

# STATES OF JERSEY

## COMMITTEE OF INQUIRY INTO TENDER PROCESS AND AWARD OF BUS SERVICE CONTRACT

BLAMPIED ROOM, STATES BUILDING

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Committee: Mr Huw Shephard (President)  
Mr Christopher Blackstone (Member)  
Mr Trevor Garrett (Member)

In attendance Mr Mac Spence (Committee Clerk)

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### EVIDENCE FROM:

**MR M. JAMES**  
**(PricewaterhouseCoopers)**

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on

Monday, 24th January 2005

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*Reviewed 15/03/05 Committee Clerk*

MR SHEPHEARD: Mr James, good afternoon to you.

MR JAMES: Good afternoon.

MR SHEPHEARD: The proceedings of this Committee of Inquiry are being conducted on the basis that we receive evidence from the witnesses on oath, so I will proceed to administer the oath to you.

**The witness was sworn**

MR SHEPHEARD: Thank you. Mr James, I understand that you are a partner in PricewaterhouseCoopers and that you are the audit partner for Jersey Bus.

MR JAMES: That is correct.

MR SHEPHEARD: Or you have been.

MR JAMES: Yes. Can I just clarify that the company is JMT 1987 Limited?

MR SHEPHEARD: Yes. My colleague, Mr Blackstone, has some questions for you.

MR BLACKSTONE: You have been audit partner for the Diamond Group from the period 1999 roughly to date?

MR JAMES: I have been during that period, yes.

MR BLACKSTONE: Have you ever considered it necessary to qualify the audit report for any company in the Diamond Group?

MR JAMES: Um, would you be able to specify the period?

MR BLACKSTONE: 1999 to date.

MR JAMES: No, but I would add that not all companies in the group are audited.

MR BLACKSTONE: That's okay. So you have been satisfied that the accounts of the companies within the group that you have audited express a true and fair view of operations?

MR JAMES: At the date of our audit opinion, that is correct.

MR BLACKSTONE: It is acknowledged that JMT 1987 Limited and Tantivy Coach Tours Limited were involved in bus and coach operations in Jersey during the period 1999 to 2002. To your knowledge, was any other company in the Diamond Group so involved?

MR JAMES: To the best of my knowledge, Sir, no, but it is really something that the company's directors really should confirm.

MR BLACKSTONE: Now, what we are just trying to establish is that, as far as you are concerned, proper accounts were kept primarily by JMT 1987 Limited and Tantivy Coach Tours; and the fact that such proper records were kept would have been an essential part of your audits.

Do you know Mr Poots of PricewaterhouseCoopers Belfast?

MR JAMES: Gordon Poots?

MR BLACKSTONE: Yes.

MR JAMES: That is correct.

MR BLACKSTONE: What is his particular specialisation?

MR JAMES: He is a management consultant with our Belfast office and he is a bus specialist.

MR BLACKSTONE: He is a bus specialist?

MR JAMES: He is.

MR BLACKSTONE: So widely experienced in that field?

MR JAMES: That is my understanding, yes.

MR BLACKSTONE: I believe Jersey Bus had him down here briefly for a consultation. He met with some of the Public Services Department and Public Services Committee. Were you involved in any of those meetings?

MR JAMES: No, I wasn't.

MR BLACKSTONE: Fine. I don't think I have anything else for Mr James. Thank you very much.

MR SHEPHEARD: Okay, thank you very much, Mr James. Thank you for coming.

MR JAMES: Thank you.

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