

WITNESS: HARJINDER BUTOY

STATEMENT NUMBER: WITN0160\_01

EXHIBITS: 0

DATED: Jan 31, 2022

**POST OFFICE HORIZON IT INQUIRY**

**FIRST WITNESS STATEMENT OF MR HARJINDER BUTOY**

THIS STATEMENT IS PROVIDED IN RESPONSE TO THE RULE 9 REQUEST OF  
THE PUBLIC INQUIRY DATED 29/10/2021 TO ADDRESS THE HUMAN IMPACT OF  
THE FAILINGS OF THE HORIZON IT SYSTEM

I, MR HARJINDER BUTOY, Date of Birth  of   
 will say as follows:-

**PERSONAL BACKGROUND**

1. I am 45 years old. I live with my wife and two of our children. We married in 1996 and have three children together aged 22, 21 and 17 years old.
2. The eldest has now obtained employment in Buckinghamshire and so has moved away from home. My middle child is at university however, lives at home and my youngest child is in his first year of college.

3. I am currently unemployed and have been since I was convicted by the Post Office. I am in receipt of welfare benefits, including **GRO**

**GRO**

4. I am looking for work; however, I have always struggled due to my conviction and more recently the fact that I am type 1 diabetic as I have been applying for driving jobs.

### POST OFFICE HISTORY

5. In January 2004, I bought the Forest Side Post Office Branch in Sutton. I purchased the business with the money I had received from a redundancy payment from my job as a manager in a food factory. I also had to borrow £40,000.00 from my brother. At the time of purchasing the business, I also owned two other properties.

6. The Post Office was combined with an off licence and a newsagent. We also got the residential quarters that were attached to the Post Office and me and my family moved into this which was above the Post Office..

7. The idea of running a Post Office seemed to work well for me. Due to **GRO** **GRO** and it was becoming difficult to get time off work. Having a Post Office meant that I was self employed and I could therefore be flexible with my working hours and **GRO** **GRO**

8. I took over the role of Sub-Postmaster on or about the 22 January 2004 and I remained in this position until I was arrested.

9. I was never made aware by the Post Office that anyone else was having the same problems. They told me that I was the only one.

## **CRIMINAL ALLEGATIONS AND ANY PROCEEDINGS/CONVICTION**

10. When I first started at the Post Office the Horizon system was already installed and I was given training on this. Initially the training was offsite, and this was okay although it did go a bit fast for me. I then had a week on site training at the branch.
11. I recall my area manager being called Tim, but I cannot remember his surname.
12. During the onsite training, I had a trainer with me for the whole week. He did not leave my side and he watched all my transactions. Despite this by the end of the week I was still £150.00 down. It was embarrassing.
13. I asked the trainer how this could have happened with him watching me and he said he didn't know and that I needed to put the money back in. I did as I was told, but I was so confused as to how there could be a shortfall.
14. Over the years, I was hampered with technical problems with Horizon, and I did not find it reliable. I never had any major shortfalls; it would be the odd £10.00 or £20.00 here and there and I would just put the money in. It didn't happen every week and some weeks I would even be up on money. It was baffling.
15. I would call the helpline; however, it was not very helpful and they were not interested in the shortfalls. They were adamant that the system was correct, and I would need to make up the shortfalls. As the amounts were only small and not every week, I just went along with it.
16. The Post Office carried out a number of audits at my branch. I think there were around 2 or 3 before the final audit on the 24 April 2007. At the time of the other audits, the Post Office concluded that everything was fine, and I passed. In fact, the penultimate audit was only a week prior to the final one and I passed that one.

17. On the 24 April 2007, 5 people from the Post Office arrived at about 8.30am in order to undertake an audit. I can't remember their names but one was a security guy. I was not there when they first arrived as I [GRO] [GRO] however, I returned to the branch at around 10.30am.
18. I wasn't concerned by the audit as I knew I hadn't done anything wrong, and I had passed one only a week earlier. I did ask why there were so many people and was advised it was because a full audit needed to be carried out. I therefore just let them get on with it.
19. Following the conclusion of the audit, the auditors came to my house and advised that there was a shortfall of £2,424.24. Shortly after this, the Police from CID turned up and I was arrested and taken in an unmarked police car to Mansfield Police Station. I was suspended from my position following the audit on 24 April 2007.
20. It was at this point that I clicked why there were so many people at the audit. I was shocked because I thought there wasn't anything wrong. I wasn't told much until I got to the Police Station.
21. I was held at the Police Station for around six or seven hours. I was interviewed by investigators from the Post Office on 24th April 2007. I don't remember their names, but they were the same people who had carried out the audit. I had a duty solicitor who was also present at the interview. I was charged with 11 counts of theft. I didn't know what to say, I was just lost. They kept saying to me I had stolen so much money and I was just so confused because I knew I hadn't. I was placed on Police bail.
22. When I arrived home, I was informed by my wife that the property had been searched and the Post Office had been cleared out and shut. It was at this point



that I broke down in tears. I was worried and so was my wife. We were both panicking about what was going to happen.

