

Witness Name: Gregory Booth

Statement No.: WITN09480100

Dated: 19 June 2023

## **POST OFFICE HORIZON IT INQUIRY**

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### **FIRST WITNESS STATEMENT OF GREGORY BOOTH**

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I, Gregory Booth, will say as follows.....

#### **INTRODUCTION**

1. This witness statement is made in response to Rule 9 Request no.1 regarding Marine Drive Post Office and the Lee Castleton Litigation dated 5 May 2023 (the "**Request**").

#### **BACKGROUND**

2. From 1965 to December 1970 I was an Articled Clerk to a firm of Chartered Accountants in Bristol. Then from January 1970 to 1976 I worked in audit for Coopers & Lybrand, an international firm, now part of Price Waterhouse Coopers. From then until 1998 I worked as an Accountant in industry, holding various positions including Group Financial Accountant, Finance Manager, and Company Secretary.
3. In 1998 my wife and I purchased a sub-post office (Edgehill) in Scarborough and ran that until it was closed under the Network Re-invention Programme. I was then asked by Post Office Limited ("**POL**") to take over a larger office

(South Cliff PO in Scarborough) of which the sub-postmaster had been suspended. I ran this office from September 2003 to February 2004, when a new permanent sub-postmaster was appointed. I next ran Marine Drive Post Office in Bridlington from 21st April to 28th May 2004, again at the request of POL. After that I ran various offices around the area as a relief postmaster, and lastly Newby Post Office in Scarborough as manager until 2008 when I retired.

**EXPERIENCE OF MARINE DRIVE POST OFFICE AND INVOLVEMENT IN LITIGATION AGAINST LEE CASTLETON**

4. In answering the questions below, I have considered the following documents: my first Witness Statement dated 7 October 2006 [POL00074091]; my second Witness Statement dated 8 November 2006 [POL00081446]; the first Witness Statement of Catherine Oglesby dated 21 January 2006 [POL00083031]; the Second Witness Statement of Catherine Oglesby dated 10 October 2006 [POL00071592]; and the first Witness Statement of Christine Train dated 29 November 2006 [POL00083641].
5. I was asked to take over Marine Drive Post Office by Catherine Oglesby, a Sales Account Manager of POL, as the sub-postmaster, Lee Castleton had been suspended due to losses not made good, and the acting temporary sub-postmaster was no longer available.
6. I was told briefly the reasons for Lee Castleton's suspension, but not in great detail, as far as I can remember.
7. I have been asked to describe my experience of running the Marine Drive Post Office between 21<sup>st</sup> April 2004 and 28<sup>th</sup> May 2004. I didn't have any particular problems with the weekly balancing. Catherine Oglesby requested

that I add £100 to the Suspense Account, then print off a balance listing to check that the system did what was intended, and then reverse the transaction and re-check. The results were exactly what were expected. It is a normal thing to do to test any system to enter a dummy item and the reverse it.

8. I have been asked about my working relationship with the other staff in the Marine Drive Post Office. To start with, there were no other current staff in the post office as both the sub-postmaster and his assistant, who he relied upon to do much of the work, had been suspended. The previous temp had run the office on her own, but I realised another member of staff was needed, as queues could become long when customers came in with large piles of packages to process. I therefore employed an assistant, which was at my expense.
9. Interactions with most customers were satisfactory, given the difficult circumstances of the suspension, but there could be problems dealing with large piles of packages when I didn't have an assistant. The custom had been for a customer to leave the packages for the staff to process later and be trusted to return to the office later to pay. I was not prepared to take that risk, as it could have resulted in me losing money if they had not returned. I therefore processed all the items with the customer present.
10. I did not have any problems with the Horizon hardware or software as far as I can remember.
11. Since I did not have any problems there was nothing to investigate relating to Horizon during my time there.

12. It is clear from correspondence dated September 2004 [**POL00082577**] that Mr. Castleton wanted Christine Train (his former assistant) to take over as sub-postmaster and was determined to make it unattractive to anyone else to do so, including the statement to me that the rent for the office would have to be high. I doubt if he would have charged the figures quoted to Mrs. Train. He also implied that my car might be damaged whilst parked there. I therefore declined to accept the position, and presumably as a result, the office closed.
13. Whilst I was running the office, it was obviously a difficult time for Mr. Castleton, but I didn't have any problem with him personally, or his wife. Often after the office closed in the evening, we would spend time discussing the problems, and possible causes. He told me that via the internet (at that time a new phenomenon) he had discovered that other sub-postmasters had experienced similar problems.
14. After my period there had finished, I would occasionally see (unplanned) Lee, Lisa, or her father, and they would update me on how things were progressing.
15. The Inquiry has provided me with various documents relevant to the litigation for me to consider. Please find my comments on these documents below:
- a. **POL00083319\_036**: This document is self-explanatory.
  - b. **POL00071025**: again this is self-explanatory. As regards the possibility of Car Auction banking being mixed up with PO money, Lee Castleton did not think this had happened. "Leave to financial difficulties" should read "lead".
  - c. **POL00081700\_221**: The draft statement is not shown with this letter.
  - d. **POL00081700\_180**: The draft statement is not shown with this letter.

