have the transfer into suspense of £3,509.68, and there would still be a discrepancy of £3,512.26.

JUDGE HAVERY: Yes.

MR MORGAN: So whatever point is being made, actually, when you add up the figures they are right.

F JUDGE HAVERY: I see.

MR MORGAN: Now I can submit this, I can formally hand this up to your Lordship. Mr Castleton and I can (inaudible) this afternoon if he does not think that it adds up, and we can sit down and try to agree that the figures add up.

G JUDGE HAVERY: I think the latter course is --

MR MORGAN: (inaudible) your Lordship (several inaudible words), Mr Castleton says that the figures do not add up.

H MR CASTLETON: I do not agree with that.

MR MORGAN: You do not. Well in that case, it may be that if we cannot agree it between ourselves --

A JUDGE HAVERY: (several inaudible words).

MR MORGAN: (inaudible) pocket calculator, and a quiet, nice and darkened room --

B JUDGE HAVERY: Yes. Well for the moment I will leave that to you and Mr Castleton. Yes. So what you are saying is that this total of £164,573.68 includes the £3,509.68.

MR CASTLETON: Yes, my Lord.

JUDGE HAVERY: Right.

C MR MORGAN: Yes, and it is £3,512.26.

MR CASTLETON: No, my Lord. I don't agree.

JUDGE HAVERY: Just a minute. So where do we find the £3,512.26?

D MR MORGAN: Your Lordship finds it on page 2994.

JUDGE HAVERY: Yes.

MR MORGAN: In, "Net discrepancies" just above "Total payments." It is just above the second hole-punch.

E JUDGE HAVERY: Oh, I see. Net discrepancies £3,512.26. I see, and £164,573.68 ought to be the same as what all the receipts add up to, but they do not seem all to have been printed out.

MR MORGAN: Indeed. The total receipts are shown on the original as £164,573.68. As any good book-keeper will tell you --

F JUDGE HAVERY: Yes.

MR MORGAN: (several inaudible words).

JUDGE HAVERY: (several inaudible words). Now one can readily understand it.

G MR MORGAN: So what happens is --

JUDGE HAVERY: The discrepancies go onto there.

MR MORGAN: My Lord, yes.

H JUDGE HAVERY: That explains (several inaudible words), I think actually. It is just a balancing figure to make these two (inaudible) and expenditure, balance.

A. Oh, I would say that's the part that confuses me.

A

JUDGE HAVERY: Yes.

A. You really need to get somebody else to explain that.

JUDGE HAVERY: So if there is no (inaudible) at the moment, as it seems to me, Mr Castleton, in saying that the £3,509.68 ought to be reflected in the discrepancies. But you will have an opportunity of checking the figures.

B

MR CASTLETON: Yes, my Lord.

MR MORGAN: That is fine.

JUDGE HAVERY: Right. Yes, well I have no other questions. Have you any other questions?

C

MR CASTLETON: No, my Lord.

JUDGE HAVERY: Thank you very much, Mrs Oglesby.

A. Thank you.

D

(Witness released)

MR MORGAN: My Lord, perhaps I might formally invite the court now to admit the witness statement of (inaudible) Hoyland, Kenneth Crawley, he is the sixth.

JUDGE HAVERY: Yes, (several inaudible words).

E

MR MORGAN: Paul Williamson, (inaudible) Johnson and (inaudible) Cumberland.

JUDGE HAVERY: Yes.

MR MORGAN: That is --

F

JUDGE HAVERY: That is going in by consent, is it not?

MR MORGAN: That is going in by consent.

JUDGE HAVERY: Yes. I admit those.

G

MR MORGAN: I am grateful. Now my Lord, my next witness is Andrew Wise, but I do not know whether your Lordship would wish to deal with the question of Mr Bajaj at this stage.

JUDGE HAVERY: I think I ought to, yes. Well it is now seven heads of proposed evidence, is that right?

H

MR MORGAN: My Lord, I have, yes. Now my Lord, if you look at (inaudible) bundle 1 --

A

JUDGE HAVERY: Just give me a moment. Yes, bundle 1.

MR MORGAN: And I know it was a document that was not in the first time round, and I think may have inserted it. Behind divider 13 there may be documents starting from page 39A.

B

JUDGE HAVERY: Yes.

MR MORGAN: An order of his Judge (inaudible), my Lord, because he was a High Court judge. On page 39B the order of the court is this:

C

“By 4.30pm on Wednesday 29th November the defendant to serve on the claimant signed witness statements and summaries from witness of fact whose evidence the defendant wishes to run at trial.”

JUDGE HAVERY: Yes.

MR MORGAN: And sub-paragraph 4:

D

“Save to the extent that the defendant serves evidence in compliance with the terms of paragraph 3 of this order, the defendant be debarred from adducing the evidences for his case at trial.”

JUDGE HAVERY: Yes.