23. The Police had found cash at our home and took away some bank statements.

The cash they found had been in separate plastic pots and was used to pay for the VAT, cash and carry, bills and other sundries.

24. They also found around £30,000.00 in our bank accounts. I explained to them that I was involved in the buying and selling of properties. The money was what I owed to my brother.

25. Prior to being released, I was advised that the shortfall was now in excess of £200,000.00. This seemed to relate to cheques not showing on the Horizon system. I explained the issues with the system, and they then tried to blame the missing cheques on my assistant, Julie.

26. I was summoned to appear at Mansfield Magistrates Court on the 10 October 2007 where I pleaded not guilty to the charges. I had not done anything wrong, and I did not have the cash which the Post Office had alleged I had taken.

27. At around this time, I also received a letter confirming the termination of my contract.

28. At this time, I was just using the police station solicitors; however, when I was told the matter would be sent to Crown Court I started to get a bit worried and employed my own Solicitor.

29. My case was sent to Nottingham Crown Court and on 25 April 2008, I attended a plea hearing, where I again pleaded not guilty.

30. In September 2008, my case went to trial. My lawyers managed to obtain some evidence to support my allegations in relation to the Horizon system; however, the Post Office refused to provide any data related to the Horizon system or to provide any assistance to the experts who drafted the reports.

31. I was offered a plea bargain from the Post Office lawyers. I think the offer was for a reduced sentence. I did not accept this as I had not done anything wrong.

32. On 25 September 2008 at Nottingham Crown Court I was found guilty of 10 of the 11 counts of theft.. On 27 October 2008, I was sentenced to 39 months imprisonment.

33. My conviction was overturned on 23 April 2021.

### **THE HUMAN IMPACT**

34. The human impact which the failings of the Horizon IT System have had and continue to have upon me, and my family are set out in the remainder of this statement. The section headings follow the particular questions posed by the Inquiry.

### **WHAT WERE THE CONSEQUENCES OF BEING REQUIRED TO MAKE GOOD APPARENT SHORTFALLS SHOWN BY THE HORIZON IT SYSTEM?**

35. Initially the shortfalls were only for small amounts, so I was able to repay these with no issue although I was always confused as to how the shortfalls had come about. I did this reluctantly because the amounts were small, they didn't occur every week and sometimes the money would be up which would help the balancing.

36. I wasn't ordered to pay any more back following the criminal trial; however, my bank account had previously been seized by the Post Office along with all the cash at my house. They kept all of this.

37. The Post Office made a Confiscation Application and on the 9 January 2009, I was ordered to pay the Post Office £61,000.00. I was confused as to why I only had to pay back this amount when they were saying I had stolen £200,000.00. I never got an explanation as to why this was.
38. As the Post Office had already seized so much money from me, in the end there was only another £10,000.00 to pay, and my dad paid this. I am due to pay him this back but have not been able to do so because I have not been able to obtain employment.
39. Whilst I was in Prison, I received a letter from the tax office chasing me for money for unpaid tax and VAT. I did not have any money to pay this so was forced to declare myself bankrupt. I initially did this for 12 months; however, at the end of this time, the liquidators took me to Court, and I was then made bankrupt for 10 years.
40. I could not believe that the tax office was chasing me when I was in prison. I wrote back to them about this and was informed that they were able to do this.
41. Due to being made bankrupt, I struggled to get a bank account. My account had originally been with Lloyds TSB and I had this since my parents opened it for me when I was 12 years old.
42. I went back to Lloyds TSB to try and open an account with them; however, was told that I couldn't have one. This was the worst moment for me. I remember thinking "wow, even my own bank doesn't trust me". As all the banks are linked it meant that I could not get an account anywhere. I was given no explanation and I was made to feel like dirt. I just couldn't believe it. I walked out of the bank crying; they had just shut the door on me.

43. We had to use my wife's bank account for everything, and it was only last year that I got an account. This is not my own account, but a joint one with my wife.

**WHAT WERE THE COSTS OF MAKING GOOD ALLEGED SHORTFALLS SHOWN BY HORIZON?**

44. As mentioned above, I paid back shortfalls on a regular basis. I would say it could be between £20 and £100 every week up until the audit.

