

**From:** "Parsons, Andrew" [GRO]  
**To:** "Brian Altman" [GRO]  
**Cc:** "Matthews, Gavin" [GRO]  
**Subject:** Balancing Transactions [BD-4A.FID20472253]  
**Date:** Mon, 20 Jul 2015 10:39:30 +0000  
**Importance:** Normal  
**Attachments:** Old\_Horizon\_v1.docx  
**Inline-Images:** image001.jpg; image002.jpg; image003.jpg

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Brian

At the conference a few weeks back, there was a discussion about investigating when POL had used Balancing Transactions (**BT**). As we know that there was only one BT used in new Horizon (post 2010), the focus of those investigations was to be on Old Horizon. As part of those investigations, we asked FJ to explain how BTs would work on Old Horizon. They then produced the attached paper. In short, it says:

- It was possible to do something equivalent to a BT on Old Horizon.
- Any "BT" would show in the master transaction logs.
- Searching for BTs would be a big job.

It has subsequently been confirmed by FJ that searching for BTs would in fact be an enormous task, taking several months of work. The reason for this is that transaction data is simply not stored in a way that permits one to run a single query across all the data in one go. FJ would need to unpack the data for each branch, search it, then re-pack in a way that does not destroy the audit trail for the data. On this basis, POL is not prepared to commission this exercise unless it is considered absolutely vital and there is no credible alternative.

I would be grateful for your thoughts on an alternative way forward or whether, in light of the above, POL needs to undertake this exercise at all. Perhaps we could have a quick con call to discuss later today / tomorrow? Gavin and I are generally free so please let me know when is good for you.

As a starter for ten, one possible way forward would be to try to narrow the scope of the search as follows:

- Only look at Old Horizon data (ie. pre 2010) – as we know there was only one BT on New Horizon because New Horizon tracks BTs in a separate log.
- We can only back as far as around 2008 due to normal retention policies on Horizon data.
- Only look at data for branches where there was (i) a prosecuted SPMR and (ii) the SPMR was an active SPMR during the above time periods.

Kind regards  
Andy

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