E

MR MORGAN: Now my Lord, this was made in the context of the concession made by the Post Office recorded on page 39A, but since Mr Castleton was actually here in London on Monday 27th November, rather than trying to serve him by the way of exchange, we simply gave him all of our witness statements on that day.

JUDGE HAVERY: Where do you say that?

F

MR MORGAN: Claimant invites counsel agreeing to (several inaudible words) --

JUDGE HAVERY: Oh yes. So you did serve them on him.

MR MORGAN: We did that, we gave a copy of our skeleton argument, we gave him everything.

G

JUDGE HAVERY: Yes.

MR MORGAN: Now my Lord, this order was made in the context of case management, well it by itself is a case management conference decision, but it was made (several inaudible words) case management conference order, which your Lordship finds just behind divider 13 at page 38.

H

JUDGE HAVERY: Yes.

A MR MORGAN: There are some (inaudible) from Master Turner on 23rd October, when Mr Castleton was legally represented. Paragraph 4 on page 39:

“Any further disclosure is to take place by exchanged list by Monday, 20th November.”

B Now last week your Lordship excluded similar fact evidence save for the extent that it was recorded already in the witness summaries that have been served.

JUDGE HAVERY: Yes.

C MR MORGAN: First of all, because there was a debaring order, and secondly, having taken in your Lordship’s decision of the Court of Appeal in (several inaudible words). Your Lordship excluded it anyway as similar fact evidence (several inaudible words). Today we have Mr Bajaj’s statement, which your Lordship may have noticed that it was signed on 2nd June 2006.

JUDGE HAVERY: Yes indeed.

MR MORGAN: It raises, or --

D JUDGE HAVERY: (inaudible) was a statement that it was not necessarily going to be made in these proceedings was it? (several inaudible words) Mr Castleton has just received, is your understanding.

MR CASTLETON: That is correct, my Lord.

E MR MORGAN: My Lord, it could, and should have been obtained in the course of these proceedings and served at an appropriate time if it was to going to be relied upon.

JUDGE HAVERY: Well we certainly do not know when it was asked for.

MR MORGAN: My Lord, we do not. But we know that Mr Castleton (several inaudible words) --

F JUDGE HAVERY: (inaudible) specifically mentioned, I assume, to Judge Seymore, was it not?

MR MORGAN: My Lord, no. And it provided with some documents that Mr Castleton now says Mr Bajaj will want to refer to. With respect, this raises a --

G JUDGE HAVERY: Which other document is that? Do you mean the letters?

MR MORGAN: My Lord, all the letters, and (several inaudible words) trouble.

JUDGE HAVERY: Yes. But the short point is you are objecting (several inaudible words).

H MR MORGAN: (several inaudible words) at all.

A JUDGE HAVERY: You are content that the printed summary goes in as evidence, but --

MR MORGAN: For what it is worth (several inaudible words).

B JUDGE HAVERY: Well I am with you on that. I am not going to allow this Mr Castleton, because it is similar fact evidence. I am going quite thoroughly, as thoroughly as I can into the relevant facts into this case as to whether the (several inaudible words) all the figures that are in this case --

MR CASTLETON: (several inaudible words).

JUDGE HAVERY: It is not going to help me to have similar allegations that are in another case, and have to try that other case as well, but it will not affect the answer to this one.

C MR CASTLETON: So, my Lord.

JUDGE HAVERY: So then --

D MR CASTLETON: The (inaudible) I would raise, my Lord, is the letter dated 9th December 2005 from Post Office Limited themselves on behalf of David (inaudible), Chief Executive of Post Office Limited.

JUDGE HAVERY: Yes.

MR CASTLETON: Where he goes on to say that individual branches (several inaudible words) very occasional (several inaudible words), and --

E JUDGE HAVERY: Well I think there (inaudible) evidence in this case --

MR MORGAN: My Lord, yes, and we accept that (inaudible), my Lord.

JUDGE HAVERY: Well I do not need to, because I am not to.

F MR MORGAN: My Lord, in those circumstances might I call Andrew Wise as my next witness?

JUDGE HAVERY: Yes.

ANDREW WISE (SWORN)
EXAMINATION-IN-CHIEF BY MR MORGAN

G MR MORGAN: Could you give the court your full name, please.

A. It's Andrew Wise.

Q. Could you give the court your address, please.

H A. GRO

A

Q. Could you find bundle 3, which I hope is on the desk somewhere (it might be immediately in front of you) and turn to divider 48, please. Could you tell the court what you find there, please.

A. That's my witness statement.

Q. Is that the first page?

B

A. Yes.

Q. Could you turn on through divider 48, please, until you come to page 320. Whose signature is that, please?

A. That's my signature.

C

Q. Have you had a chance to read this witness statement recently?

A. Yes.

Q. Could you look, please, at page 305 of this bundle and look at paragraph 24. Do you see the date on the last line?

D

A. From 18 to 25 July 2004.

Q. Is that the correct year?

A. No, 2003.

E

Q. Having had a chance to read this witness statement, are there any other corrections that you would wish to make?

A. The only other correction is on the first page where it states my name of Human Resources. In a recent redesign of the business I now fall under the Network Directorate and not Human Resources.