45. Some weeks, the system could be up, so I would keep the extra money to one side to use if the system was down the following week.

46. After my trial, I was ordered to pay back £10,000. My mum and dad provided the money for this.

47. I haven't been able to pay this back to them yet.

**HOW WERE YOU AFFECTED WHEN ALLEGED TO BE RESPONSIBLE FOR SHORTFALLS OR DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

48. I was in total shock when the auditors told me about the shortfalls. I couldn't understand how it had happened, particularly since the audit the week before confirmed that everything was okay.

49. Both myself and my wife were really worried when I was charged with theft. We were panicking about what was going to happen to me and what this would mean for her and my children. It was a very stressful time.

50. I did feel confident that I would be okay because I knew I had not done anything wrong. I thought a jury would see this. Despite the worry, I kept telling myself it would be okay, and I would just need to see what happens.

**WHAT WERE THE CONSEQUENCES OF BEING HELD RESPONSIBLE FOR SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

51. After I was accused and charged the Post Office branch was shut with immediate effect. It re-opened 3 weeks later with agency staff, and they ran it until they decided to shut the whole branch down around two months later. It was at this point that the community noticed that something was going on.
52. Due to the Post Office closing I suffered a drop in sales at the shop and lost a lot of customers.
53. On the day I found out the date my case was going to the Magistrates Court, someone from the Post Office came to my house with a letter advising that my bank account was being seized. This meant I did not have access to any money. I had to rely on the profits from the sales made in the shop. However, because we were losing sales, I was struggling to pay the bills and look after my family. In the end my parents were paying the household bills.
54. I was due to pay the money my brother had lent me back to him at the time of being arrested. I had some of the money in my bank account, but because this was seized, I was unable to pay him back.
55. When I got convicted, we closed the shop as my wife couldn't cope with running it and three small children. It was at this point that she moved out of the premises and went to live with my parents in Chesterfield. Their house was limited in room, and this meant that the four of them had to share a living room which had been converted to a bedroom for six months until my parents found them a house.

**WHAT WERE YOUR FINANCIAL LOSSES CAUSED BY ACTION TAKEN AGAINST YOU IN RELIANCE UPON HORIZON DATA?**

56. As a result of my conviction, we had no option but to sell the business. As the Post Office was closed, we sold it at a loss as a closed business for £5,000.

57. I lost my job, as did my wife, who was no longer receiving income from the shop.

58. I am still struggling to find work after my conviction.

59. I didn't pay any legal costs in defending the civil or criminal proceedings as I received legal aid.

60. As mentioned above, I was ordered to pay back £10,000 which my parents paid back. This was in addition to the earlier nominal shortfall amounts I had paid as they arose and the money seized from my bank accounts.

**WHAT EFFECT DID IT HAVE TO BE ACCUSED OF COMMITTING CRIMINAL OFFENCES AS A RESULT OF SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

61. Going to Court was extremely scary. I kept panicking about what would happen. I would try not to think about it and just remember that I hadn't done anything wrong. I had been to Court before this incident.

62. I was worried every day. It was a complete nightmare for me and my wife.

63. On the second day of the trial, I was offered a plea bargain by the Post Office lawyers; however, I did not take this as I was not pleading guilty for something I hadn't done. I kept saying to myself that the Jury would find me not guilty. I knew I had not done anything wrong so could not see how I could be found to be guilty.

64. When the judgment was given, I was found not guilty on the first charge. I had a real big smile on my face. Then all the guilt charges started to come through. My whole world just folded into me. It was like I was hearing a voice at the back of my head. I wasn't quite taking things in. I couldn't understand how this was happening.

65. Details of the criminal proceedings were reported in my local newspaper after the hearing at the magistrate's court. From this point onwards, everyone was talking behind my back. I felt ashamed and stopped going out. If I did go out some people would still talk to me and I would explain that I had not done anything.

66. Once I was convicted, the details were reported in the Derby Times, the Telegraph and in the Punjab times. It was awful, it was everywhere. I felt like the whole world had switched off to me and that everyone thought I was guilty. I felt that I needed to clear my name.

**WHAT WERE THE CONSEQUENCES OF BEING CONVICTED OF A CRIMINAL OFFENCE AS A RESULT OF SHORTFALLS AND DISCREPANCIES SHOWN BY THE HORIZON IT SYSTEM?**

67. After I was sentenced, I was put in handcuffs and taken down to the lockups below the Court. I was all over the place at this time. I was not in the right state of mind and just kept thinking about my wife and children and what they were going to do.

