

POST OFFICE LTD – CASE REVIEW

R –v- PAULINE GREENHALGH

Bolton Crown Court

PRE-HORIZON ON-LINE CASE

Offence and Case History

1. On the 22nd March 2010 at the Bolton Crown Court before HHJ Knott, this defendant was sentenced to 12 months imprisonment suspended for 2 years. She also received a supervision requirement for 12 months and an unpaid work requirement of 200 hours. A compensation order for £13,188.89 was made with costs of £2,000. The defendant was originally charged with Theft of £13,188.89 belonging to Post Office Ltd. However, this was amended by prosecution counsel to 2 counts of Theft and False Accounting between 30th August 2005 – 4th July 2008. The particulars of the offences were that on Count 1 she falsified the Final Branch Trading Accounts for Fishpool Post office, and that on Count 2 she stole an unspecified amount of cash belonging to Post Office Limited.
2. The defendant was born on the GRO She was summonsed for Theft and appeared at Bury Magistrates Court on 19th November 2008. The magistrates refused jurisdiction and committal took place on 14th January 2009.
3. She pleaded not guilty to both counts at her Plea and Case Management Hearing on 30th April 2009 and her trial was originally fixed for 16th November 2009. On 10th November 2009 the fixture was broken by consent and a new trial date fixed for 1st March 2010. It is noted on counsel's back sheet that if there was to be defence expert evidence relied upon, that this should be served by 23rd January 2010. On 1st March 2010 the defendant was re-arraigned before HHJ Baxter and pleaded guilty to both counts. She was then duly sentenced as in paragraph 1, above.

Prosecution case

4. The defendant was then 52 years old and had been officer in charge of Fishpool Post Office for 2 years and 10 months. During the summer of 2008 Helen Rose identified a number of questionable stock adjustment transactions being conducted at Fishpool, dating back to at least November 2007. It started with a stock adjustment of £7,500 and similar transactions continued throughout and steadily increased to £13,000 by 27th June 2008. A routine security visit was then conducted to establish whether fraudulent activity was being conducted at the branch.
5. On 2nd July 2008 Post Office Auditors attended Fishpool in the afternoon and were met by the defendant and another staff member. The defendant confirmed she was the officer in charge and that the sub postmaster, Mr Masood, rarely attended GRO The branch was due to close at 1300 hours that day. Mr Masood did attend upon request and explained that he left everything to the defendant and had little involvement since April 2007. The officers informed him of the suspect transactions and the amount and arranged for an audit the following day.
6. The defendant asked to speak to one of the officers in private. She then told him that she had been manipulating the cheque figures to hide a shortage. During the short period the officers had been in the Fishpool office she had in fact managed to remit out £14,000 of cheques so that the cash would balance. GRO
7. The following morning the audit took place and the financial audit revealed a total shortfall of £13,188.89 which was made up as follows:
 - Difference in cash figures +£913.27
 - Difference in stock figures - £102.16
 - Transaction errors revealed to documentation -£14,000

8. There were also a number of missing Green Giros but these did not form part of the case against the defendant.
9. A search was then made of the defendant's home address and it was apparent that she had financial problems. She had a GRO at home.
10. The defendant was interviewed under caution on 3rd July 2008. She said as follows:
 - She had full responsibility for running the office which included weekly and monthly balances.
 - There were a number of unexplained losses she had hidden from Mr Masood due to GRO these started at around April 2007 when GRO
 - She conducted all the fraudulent entries under her own user i/d.
 - She expected the losses to come back as transaction corrections.
 - No other worker in the office knew about her actions.
 - She denied paying personal bills with the money or taking any money from the office.

Defence case

11. The defendant pleaded not guilty at her plea and case management hearing and in due course served a defence case statement. In it she accepted that she completed irregular transactions but had no certainty of the exact details or regularity. She did, however, concede that she acted in a manner which caused loss to Post Office. This seems to be a full admission to the false accounting charge that she faced. She denied that

any false accounting was for her own gain and could not explain the losses. She also alleged that Mr and Mrs Masood would regularly remove cash sums to use in the Pharmacy and National Lottery, that they were very poor at following accounting practices, which was an on-going problem. She referred to there being no supervision and adequate staff training, and said she had been paid with cash rather than obtaining pay slips. She sought disclosure of the Fishpool Office accounts and various other items of disclosure relating to Mr Masood.

Discussion

12. The defendant, whilst entering a not guilty plea to false accounting, admitted the offence to the auditors, in interview and in her defence statement. She ultimately pleaded guilty on a full facts basis to theft. I have not seen any basis of plea, and a compensation order was made in relation to the full amount of the discrepancy of £13,188.89.
13. The defence advanced in the defence statement positively asserts that the postmaster and his wife were removing POL funds for their own use and the Post Office was being run in a shambolic fashion and an employee had left after money had gone missing.
14. It is my view that had we had the material contained in the Second Sight Interim Report that we would, certainly on receipt of the defence statement, have disclosed it to the defence. Whilst the Second Sight Interim Report deals, in the main with Horizon on Line it does deal in passing with the system operated by this defendant.
15. In my view the defendant's guilty plea and her putting forward of a positive assertion that the Postmaster had stolen at least some of the money as had other employees and that the money might have been lost through shambolic accounting practices make the successful founding of an appeal against conviction in relation to the count of theft unlikely. Her

admissions at every stage to false accounting would render a successful appeal virtually impossible. The sentence passed would be a generous one for the false accounting alone and any appeal against sentence again would be unlikely

Conclusion

16. In my view, whilst we would probably have disclosed the matters contained in the Second Sight Interim Report to the defence had we had them at the time, the positive defence advanced by the defendant that losses were (rather than might have been) generated by the dishonesty/incompetence of others and her own plea to theft on a full facts basis, renders any arguable grounds of appeal beyond any realistic chance of success. No further disclosure in this case is warranted.

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Harry Bowyer

5th September 2014

BARRISTER

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