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Record of Taped Interview

Short Descriptive Notes**Record of Taped Interview Summary****Full Taped Interview Transcript**
applicable)

(delete as

Person interviewed: JOAN FRANCIS BAILEY (JB)**Exhibit No:****Place of Interview:** SHREWSBURY MAIL CENTRE**Number of pages:** 12**Signature of interviewer producing****Date of Interview:** 9.3.11**Time commenced:** 12.32**Tape reference no.:** 070837**Time concluded:** 13.12**Interviewing Officers:** STEVEN BRADSHAW (SB)**Duration of Interview:** 40 MINUTES**Other persons present:** ANDREW TENCH (AT) – LEGAL REP
HELEN DICKINSON (HD)

Tape counter times	Person speaking	TEXT
		Voice identification of everyone present and the nature of the enquiry explained. Permission to tape record given.
1.30		JB cautioned and reminded of legal rights. JB told she is not under arrest, (2) is free to leave, (3) is entitled to legal representation and advice including the right to speak with a Solicitor and (4) is entitled to read the Police and Criminal Evidence Act 1984 Codes of Practice setting out the rules and rights governing the conduct of this interview. The necessary Form completed and signed – Solicitor present.
4.55		The Royal Mail Employee Rights to a Friend at an interview or search form GS003 completed and signed. Offer of friend – friend declined. JB said she is fit and well to be interviewed.
7.00		JB questioned about an audit that took place at Howey Post Office

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7.11

JB

on 5th January 2011 and when asked to explain the shortage states:-
Well on that particular day I was in bed with swine flu and Glyn
came upstairs and said "Joan there's an auditor downstairs and
she's found that there's a problem in the Post Office can you get up
and come down to her" so I went downstairs and she explained to
me that she'd found a shortfall in cash, that she hadn't counted the
stock at that moment but you know that there is a problem with the
cash shortfall. I told her that I'd been inflating the figures on the
cash declaration because I knew about the shortfall. My husband
didn't know anything at all about it. I didn't tell him about it because
we're having real problems with our family at that time with illness
and various other things and I didn't go into detail with her but when
I had the interview with Mr. Burst?

HD

JB

Colin Burston.
Colin Burston, I did explain to him that we'd been having losses in
the Post Office since earlier on in the year of 2010 and that I'd been
putting money in to cover the losses but the losses were just getting
too much and you know got to a point when I'd drained our bank
accounts and what little savings we'd got and you know I couldn't
kind of cover it any more.

9.05

JB states she thought the amount was about £11,700 and she
confirmed her signature on a record made by Mrs. Balderson.

9.36

HD

SB

HD

Can I just read this out so that it's on tape?

Yes.

On Wednesday 5th January 2011 Mrs. Judy Balderson FSA
attending Howey Post Office to conduct an audit. I advised Mrs.
Balderson that the cash had been over declared by me for several
months to cover the balancing shortages. The cash was
approximately over-declared by 11,700 and then it's signed Mrs.
Joan Bailey and dated 5th, 5th January 2011?

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	JB	Yes that's right.
10.30		JB states the shortages began about May 2010. She clarified she does monthly balances and her initial loss was about £1,300 for a couple of months and by July was about £3,000.
12.45	SB	Can you remember for August?
	JB	August what I did the money I borrowed from my daughter earlier in the year I actually kind of balanced so that I got it straight for kind of August time so and then 'cos when I did the balance in the middle of August again it was down even though the money was correct then, it was down then, it was basically from August onwards that it started just going haywire.
13.43		JB states she went onto Horizon Next line generation about July when she balanced right.
14.20		JB's legal representative points out that she has a serious short term memory problem.
14.28	SB	So in July you had Horizon next generation and all the cash was correct?
	JB	Yes yes yes.
	SB	Right and then what you're saying is from August then your problems started again?
	JB	That's right yes.
	SB	And then between August and January 11, just over £12,000 you're saying has gone missing?
	JB	Yes.
	SB	Ok have you taken that money?
	JB	No no I've never stolen anything in my life.
15.22	SB	Who's responsible for producing the branch trading statement?
	JB	I usually do that.