F

Q. Save for those two corrections, is this witness statement true?

A. Yes.

Q. Do you adopt its contents as your evidence in this case?

G

A. Yes.

Q. Mr Wise, could you please find trial bundle 12, which is just behind you on the third shelf down. Could you look, please, at page 4152, behind divider 107. Could you tell the court what those documents are, please.

H

A. Those are incident logs from the Network Business call centre.

- A Q. How are they prepared?
- A. The calls are recorded as and when a call is made into the centre by a sub-Postmaster and all the information is recorded on to the computer as the call is taken.
- B Q. When you say "recorded", is that the actual physical words or is it the notes?
- A. No, it's the notes relating to the call.
- B Q. How is this schedule produced?
- A. The actual schedule is produced on request. I'm not sure who within the centre would produce that.
- C Q. How are you able to comment upon what this schedule says?
- A. From my experience with the Network Business support, I can interpret what these calls mean and what they were relating to.
- D MR MORGAN: Could you wait there, please. Mr Castleton may have some questions for you.

CROSS-EXAMINATION BY MR CASTLETON

- D MR CASTLETON: Mr Wise, have you ever used the Horizon system yourself?
- E A. Yes.
- E Q. On a long period of time or through the training course or ...?
- A. I was on the project that rolled the system out into the sub-offices and I use it in my current role as a trainer.
- F Q. Excellent. And in your experience there has never been any problems?
- F A. No.
- F Q. None whatsoever?
- A. No.
- G Q. Okay. Throughout the call logs themselves, you have actually transcribed them into -- you have broken them down in your belief of what was being done and what was being pertained to by myself. Is that true?
- A. Yes.

H

A

Q. Throughout all these call logs, which, of course, are numerous, is there anything that specifically stands out to yourself as being untoward or pointing to a problem in any way?

A. Not really. There was a number of calls relating to losses but that can happen in sub-post offices in the role that we perform. That wasn't out of the ordinary.

Q. So it is not out of the ordinary to have an office with losses, repeated losses?

B

A. At the Netherwood(?) Business Support Centre we were the second line of support to the sub-post offices, so that was the nature of the calls we received.

C

Q. Throughout these calls people would talk to you at various different levels of what you would expect them to be doing, how they would check that paperwork that they produced at the end of the week, and you would give guidelines into trying to help them solve the problem?

A. Yes.

Q. So what sort of guidelines would you give?

D

A. We have call scripts on the computer that would point us in the right direction.

Q. So according to what was said by the sub-Postmaster would be according to what help you would give?

A. That's right, yes.

E

Q. Throughout the period of the calls what sort of time period would an average call last? Would it be quite short or quite long or ...?

A. Some calls during the week could be two minutes, five minutes. On a Wednesday, particularly after 5.00pm, the calls could easily go into an hour, if not longer than that.

F

Q. These transcripts are all very small; they are just maybe two sentences long. Is that often the way?

A. Yes, that's the policy on how the call logs should be completed.

Q. Is there a reason for that?

G

A. Just for the number of calls that come through. We'd often have sub-Postmasters queuing to get through, so at tier 1 in particular they'd restrict what they would be writing there to keep it as brief as possible.

H

Q. In itself then it would be whatever the person receiving the call would put in to be important with reference to the screen and how they (several inaudible words)?

A

A. The description would be the description of the problem that the sub-Postmaster raised during the call. They'd give a brief description, so it could be balancing or it could be stamps, something like that. Then they'd give a more detailed description and then they'd type in the resolution to what they'd said or done for that call.

B

Q. In some of these cases, though, there is only just a brief description as well for further details. If you look at, say, page 311 of tab 48 of your statement, call number 52. So the actual call itself would have been in the format of how far would you normally ask the questions to find the reason for the discrepancy? Would you just go through the standard check of checking your balancing figures or would you go deeper than that or how would it be handled?

C

A. At tier 1 they'd go through the standard steps, as it said on the screen. At tier 2 we'd probe more into that. We had more time to spend with the sub-Postmaster to go into the problem in more detail. So we'd literally go through and get them to check what, in fact, the remittance is, things like, declare the cash again, recheck the stock, get them to produce a trial balance report and see if there's anything on there that shows up that might indicate --

D

Q. Was this stated? In this particular call is there anywhere that says ...?

A. I can't tell from that. The fact that it was raised with the suspense account team, that would indicate that the call had come through first of all, because we tend to investigate the loss before we pass the call through to the suspense account team.

E

Q. So you would investigate the loss and then decide as to the action you were going to take, is that correct?

A. During the investigation we'd check all the various things that we could check and if there is no joy with that and the loss still stands then the sub-Postmaster may ask to go into suspense, at which point we'd actually assign that call to the suspense account team and they would deal with it.

