

[1991]

MANTLE

Inspection of original documents by C Howell (C&LD) and WRHI
on 25 July 1990 at the Jasmine Court Hotel, Kyrenia, TRNC

Prior to the inspection which was carried out in the presence of the following :

Taner Atear .)
Mrs Zakire Yalcin) Unipac
Atilla Apaydin and 1 clerk from IBK - IBK

It was explained to us by Fahri Tunalier and Mentesh Aziz that the inspection was being carried out at the request of S J Berwin & Co. We would be shown only the documents that had been provided to BDO Binder Hamlyn and no more. The personnel concerned were not prepared to answer questions on wider issues.

The inspection took the form of going through the various transactions disclosed in the BDO Binder Hamlyn reports to Vizards and to S J Berwin. The bank records were inspected for all transactions prior to lunch and the company records afterwards in the presence of Unipac personnel only.

The personnel were extremely reluctant to allow us to handle the documents and, for the most part, attempted to point out the relevant entries as quickly as possible. When, on occasion, we attempted to look more closely at documents, Mrs Yalcin or the IBK clerk held onto the documents while we did so.

The IBK documents consisted of :

Green TL ledger sheets
White Stg ledger sheets
Pink paying in slips
Carbon copies of Debit and Credit notes

The Unipac documents consisted of :

Cash Books
Individual sheets extracted from the Private Ledger
Journal vouchers

The state of the records were not inconsistent with their having been created contemporaneously.

OBSERVATIONS

IBK Documents

- 1) It was stated that the paying in slips could not be taken as evidence of the denomination of the deposits.
- 2) Although the Debit and Credit notes appeared to be carbon copies, they had original signatures.

- 3) The TL ledger balances were originally written in pencil and then overwritten in pen.

Unipac Documents

- 1) The 1988 private ledger had been mislaid. Prior to this photocopies of that section of the ledger relating to AN had been made and preserved. No reasons were given for this having been done.
- 2) The other private ledger account sheets for 1988 were stated to have been "recreations" of the originals from the bank statements and to have been prepared over the last few months. This is not referred to in the BDO Binder Hamlyn report.
- 3) The private ledger appears to be kept in loose leaf Kalamazoo format. The Unipac personnel had only brought the relevant sheets with them. It is therefore impossible to see how the sheets we were shown fitted in as part of the whole ledger.

The cash books for the IBK TL account were bound. It is apparently a requirement in TRNC that all such books receive an official stamp on every page. These requirements appear to have been complied with.

- 4) From the very limited range of documents inspected it is impossible to form a detailed view on the nature of the bookkeeping system. Assuming the documents we were shown as genuine, the system, which is manual, is old fashioned and very similar to that formerly adopted by PPI. [I understand from separate discussions that certain applications, such as the Unipac sales ledger, are computerised]. There are, for example, elements of duplication in that the cash book entries are rewritten in full in the ledger.
- 5) The ledgers are written largely, but not exclusively, in pencil. The cash books are written in ink. Errors are corrected by "Tippexing" the originals.
- 6) No cash book is kept for the Unipac NatWest Jersey account, the ledger being written up direct from the bank statements.
- 7) The journal vouchers were drawn up on the instructions of PPI in London (personnel not identified). The Unipac personnel claimed that they merely acted on instructions.

CONCLUSION

It is impossible to tell from the inspection of the 'original' documents, without a forensic examination, whether they are a contemporaneous record or have been created specially in the last few months. Either is possible.

WRHI
30/7/91

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