68. I was traumatised and was in tears in the van on the way to the prison.



69. Initially I was taken to Nottingham Prison which is a Category B Prison. I spent 2 months there before being transferred to Boston Prison which is an open Prison. I was moved there because theft is a white collar crime.
70. I was in Boston Prison until December 2009 when I was released on tag. I remained on a tag for another 5 months.
71. Following my release from Prison, I also had to attend the Probation Service. I did not feel this helped and I did not feel that my probation officer was interested in me.
72. I struggled when I was in prison. I remember when I first entered my cell in Nottingham and the door slammed behind me, it really hit me about what had happened. I can still hear the door slamming to this day.
73. I thought to myself I will just have to deal with it; however, I was falling apart. When I initially spoke to my wife, she said that she wouldn't bring the children to the prison; however, I demanded that she did as I was falling apart. She did bring them in the end. It was deeply upsetting to be in prison and I feel that I missed out on part of my children's upbringing and family events. I feel guilty for this.
74. I lost 6 stone whilst I was in prison due to the stress of the situation. I felt humiliated and I was upset by what had happened.
75. After I was released from prison, I had nothing. I had lost my job and my home. I felt that I had lost my future, my freedom and my financial security. My main priority was to clear my name. I felt as though my life had been ruined and that I had been bullied by the Post Office.
76. My conviction meant that I struggled to find work. I would apply for jobs, but never hear anything back, it was very stressful. I felt that I had lost

my confidence and didn't feel I could run a shop again. At the time of the audit, we were doing well and were looking at commercial and residential properties to purchase from the Council so that we could expand. I lost all of this.

77. When my conviction was quashed, I changed my CV to state this; however, I am still struggling to find work. I have applied for roles as a driver; however, I have struggled with this due to my type 1 diabetes. It also doesn't help that the country isn't in a great way and a lot of people are looking for employment. I feel my age also doesn't help.

78. I spent a lot of time trying to clear my name and get my conviction quashed. At one stage I even went to the High Court myself to try and appeal my conviction. It was a very stressful time and I feel like the stress nearly killed me. There were points where I would have to stop looking at all the evidence and give up on it. Then I would hear some new evidence and go back to fighting for my name to be cleared.

79. I feel that the incident has really impacted on my mental health. I feel guilty and down about what happened and the impact it has had on my family. Although I try to keep positive, I feel like the anger is always there. I feel that I now get wound up and become more emotional than I used to.

80. My sleep has been impacted and I find that it is often disturbed with thoughts about what is going to happen next and whether I will be able to get another job.

**WHAT EFFECT DID THESE ISSUES HAVE UPON YOUR RELATIONSHIPS WITH YOUR FAMILY, FRIENDS, COLLEAGUES AND LOCAL COMMUNITY?**

81. My relationship with my wife has remained strong. We have both been very stressed up until my conviction was quashed.

82. My wife left the Sutton area after my conviction and moved to Chesterfield to live with my parents. This was because the shop had been shut down and we had lost our home. It also meant that she didn't really have to deal with people knowing what happened. People did know, such as the mothers at the children's school, but no one ever said anything.

83. When I left prison, I moved to Chesterfield to be with my family, so I have not had to worry too much about people making comments about me. However, I did still have to live with the stigma of having a criminal conviction as some people did know. It was devastating.

84. I lost all my friends in Sutton when the first newspaper article came out; however, a lot of my friends lived in Derby and when I explained to them what had happened, they stuck by me. They have stuck by me the whole way through and supported me in getting my conviction quashed.

**PLEASE DESCRIBE THE DIRECT AND INDIRECT EFFECT WHICH THESE ISSUES HAD UPON THE MEMBERS OF YOUR FAMILY?**

85. My wife had a difficult time whilst I was in prison as she was having to bring up three children on her own and in the beginning, they were all living in the same room at my parents' house. GRO

GRO The conviction almost destroyed her.

86. My children were not aware of what was happening at the time. They knew

that I had been sent to prison, but they did not know any more than this.  
They only found out the full story when my conviction was quashed. They  
were very happy for me at this time.

**CONCLUDING REMARKS**

87. I feel as though the Post Office has destroyed my life and believe that those  
who acted unlawfully should be brought to justice.

<b>Statement Of Truth</b>	
I believe that the facts stated in this witness statement are true.	
Signed: <b>GRO</b> <small>Harjinder butoy (Jan 31, 2022 09:16 GMT)</small>	Position Or  Office Held:
Print name: HARJINDER BUTOY	Date of signature: Jan 31, 2022

FILE REFERENCE: **GRO**