F

Q. So there would be no further investigation in such a call at tier 2 then?

A. No, not at tier 2 level.

Q. That would just be left in tier 1 and --

G

A. We would assign it to the suspense account team and somebody in that team would pick that up and contact the sub-Postmaster

Q. Okay. Then obviously as time goes on there is further calls from myself. The following one, which is paragraph 53, there is more detail in this, reference to presumably the same loss, being only a day apart. Would that be true?

H

A. It could well relate to the same loss. I don't know for sure.

Q. I know that they are different page numbers, which is the reference that you use in referencing these --

- A. That's right, yes.
- A Q. -- but being only a day apart and having no balance in between, I would imagine you (several inaudible words).
- A. It could well relate to the same loss but I don't know that for sure.
- B Q. Could this be then level 1 again, tier 1?
- A. Paragraph 53?
- Q. Yes.
- C A. That, I would say, is tier 2 for the in-depth level of detail that's in there. Tier 2 did tend to put more in the description than what tier 1 put in there.
- Q. As you said before, allowing more time for the work to go through.
- A. Yes.
- D Q. Would the calls not be attached, then, with the reference to the H(?) codes?
- A. When a new call is created, you can link the previous call in there. So if the call's still open then it would link it to that incident and it would show up as a linked incident, so the adviser could look at the previous call to see what had happened.
- Q. But these were not linked?
- E A. I can't tell from that, sorry.
- Q. I did not realise. Within these two pieces of phone calls, the detail in the first one is not very deep, as you said, in tier 1. In tier 2, though, what sort of other things would they have looked to do with respect to a loss? Would they look again through the same balancing stages and checks or would they look at it in a different way with different paperwork or how would they look at that?
- F A. In a different way to who, to tier 1?
- Q. Yes.
- G A. Tier 2, they are Post Office Limited people who have got experience, they have worked in (inaudible) and they've got a lot more experience than tier 1. Tier 1 are initially phone operators that use call scripts from a computer. At tier 2 we'd have actual knowledge and experience to be able to check more details on what has been happening. And in certain instances we would ask the sub-Postmaster to send us through transaction logs, balance snapshots, cash accounts, and we'd physically look at them, have a look through them and see if we can spot anything in front of us but it's more difficult over the phone. So if we can see this stuff in front of us
- H we would look at that.

- A Q. But that was not the case here; nothing was sent through in this particular case?
- A A. I don't know.
- Q. Would they leave a reference there to say that that was the case?
- B A. They may put a reference in the incident log but they're not captured on the reports they pull off so it doesn't show what the incident log has in there. There might be four or five entries in an incident log but we can't see that from the report there.
- Q. So you work as a trainer?
- A. Yes.
- C Q. And you work solely with sub-Postmasters or do you work with a mixture of counter staff and ...
- A. I do classroom training for both sub-Postmasters, franchise and Crown Office staff.
- Q. So they all get the same mixture of training?
- D A. Yes.
- Q. And how long does that course take?
- E A. The current training offered, depending on the transactions they do ... if they, for example, do car tax, passports and guaranteed parcels they would get two weeks in the classroom. If they didn't do those services they'd get one week in the classroom. Then that's followed up by they get six days on site and a follow-up balance. That's the offer at the moment.
- F Q. If we go back to page 304 of your statement, in paragraph 16 you list all the different summaries that have been produced by (inaudible). These would be obviously checked (several inaudible words) and worked through by the sub-Postmaster.
- A. Yes.
- G Q. Is there anything there that you would look to on a stock or MOP basis, separate to the final cash account, actually looking at specific movements of stock and MOP there?
- A. I'm not sure what you mean by that.
- Q. All of these manual summaries that we have with all the different lists of vouchers, tokens, are all manually done.
- H A. Yes.

A
B
C
D
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H

Q. Is there a manual version of these to be sent away to anybody with respect to stock and MOP?

A. Stock and MOP, MOP is method of payment. The items on there, they're not stock items and some of them aren't methods of payment. So you would -- for example, the red(?) licences, you would have issued a number of red licences that week, and you would have filled in a manual summary as you issued the licences and then you add that up and check that total against the snapshot or the trial balance sheet report to make sure what Horizon says agrees with what you've physically got in your summary but there's no report that's produced off the system. You have to physically check the figures against each other.

Q. With respect to actual stock, on a daily basis, is there anything the sub-Postmaster would do to physically check the stock?

A. The sub-Postmaster doesn't need to check the stock daily. There's no reason why he can't and if he declared his cash and it was showing a discrepancy then it would make sense for him to check there and then rather than wait until the end of the week. The actual balance process is to check that stock would be correct before the cash account is produced.

Q. So, again, presuming that everything is going through the machine correctly, there should be no difference between the cash he has declared and the cash on the balance snapshot?

A. In an ideal situation they should agree, yes.

Q. With this in mind, when differences occur what would be the correct way of working through that? So if you have, say, £50,000 worth of physical cash and £40,000 worth of cash on your cash screen, as it were, your balance snapshot, what would you do as a sub-Postmaster -- what would you train them to do with respect to that?

