

The Leveson Inquiry

Witness statement of James Welsh

1. I am the Finance Director of A&N Media, which is further described in the witness statement of Kevin Beatty. I have worked for the company since 1 February 2010. I previously worked at Dixons. I began my professional career at Coopers & Lybrand (now part of PricewaterhouseCoopers) where I qualified as a chartered accountant.
2. I have overall responsibility for the finance function within A&N Media. In terms of financial governance, my role is to ensure that there are appropriate financial controls, analysis, systems and people in place throughout the division so that the finance function operates effectively. To that end, the majority of the business units within A&N Media have their own finance directors, who report directly or indirectly to me.
3. In relation to Mail Newspapers, my role is to consider and approve its budget, as presented to me by its finance director, Guy Morgan, and to discuss and review overall performance against that budget. I also set the delegated authority limits applicable to that business unit above which level (typically £100,000) divisional approval (i.e. myself and/or Kevin Beatty) is required. Whilst editorial payments form part of this budget, once the delegated authority limits are set, I do not have any involvement with approving individual payments and I do not see individual invoices for editorial expenses or payments for contributors.
4. In order to ensure that our financial practices and policies are fit for purpose at all times, we regularly monitor them to ensure that they are suitable, effective and up to date. If they need to be updated, it is my responsibility to ensure that this occurs. For example, I was responsible for arranging (via my deputy) for training to be given to the various financial directors of the business units on the Bribery Act 2010. The responsibility for then applying this training in each of the business units then fell to those finance directors.
5. As Finance Director of A&N Media, I have no editorial function or involvement in editorial matters. In relation to those business units within the A&N Division

which exercise an editorial function, a "church and state" relationship exists between the editorial and commercial sides of the business, and where finance involvement does occur, that is the role of the relevant finance director. This is a defining characteristic of our business.

6. In keeping with this separation of responsibilities, decisions on how funds might be deployed on news-gathering and other editorial functions fall to the editorial team. In this regard, they are of course subject to the same financial governance policies as anyone else in the company. As long as those payments fall within the relevant delegated authority limits and the limits of the relevant budget, the finance team have no involvement, other than the maintenance of appropriate controls, for example to ensure no duplicate payments, and that all expenditure has the requisite approval.
7. I have read the witness statements of Kevin Beatty, Paul Dacre, Peter Wright and Liz Hartley. Where they deal with matters within my own knowledge, I agree with their accounts.

Signed

Date

..... 25/10/11