

Business owners say fraud, theft by former bookkeeper had huge impact

Rosie Mullaley

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It wasn't just about the money for Bill Hannon.

When the owner of Double H Electric Ltd. in Mount Pearl found out a trusted employee had stolen tens of thousands of dollars from his company, he lost faith in humanity for a while.

“My life got flipped upside down,” Hannon said with tears in his eyes.

Hannon was emotional as he spoke to reporters outside the courtroom in provincial court in St. John's Friday moments after his former bookkeeper, Julia Gosse, was sentenced to 3 1/2 years in jail for defrauding and stealing from his company and another local company where she had worked.

Gosse (a.k.a. Gosse-Lacquette) pleaded guilty to two counts of fraud over \$5,000 and a single count of theft over \$5,000 for swindling close to a quarter of a million dollars from the two businesses.

Between 2012 and 2015, she took \$55,694.71 from Hannon's company and \$170,694 from Trinity Resources Ltd. while she worked there.

But the Bell Island woman has a long history of doing the same to other companies where she worked. Her criminal record dates back 25 years.

Hannon didn't know about her background and found out about Gosse's other charges after seeing media reports. When he checked his own company's books, he was shocked to discover Gosse had been doing the same to his company.

“I went for a trip to Montreal to see a hockey game and come home and find my entire life flipped upside down,” he said.

As a result of the huge financial loss, Hannon was forced to lay off his entire staff of four people and has had to turn down contracts that require more resources.

“It's just me trying to operate the company alone,” he said, his voice quivering.

However, turning to look at his wife, Hannon said, “But I will say, it makes you strong. I have a different outlook on life.

“With the strength of my wife, I'm moving forward. I feel stronger every day.

“And at some point, I actually found forgiveness for Mrs. Gosse. I don’t know how I did, but I think she has a very, very bad sickness and, obviously, she needs to get help.”

John Hurley, owner of Trinity Resources — a Conception Bay South company that operates a pyrophyllite mine that supplies aluminum silicate products to various industries around the world — said Gosse caused plenty of problems for his company as well.

In addition to the \$178,000 Gosse took, Hurley said, he had to pay \$32,000 for an external audit after the incidents were discovered. It also required him and other employees to spend countless hours internally working on the issue.

“It’s just a huge cost to everyone,” said Hurley, who had to lay off a dozen people, leaving him with six employees.

“You put your trust in somebody ...,” he said with a sigh and shaking his head. “It’s just very difficult. ... It’s very difficult to trust new employees.

“But we’ve gotten through it. There were a lot of sacrifices, difficulties, both personally and for employees, but justice is served today.”

The advice he has for business owners is to get criminal background checks on all employees, even if they’re family members.

“For small businesses especially, it’s important to put in strong, stringent controls. We’ve gone away from electronic transfers. We pay with cheques from now on,” he said.

“We’ve put in new controls so it can’t happen to us ever again.”

Before she was sentenced, Gosse admitted what she did was wrong.

“This has got to stop,” she told the judge.

In sentencing Gosse, Judge Mike Madden went along with the recommendation from Crown prosecutor Mike Murray.

He said shorter periods of incarceration in the past have obviously not worked to deter Gosse’s criminal behaviour.

“There was no addiction, no gambling and no financial need,” Madden said. “It just appears to be the urge to steal for greed.”

The judge said the companies suffered greatly because of the “inexplicable greed” of Gosse, “who is prepared to line her pockets at the expense of everybody else.”

The sentence also includes a restitution order to pay the money back and an order that prohibits Gosse from holding a position of authority over money, real estate or valuable security of another person for 10 years after she is released from prison.

Source: <http://www.thetelegram.com/news/local/business-owners-say-fraud-theft-by-former-bookkeeper-had-huge-impact-128443/>