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	SB	Ok.
	JB	Glyn always did the one for the satellites and then I always did this one.
	SB	Ok and a cash declaration every day?
	JB	Yes I did.
	SB	So you counted the cash each day and declared it on the system?
	JB	Yes.
	HD	Did you count it each day did you physically count it?
	JB	Yes oh yes yes.
16.10		JB explained she had a money bag which she used for the losses and gains. She went on to say that when doing monthly balancing, she would run off a balance snapshot then check the cash and stock against it.
16.544	SB	Now what you're saying is that you were, certainly from August that you were short?
	JB	Yes.
	SB	Ok so how did you produce a branch trading statement?
	JB	'Cos I inflated the figures.
17.21	SB	So what do you mean by inflating the figures?
	JB	Well when it was a few thousand pounds I kind of put you know £2,000 on the 20's or £1,000 on the 10's and as it got worse and worse I just had to add thousand pounds to it each time.
	HD	You shared it out between?
	JB	Yes yes.
	HD	Not all into one denomination?
	HD	That's right yes.
	SB	And did you do that every time since August?
	JB	Yes.
17.52	SB	Did you know it was wrong to do that?
	JB	Yes I know.

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	SB	And you've falsified the accounts
	JB	Yes I know.
18.15		JB said she did not contact anybody about the problems as she did not want to tell Glyn and did not mention anything when she transferred onto Horizon on line.
20.00	SB	What happened between May and the Horizon next generation team coming in, how did you, what did you do with the balancing then for May, June and July?
	JB	I just put the money in and then when my daughter gave me the money I was able to kind of pay myself back a little bit.
20.43	SB	So you didn't put any money in in May or June?
	JB	Yes I've just said I put the money in each month I took it.
	SB	Yeah but that's what I said so if you were £1300 short in May you put the money in to make it good.
	JB	Oh sorry yeah sorry sorry I didn't understand what you meant.
	SB	And you done the same for June?
	JB	Yes yes.
	SB	
21.05		SB confirmed that in July she was forewarned the next generation team would be coming to check the cash which is when she borrowed £9,000 from her daughter.
21.57	SB	What was the £9,000 for?
	JB	Roughly £6,000 was to put back into the Post Office 'cos apart from when the large amounts were going, it was previous to that I'd been putting £180 a month or you know £200 a month and I think those actually came up on the trading statements, they actually came up you know your deficit of £180 something or whatever.
	HD	So you declared that shortage and then it asked you?
	JB	Yeah and then I put the money in then.

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22.38		JB confirmed the system asked if you wanted to make it good cash or cheque and she did so every month. She continued:-
22.40	JB	I got to the point whereas we wouldn't bank on a Wednesday until I'd done this because if I'd got to put cash in it was easier for me to do it than write cheques out.
	SB	Ok it's just that if you'd already put the money in at the end of June, how did you become £6,000 short to put back into the Post Office between June and July when the Horizon next generation team come 'cos you've said that you put the money in to make the cash correct?
	JB	Yes I put some of it in, I didn't put the £1,000 in.
	SB	Right so in May, to use your figure of £1300 you didn't put the full £1300 in?
	JB	No no I put what I could I could take, I took out what I could out of our bank accounts but we only, we only kind of you know we work on such a short kind of amount because obviously of the stock that we carry and that kind of thing I couldn't afford to put it all in so I'd do it perhaps over a couple of weeks.
	SB	Fine so again.
	JB	So my daughter leant me the money so that I could actually pay back and make sure that was all clear and then put a couple of thousand pounds back into our bank account.
	HD	So did you roll that shortage, did you say you'd made it good but you didn't and then rolled it onto the next month?
	JB	That's right yes yes.
	SB	So again just to clear it up, if we use May as when you're saying it started, you're £1300 short, you would put £300 in and roll £1,000 into the next one?
	JB	Yes.
	SB	And then in June you would make the £300 good again and roll that £1,000 from May, the £1,000 short of June and that £2,000 would then roll into July?