A. The first thing you'd do is double check the physical cash in the office to make sure that you'd counted that correctly. If what they've written down is the correct amount and they're still showing a discrepancy between the two figures then they could go into checking the stock, they could produce some of the weekly report to make sure there's no errors on there. Normally you would leave it until the end of the week but if you've got a discrepancy in the week it's wise to print them off to make sure nothing's showing on there. You would check the remittances in and out of the office to make sure they'd been done correctly, in particular the cheque remittances to make sure the cheque remittances have been done correctly each day, and just things really like that.

Q. And what if that turned up no answers? There is still that discrepancy there and there is no reason for it. You have been through all your manual sheets; you have been through all the stock; you have been through the cash and cheques; and you still have a difference.

A

A. If it's during the week then we'd advise them to wait until they produce the trial balance report. The trial balance is produced and all the discrepancies are committed to the system and, depending on the discrepancy the previous week, if no action was taken to rectify that, it could be a repeat of that same discrepancy. So we would advise them to wait until Wednesday and get to print a trial balance report off. Until that trial balance report is produced then they can't be sure what that discrepancy is.

B

Q. So if you turn on to page 311. In this particular case again, back to 53, (inaudible) logs, we now have a position where we have gone through the final cash account check, we are into a situation where we have gone through a trial balance and we now have to wait until the following morning in which to complete the final balance. Through that period the sub-Postmaster, and possibly his assistant, or maybe him on his own, has spent numerous hours going through that whole procedure, probably with the help of somebody on the end of the phone giving directions, and still nothing appears. Where do you go from there?

C

A. There comes a point where we can't help the sub-Postmaster any more. We've done everything we can. We've maybe, like I said, asked them to send documents in and we'll physically look through it. Another course of action is we would contact Chesterfield to see if there were any error notices pending because the work that they check is a few weeks behind. You couldn't really do that the day after the misbalance because their records wouldn't be up to date. So there comes that point where there's nothing more we can do.

D

Q. So what would the sub-Postmaster have to do then?

E

A. Contractually, he should make the loss good, given that there's a loss there. An alternative is to hold that in suspense but the sub-Postmaster has got to get authorisation by the business to do and that's when we pass the call through to the suspense account team.

Q. In this particular case, it was not transferred to suspense account?

F

A. I don't know.

Q. You do not know?

A. No.

G

Q. So it is passed on to that suspense account team. They will go through probably even more numerous checks. Then again, in this particular case, providing nothing for any reason from the cash account to have caused this loss, having gone through all the significant steps and all the different checks of paperwork, all the necessities, and having indicated that there is still no reason for this to have occurred, they would then have asked the sub-Postmaster to make good. Is that right?

H

A. It's not something that tier 2 would have asked them to do. We wouldn't say, "You've got to put that money in". We'd get them to the point where it's rolled over and that's passed on to the suspense account team but we would never get into

A

a situation where we would say, "You must do this that" or "You must make it good". We could advise them what they should do and they should make good any losses or gains that occur but we would never say, "Now, do this or do that".

Q. In this particular case you received a call, again in paragraph 54, and this states that the sub-Postmaster should not transfer the loss into the suspense account because it is an (inaudible) error.

B

A. By the looks of that call, that would have possibly been created by the suspense account team. Once they received the original call they would then create their own call to chase up that query and it would be down to them to decide whether it should or shouldn't go into the suspense account.

Q. The call previous would have been the tier 2 then?

C

A. The call previous would be the tier 2 and the 54 would be the call that's created for the suspense account team to act upon.

JUDGE HAVERY: It says the sub-Postmaster called.

D

A. The original call would be taken at tier 2 and we get credited for all the calls we've closed; that's an issue we've dealt with and an incident we've dealt with. So we may close that initial call. So that individual gets credited for that call and then they create a new call to pass on to the suspense account team. So the sub-Postmaster did call with that query and the person that created that second call is telling the suspense account team, "This is what has happened. The sub-Postmaster has called and in week 43 they had a loss".

E

MR MORGAN: My Lord, it might assist both the witness and you if you see the call logs for these in bundle 12, divider 107. The two critical calls you would be looking at start from page 4162 and we have got to page 4164. I only mention it because it just might help the witness and Mr Castleton in taking us forward to see what is said. Maybe Mr Wise can assist the court from some of the information given in the incident log. We are on 4164 now.

F

A. So the call on 4163 --

JUDGE HAVERY: 4163?

A. That's the original call that would have been made to tier 2 and then that adviser would have generated the call on 4164 and sent that through to the suspense account team.

G

JUDGE HAVERY: Yes, I see.

H

A. Just looking back into paragraph 52, the one that was on the 21st, the chain of events is that was raised on the Wednesday night but we cannot refer a call to suspense account until the sub-Postmaster has actually rolled over and committed that loss. So on that Wednesday night that loss hadn't been committed; we couldn't pass it over at that point. So we would say, "Do you want to ring us back later or in

the morning when you've rolled over and we'll send that through to the suspense account?" The next day the second call was generated, more investigation done and the third call was created and passed to the suspense account team.

