

Notes of the meeting held on 1st July 2004
at Darlington Post Office.

People present at Interview.

Mr Lee Castleton L.C

Mrs Julie Langham J.L

Mr. John Jones J.J

Paula Carmichael P.C.

Introduction.

L.C. It's nice to put a face to your name
Paula, having spoken previously on the
phone.

J.J. Why are you appealing against the
termination?

L.C. There has been numerous computer faults
at the branch and we wanted more
information to prove the faults.

J.J. Do you understand how the system works?

L.C. Yes simple double entry accounting.

J.J. What cash declaration process is
used in the branch?

L.C. We use a sheet & counted cash
from safe & drawers.

J.J. Are they accurate?

L.C. I would say nine times out of ten.

J.J. What about ordering cash?

L.C. Chrissie has been there 17 years
So we would discuss what we
needed & order it.

J.J. you have the car auction paying
in.

L.C. yes usually Wednesday & Friday -
sometimes large amounts & sometimes
very small. So we have to make
sure we don't rely on the large
amounts. It's ordered on a
Wednesday so we base it on
Chrissie's experience but we have
run out before.

J.J. what would you do if there was a
discrepancy?

L.C. We would go to the usual places
 giro, cheques, recheck cash & just
work our way through.

J.J. what is your process for dealing with
error notices?

L.C. Work back through the paperwork
for that week & make good before
the next balance.

J.J. what action was taken at the first
misbalance in week 39?

L.C. The first misbalance was on week
41 which we went through all of the

Paperwork over and over but could not find anything, so I made good the £1100 after ringing the helpline.

my RLM came on the Friday after the first misbalance. It was her regular visit. I explained what had happened & she told me not to worry - a discrepancy that large would easily be found & come back to us. But it didn't.

J.J. What other action was taken in week 2?

L.C. The loss was larger and I was very unhappy - I kept ringing the helpline.

J.J. your RLM suggested splitting the stock unit. Why were you so adverse to this?

L.C. No. not until week 9 of the problem. I was not adverse to splitting the stock unit, I was adverse to the fact that the suggestion had been made in week 9 after so many phone calls and repeatedly asking for help. We discussed a manual week also and we decided that was the best way to prove the fault on the computer, but Chrissie was away over the next two balances & the I was suspended before we had
change (2)

J.J. what problems had been happening?

L.C. Screen freezes, reboots, the onch quadrupeling, there were so many little things but always something. I think it is a software problem.

J.L. Is it not possible to take the hard drives away to be checked? I don't think any actual cash is missing, more figures misinterpreted on lines.

J.J. The cash account adds up. The computer can only change 3 things.

(J.J. shows L.C a spread sheet of cash).

J.J. Does this surprise you?

L.C. How was it generated?

J.J. From the cash accounts.

L.C. No it doesn't, because we have sent the cash accounts in part to business support and had them checked. But they are generated from the computers that I can prove has faults.

(J.J. shows L.C a cash report).

J.J. what cash was ordered, when & why?

L.C. Don't know we must have needed it.

J.J. Between weeks 42 and 49 more cash was ordered.

L.C. I only ordered what was required.

J.L. My branch is probably very similar - you have to ring for extra cash for

Fear of running out, we have run out more than once.

J.J. What happened to the extra cash?

L.C. I don't know but these figures are from the cash accounts of a faulty machine.

(J.J. produces another cash sheet)

J.J. The £16k auction cash, this cash is physical.

L.C. The horizon is faulty - (starts to talk about week 49 & the suspense account)

J.J. We are not talking about week 49.

L.C. No but I can prove in week 49 that the system is faulty.

J.J. What makes you feel the system is faulty
It is same horizon kit as before the audit

L.C. What happened as part of the audit with the suspense account and the losses?

J.J. It was transferred out to Chesterfield.

L.C. So the system is not the same.

L.C. The largest loss since out of the office is £130 - but this system is not the same.

J.J. Fujitsu looked at the system on two occasions and have constantly said the cash declaration does not match.

L.C. What really does concern me there is that the problems started 13th January the first test on 25th February does not

give details of how far back the system was checked & the second time it was checked on 19th April, but it was only checked to March 1st. Why? What's the gap left for?

J.J. Fujitsu can't find a problem with the system.

Why were you adverse to the suggestion of theft, from R.L.M.

L.C. Most of the time I am there and Chrissie has been there for 17 years. Ruth is never left alone and unsupervised. It would be impossible to steal in the time allowed.

J.J. Why were you adverse to the advice from Cath?

L.C. It was not the advice I was adverse to, it was the fact that it was suggested after 8 weeks in her next visit. Cath has not helped from the start.

J.J. The system has been checked for integrity

J.J. You asked previously what clear desktop was - the integrity function.

L.C. I understand what it is now.

J.J. Horizon has a high resolution of integrity. Week 50 has the same net discrepancy on balance snapshots all week and yet is different on the final balance.

L.C. As I have said previously - this machine is faulty.

You have done 2 checks and it has come up clear?

J.J. yes.

L.C. Then can you explain weeks 49, 50, 51, 52 final balances. £3509 appears as a loss & is placed into suspense.

(J.J. looks at the cash accounts for the 2 weeks)

J.J. yes.

L.C. So why is the final balance not showing the entry at the top. It did when the £8k went in last time.

(J.J. continues to look at final balance and cash accounts).

J.J. I don't know.

L.C. It is clearly moved across on cash account isn't it.

J.J. yes.

L.C. Yet stock & mop is not reduced and the shortage stays on the loss line with no entry on the gain side to show the loss moving into suspense. How can that be?

(J.J. continues to look at the cash accounts and does not answer).

L.C. I don't want to embarrass you but this is balance with horizon it clearly states that a positive entry occurs when a loss is moved & if any further loss occurs

it is showed as net discrepancy.

"John you are a specialist aren't you?"

"Are you paid seperately to know about horizon?"

J.J. No.

(L.C. specifically asked for these questions & the answer to be put into the notes)

L.C. It's there in the balance horizon book, (L.C. passes J.J the book).

L.C. In my last interview this was talked about for 20 minutes but it does not appear in the notes. I recieved a letter of explanation from RLM seven days later explaining suspense. Why would she explain by letter about suspense if it was not an issue.

J.J. I will take all the information away to be looked at thoroughly.

L.C. Over those last weeks the same figure appears over and over, even though it has been put in suspense. I told Cath at the time and she took one look and told me it was a further loss. But it is not, This system is faulty. If you divide the flock losses by the weeks it is only £116-56 and you have an error notice from Lottery prizes for ~~£116-56~~^{£117-56} in the same

period so this gives an actual difference of 44p.

Those losses are all computer generated. The system integrity check has not found this fault, The system was checked twice was it not.

J.J. Yes. Suspense checks have also been done.

L.C. Over this period & nothing found.

J.J. Why did you need to order extra Cash?

L.C. We must have needed it.

J.J. Have you taken any money?

L.C. No - absolutely not, I am 100% neither me nor staff have taken any money because the money does not exist. It is a faulty computer. Two tests have been done and nothing found. Yet the paperwork proves the problem, the software is faulty.

J.J. Anything further to add?

L.C. No.

J.L. I think it took a long time to get Cath to do anything. She has only visited my office once in 16 months & that visit was for 10 minutes

because her son was sat in the car.
I do think that we do not receive
much support from Cath at all.

meeting starts to close

I believe that this is a true reflection of
the meeting that took place on Thursday
the 1st July 2004.

Mr. Lee Castleton.

Mr. John Jones

Mrs Julie Langham.