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	JB	Yes.
	SB	But then in July it's suddenly gone up to £6,000 'cos you said you put £6,000 back in and that's another £4,000.
	JB	Yeah but I'm only going on what roughly the figures were, I can't remember exactly.
26.06	AT	Bearing in mind your medical problems which we'll come to in due course, I don't want you to guess at things.
	JB	Yes.
	AT	If you're not sure or you just don't know, tell this lady and gentleman that you don't know, I don't want you to guess.
	JB	Ok.
	AT	They will understand in due course why you're having problems answering these questions.
27.00		JB said she could not account for the sudden deficit.
27.44		A giro deposit transaction was discussed and transaction corrections.
30.26	SB	If you got a shortage of £200 and you put the money in, do you show the £200 on the branch trading statement and then put the money in or do you re-adjust your cash after you've put the money in to show a straight balance?
	JB	I readjust the cash, oh no when it says make good cash or cheque then.
	SB	No I'm talking about, not when you're doing your balance.
	JB	Oh sorry sorry yeah.
	SB	And your balance is showing that you've got a shortage, say the shortage is £100, £200 ok so 'cos under the terms of the contract for your husband who's the Sub-Postmaster he has to make good any shortages at the time of the balance.
	JB	Yes yeah yeah.
	SB	If it's a surplus he's allowed to take it out, shortage he has to make

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		good.
JB		Yes.
SB		Right so £200, £200, what would normally happen, would you show £200 on your branch trading statement and just put the money in or would you re-declare the cash and increase that by, you know put the £200 in, re-declare your cash so your cash goes up by £200 so when you do your branch trading statement it shows Nil discrepancies?
AT		Do you understand the question?
JB		Yeah I think I know what he means. No no because on, no when it says you know there's a discrepancy of, do you want to make good cash or cheque, I'd put make good, I'd press the 'make good cash' and put the cash in but I wouldn't do another declaration.
SB		No no people have different ways some will show whatever the balance result is on the branch trading statement, people will show that, some Sub-Postmasters don't like showing that and what they do is put the money in, re-declare the cash so the branch trading statement shows out as if everything is perfect.
JB		Oh I see I didn't know you could do that so yeah.
32.35		JB said she had quite a few transaction corrections last year but could not recall any for large amounts.
35.30		JB went on to say that she believes there may be problems with the Horizon system and said:-
36.47	JB	I know that after July when I did an end of month or something and it said 'what do you want to do make good cash or make good cheque? And my husband had actually banked early that day so I hadn't actually got any cash apart from my float in our shop so I thought oh well I'll make good cash so I actually wrote a cheque out for £59.95. Now normally if you press 'make good cheque' it actually comes up automatically on the system so when you do

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		your cheque print out it's there right and it wasn't there and so I thought oh that's funny it's not there and I thought well never mind I'll send the cheque off anyway, I won't rem it out because obviously if I was short I won't rem it out and I sent the cheque off anyway with the little pink slip you know for the cheques and a few weeks later I had a transaction correction saying you haven't made good this amount for £59 or whatever it was, I think it was 59 and so I rung them up and I said "well I have because I made good the cheque" and I said "but it didn't show up on the system so I just sent the cheque anyway" and she said "yes that's a glitch with the new system they're having problems with accepting cheques when you've made good, could you send another cheque and we'll do a transaction correction when this other cheque goes through" I said "right ok" so I did another cheque I sent it, she says "we'll send you the transaction correction" which they did and that was actually there make, you know cheque so I sent another cheque off but they never sent a transaction correction for the cheque that they'd received previously that I'd sent so I know that that was a glitch, that was only a small amount but it still showed there was a problem with, and up until we had our audit in January that was still the case, that was still the case it wouldn't.
38.52	SB	Well I can assure you that whatever glitch if there is any at the beginning with Horizon next generation has been solved right.
	AT	You will forgive me saying that we don't accept that.
39.50		JB said she has worked in the Post Office 5 ½ years and believes she is competent enough. Master tape seal signed on number 070837 Interview terminated at 13.12