A

MR CASTLETON: They would have (several inaudible words) sub-Postmaster?

A. Yes.

B

Q. On the generation of the (several inaudible words) you have given some breakdowns of these in 323, 324 in bundle 3. All of those reports, checks, are sent away to Transaction Processing, is that correct?

A. That's right. The pensions went to (inaudible) which was the department in Northern Ireland. Everything else went to Chesterfield which is Transaction Processing.

C

Q. To do that they would do what?

A. They'd get opened at Chesterfield and then all the documentation would get sent out to the relevant different teams there and each team would check the work relevant to their transactions.

D

Q. Is that for every document?

A. Yes.

Q. Then once everything has been checked through, the paperwork is then sent off to presumably the recipients of the transaction or do they go to the --

E

A. I've never worked in Chesterfield. I don't know that.

Q. (several inaudible words). How would a sub-Postmaster log on to the system from the very, very first in order to transact anything?

F

A. From the very beginning, they would switch the screen on and they'd have a turquoise-blue REPOS(?) screen. It says REPOS across the middle. They either touch the screen or any key on the keyboard and it comes up with a message saying, "You must have permission to proceed further. Do you have permission?" and you've got a choice of yes or no. So you press "yes" to proceed. It would then ask you for your user name. It would then ask you for your password and it would go through -- a message comes up regarding "Would you want to recover any transactions?" Then it comes to what we call the desktop screen and that's got all the icons on. So, for example, F1 is transactions, F4 is stock balancing. To serve your customers you would press F1 for transactions and then press F1 again to serve customer and that gives you the main transactions (overspeaking)

G

Q. Is that where the bulk of the work would be done?

H

A. That's right, yes.

A

Q. So it would be quite a process to actually move through the numerous, is it three, screens?

A. The navigation of the screens is quite quick. It may take a minute to log on to the system but once you're logged on the navigation is quite quick.

B

Q. But the initial log-on itself, how long would it take, depending on how --

A. It depends on how experienced the sub-Postmaster is. It can be a relatively quick process. The less experienced ones might have to sit and think about it before they begin to search for information.

C

Q. Obviously you have done this on numerous occasions and you teach people to do that in your job?

A. Yes.

D

Q. Over that period of teaching, is it possible at any time to actually transact business without being logged on to this computer?

A. You cannot enter anything on the system. Whether the sub-Postmaster chooses to serve a customer while not being logged on then that's --

E

Q. No, I mean on your -- sorry, I apologise. Let me understand what you are alluding to there. You would mean under somebody else's code?

A. No. You can still physically serve a customer without being logged on.

Q. The computer itself would not see that, would it?

A. You have to tell the computer what you're doing.

F

Q. So you could not tell the computer that you are serving a customer if you are not logged on to that system?

A. That's right.

Q. It is absolutely impossible?

A. Yes.

G

Q. Could you take out book 11B, please.

JUDGE HAVERY: How much longer are you going to be with this witness, Mr Castleton? I do not really want to make him stay (several inaudible words) if it can be avoided. I am not hurrying you at all; I just want to know.

H

MR CASTLETON: It would depend, my Lord (I am sorry for not being specific) on how far we can get through the questions.

JUDGE HAVERY: How many questions do you have, do you think, depending on getting a quick answer to each question?

A MR CASTLETON: Probably 16(?), my Lord.

JUDGE HAVERY: I think we will go on.

MR CASTLETON: If you could turn to book 11B, tab 103, page 3705. Have you ever seen one of those before?

B A. I've seen one once or twice. Is it (inaudible) transaction? I've never looked at one in depth to understand what information is on there.

Q. But you can see generally what that is?

C A. Yes.

Q. So we can actually look across and see in this 3705, this is actually a status report, from my belief, and this would tell you who is logged on and who is not logged on. Is that correct?

D A. It tells you the user and what activity they've performed and the stock unit that they were attached to, along with the time and date.

JUDGE HAVERY: By the user, you mean which terminal, do you?

A. The RSP001, that relates to an individual. Each individual has a user name.

E JUDGE HAVERY: I see. I expect LC is you, is it, Mr Castleton?

A. My Lord.

JUDGE HAVERY: RSP, who is that?

F A. It's Ruth Stammer(?).

JUDGE HAVERY: Yes, I see.

MR CASTLETON: If we now just look back in that same book to 3703, 2 February. So we can follow through here from what the actual computer (several inaudible words). Is that correct?

G A. Yes.

Q. And we can see who is logged on and who is not logged. Is that true?

A. Yes.

H

A

Q. If we continue back towards actually where we were in the original, so we can flick through looking down and see whether (inaudible) are connected or various other things, but one of the things that we can actually see is, at 14.24 --

JUDGE HAVERY: What page?

MR CASTLETON: Sorry, my Lord, 3705, at 14.24.56.

B

JUDGE HAVERY: I see. Do you see that, Mr Wise, six lines from the bottom?

A. I do, yes.

MR CASTLETON: That is myself, LCA001, logged on to node 2, is that correct, Mr Wise?

C

A. Yes.

Q. Then if we go back over to 11A, page 3501, under tab 101, in the other book. Do you know what that document is?

A. I've never seen that one before.

D

Q. Okay. If you look in the first column, there is ID and it is either a 1 or a 2. Do you know what that number pertains to?

A. I would guess that's the number of the terminal. If there were two Horizon terminals, it's either node 1 or node 2.

E

Q. Is that a guess though?

A. That's a guess. I don't know that for sure.

Q. So you would not know anything that goes across this line? If we were to take the top line where it says "ID1, LCA001, stock unit 88" would you know anything from there?

F

A. From experience I can pick out what the information is referring to is the stock unit, the date, the time. The session ID probably relates to the transaction that was performed. I'm not sure about the next column. The mode is the type of transaction (several inaudible words). The product, each product is assigned a product number so that would relate to the product but I don't know what product that is. The quantity is the number of products. And the sale value would be the sale of that particular transaction.

G

Q. So, basically, you can transpose every column.

A. The last five there I'm not quite sure what they would have been: the entry method, state, IOOP, results and the last one there.

H

Q. (several inaudible words) I could tell you what those are but to be honest, for the purposes of the court, it is of no relevance to how things are inputted.

A

JUDGE HAVERY: Let us not worry about things that are not relevant.

MR CASTLETON: Could you tell me, in 3705, on the other book again, 11A, if you look down to the time that I log on, LCA001 logged on.

B

JUDGE HAVERY: It is (inaudible) 41.15. Is that it?

MR CASTLETON: That is actually into node 1, my Lord. If you look further down, I actually move across into node 2 which is at 14.24.56.

JUDGE HAVERY: I see. Do you see that?

C

A. Yes.

MR CASTLETON: If you then look across into the other book, my Lord, and you look across the seventh column down, you can see I appear there as LCA001 in node 2.

JUDGE HAVERY: Can you just repeat the numbers of the two documents we are comparing?

D

MR CASTLETON: Certainly, my Lord. It is bundle 11B, tab 103, page 3705, and bundle 11A, tab 101, document number 3501.

JUDGE HAVERY: I have those two, thank you.

E

MR CASTLETON: If you mark on 3705 on 2 February at 14.24.56, you will see that is the time that I personally logged on to the system. If you then look across to the other book, you will see the seventh transaction down from the top on 3501 was placed at 14.21.12, some three minutes prior to me logging on.

JUDGE HAVERY: I see. No one was logged on at all before then, is that right?

F

MR CASTLETON: I was logged on to node 1, the other computer.

JUDGE HAVERY: No one was logged on to 2, is that right?

MR CASTLETON: That is right, my Lord.

G

JUDGE HAVERY: I see. It looks like it. There is not on 3703 and 3704.

MR CASTLETON: No, my Lord. They are all 1s all the way through to the start of play, I am afraid.

H

JUDGE HAVERY: I think the question is fairly apparent now. How is it that page 3501, Mr Wise, shows apparently Mr Castleton making some entry at terminal 2 at 2.21.12, whereas he only logs on, according to the other one at page 3705, at 2.24.56?

A. I can't explain that.

A JUDGE HAVERY: I assume it is precisely the same clock that is operating in both cases?

A. I don't deal at all with the technical side of the system. I wouldn't know, I'm sorry.

B JUDGE HAVERY: Right. You are asking the wrong witness. There must be someone else to ask on this.

MR CASTLETON: You did say prior to this, I believe, that it is impossible to transact business without being logged on.

A. I did, yes.

C Q. That is fine.

MR CASTLETON: I think that is fine, my Lord.

D JUDGE HAVERY: I just have one or two questions for you, Mr Wise. If you could go back to your own statement, volume 3, behind tab 48. Would you look at paragraph 9 at page 302. Something I do not quite understand, it may even be a typing error, but when you are describing what the Postmaster does, you say: "They then complete a batch control voucher BCV in heavy type." Do you see that, about halfway down in paragraph 9?

A. Yes.

E JUDGE HAVERY: "Paperclip", which I assume means something that is attached to an email, is that right?

F A. No. So, the sub-Postmaster will complete the batch control voucher. We call it a BCV. We always abbreviate things in the Post Office. And you paperclip that batch control voucher, together with non-bar-coded and bar-coded TV licence forms. So for a TV licence transaction, they would have a physical slip that they've got in the office and they would paperclip that behind the batch control voucher and they're despatched to Chesterfield.

G JUDGE HAVERY: Thank you. And the other one, would you turn to page 305, paragraph 22. Towards the bottom of the paragraph you say, "For example ..." Do you see that at line second from the bottom of the paragraph:

"For example, if the clerk records an item incorrectly on the system they should pick this up on their daily or weekly report. However, if they fail to do so this will be picked up at the processing centre."

We are now back to Chesterfield, are we, or possibly Northern Ireland?

H

A

A. If it's a Girobank transaction it could be Girobank in Bootle; it could be National Savings in Glasgow; it could be Chesterfield; it could be Northern Ireland. So it would depend on the transaction type.

JUDGE HAVERY: I see, yes. Then you say here: "If an item has been wrongly recorded, an error notice would be generated." How does that happen? That must be something that is done on the Horizon system, I assume?

B

A. Yes.

JUDGE HAVERY: So how does the Horizon system itself know that there is an error?

C

A. What happens, the transactions are input on to the Horizon system and the office would have the documentation that should agree with that figure. If they've missed something off (so for example they missed off a deposit and they've not put that through the system) when Girobank receive the dockets they check that figure against what's recorded on Horizon for that day and if it shows a discrepancy they would generate that error notice.

JUDGE HAVERY: Does the Horizon system check that or does it take the word of the recipient, Girobank or whoever it may be?

D

A. Horizon just relies on what the sub-Postmasters input on there and then Girobank check the physical work against what the sub-Postmasters put on the system.

JUDGE HAVERY: The Postmaster regularly sends off the documents in a bag or something?

E

A. Yes. They're despatched at the end of the day or week to different departments.

JUDGE HAVERY: So if there is an error, is it that what is in the bag is incorrect and your recipient finds that or what?

F

A. That's right. What is physically there in documents is what has got to be correct and if that disagrees with Horizon -- so it could be a sub-Postmaster has not recorded a document on Horizon, so the client would say, "Your system says you've done this number for this value but you've sent me documents for this value". So they would say there's a discrepancy of £100 here and that would generate the error notice.

G

JUDGE HAVERY: I see. Is the ultimate recipient checked by this at all or is just assumed that the ultimate recipient is right?

H

A. If an error notice comes through, the sub-Postmaster can challenge it and they can request for paperwork to be sent showing what the discrepancy is. So they would send copies of all the relevant paperwork and a copy of what was entered on Horizon. So a sub-Postmaster can challenge it and ask for evidence to be sent through.

JUDGE HAVERY: I see, thank you. Any other questions?

MR MORGAN: My Lord, just one.

A

RE-EXAMINATION BY MR MORGAN

MR MORGAN: Mr Wise, which has primacy? Does the physical record trump the computer record or does the computer record trump the physical record?

B

A. The physical record, what you've physically got in documents, that is what is correct. So, for example, if you lose a Girobank slip, then what you've got left has got to be right.

Q. So the physical records are used to generate the error notices?

A. Yes.

C

Q. And what is the conclusion that one should reach if there are no error notices?

A. If there are no error notices then what has been despatched physically agrees with what has been recorded on the Horizon system.

MR MORGAN: Thank you.

D

MR CASTLETON: My Lord, can I just revisit that?

JUDGE HAVERY: Yes, of course.

FURTHER CROSS-EXAMINATION BY MR CASTLETON

E

MR CASTLETON: Could you turn to tab 61 at page 500 for me please, Andrew. Then also if you grip the pages there and turn to 512 in the same tab. If you look in the middle of 512 on 17 March 2004, can you tell me what is, please? What does it pertain to?

F

A. I've never actually seen that document before. It relates to automated products but I don't know in what context that's relating to on there.

Q. But it does say "charge" on there, does it not?

A. Yes.

G

Q. If you then turn back two sheets to 500. This is a document which shows various what looks to me like transaction dates(?). Have you seen a document like that before?

A. No.

H

A

Q. Would you expect to see a document that has different dates of transactions upon it, i.e. obviously if you look in the date of the transactions there we have numerous on 22 March and then one that is a different date.

JUDGE HAVERY: What is the source of this document, Mr Castleton?

B

MR CASTLETON: It is a screen print, my Lord, from an error notice that was produced by a transaction that was actually placed outside the office. The transaction itself did not occur in the office and it was actually transacted on 13 May and added to the statement of account for the office as though it had been transacted on 17 March.

JUDGE HAVERY: 17 March or 27 March?

C

MR CASTLETON: Well, it is the two-week processing, so ten-day processing time, my Lord, to 27 March.

JUDGE HAVERY: What are you asking the witness? He has not seen a document like this before.

D

MR CASTLETON: No, he has not. With it being differently dated, I was asking the witness if he had ever seen a document where the dates did not match throughout to provide an error notice. The actual error notice on the image previous to this, page 499, you will see that was dated on 17 March but obviously if you turn over the page that very same transaction that led to that error report on 17 March was actually transacted on 13 May.

JUDGE HAVERY: What is the question?

E

MR CASTLETON: My Lord, the gentleman answered my question; he does not know.

JUDGE HAVERY: Very well. Thank you very much, Mr Wise. You can go now.

(The witness withdrew)

F

G

H