- e. **POL00081700\_150**: The draft statement is not shown with this letter.
- f. **POL00081700\_069**: This letter is not significant.
- g. **POL00069418**: This is with regards to the "System freeze" at Newby Post Office where I was currently working. I had not known this to happen before and felt it could be relevant to the ongoing system enquiries, which is why I felt it was necessary to notify Mr. Dilley about the lost transaction. In itself, I would not have considered £1.27 to be significant.
- h. **POL00069845**: At the time of the instance, I would not have been aware of the remedy subsequently given by Fujitsu to Stephen Dilley, which he then passed to me by letter.
- i. **POL00069824**: I have nothing to add to this Attendance Note.
- j. **POL00069922**: With regards to the first paragraph, I don't believe I alienated customers, except insofar as queues could build up. See paragraph 8 above. Regarding paragraph 2 - I can't remember.

16. I have been asked to describe the circumstances in which I first had contact with Stephen Dilley of Bond Pearce LLP and were introduced to the Lee Castleton case. I can't remember, but it was probably Stephen Dilley's letter of 22nd August 2006 [**POL00083319\_036**].

17. At the time, my understanding of the case against Mr. Castleton was simply that Mr. Castleton's Horizon records showed a considerable cash deficiency, which had been asked to make good, which he was not able or willing to do because he believed the losses were created by the Horizon system and were not true losses.

18. I have been asked to describe the nature of any discussions I had with counsel and representatives about my role as a witness in the case. I can't remember any particular discussion but understood that my role was merely to state my experience of the system whilst I was running the office.
19. From my initial interview with Mr. Dilley, I have been asked why I thought that potentially the car auction deposit funds may have been mixed with the cash in the Post Office which may have caused a discrepancy. This was simply because there did not appear to be any other transactions of a size which could result in the apparent losses, plus the fact that I considered the way the cash was handled was unsatisfactory and could lead to errors.
20. I also thought that Mr. Castleton was inexperienced and didn't get sufficient help because Mr. Castleton had only been appointed a few months before, but also much of the work was done by Christine Train rather than himself. As to the amount of help he received, I can only go by what he told me.
21. I have been asked why these points (at paragraphs 19 and 20 above) were not included in my witness statements for the Lee Castleton Case [POL00074901] and [POL00081446]. It is probably because I was not asked to do so.
22. I have been asked how each of my witness statements were prepared and their content agreed. I can't remember- it was too long ago.
23. I can't remember how I found the process of preparing my witness statements, again it was too long ago.
24. I have been asked what I thought about being asked questions on Christine Train's witness statement [POL00069922]. See above at paragraph 15(j). Christine Train was no longer employed in the Post Office, and her views on

my efficiency are not relevant to the cash differences, or to the possibility of Horizon computer errors. She was understandably bitter that she was no longer allowed to work in the Post Office.

25. As far as I can remember, I was not shown or asked to comment on any other witness statements before the trial.

26. I can't remember what I understood the purpose of my supplementary witness statement to be.

27. I don't remember whether the information from Fujitsu affected what was said in my second witness statement [POL00069845]. It was too long ago.

28. I have been asked to consider [POL00081700\_193] and [POL00081700\_160]. I have not previously seen Either of these documents. I am too out-of-touch with the Horizon system now, and can't follow the two questions, or the response to them.

29. I was not aware of this conversation between POL and their legal team regarding the test transaction in the suspense account.

#### **MR. CASTLETON'S TRIAL**

30. I have been asked to consider [POL00069279] and [POL00069286]. Lee Castleton claimed the cash account was altered electronically. In **POL00069286** "Scorby Road" should read "Scalby Road", and "John Train" should read "Joan Train".

31. I was not made aware of the content of Mr. Castleton's Defence and Counterclaim, except verbally by Mr. Castleton.

32. POL and Fujitsu took the view that the Horizon system was infallible, and that any errors must have been made by staff. In the days of manual systems this

would have been a valid approach, and it was assumed that it was also true for Horizon.

33. I don't think I have any additional relevant observations or views on the litigation that I've not set out above.
34. I have been asked to set out my views on the approved Judgment in the case [POL00004325]. I don't feel any need to comment on paragraph 24. However, the Judge said that the burden of proof lay on Mr. Castleton to show that the computer was wrong (paragraph 1), but presumably Mr. Castleton had neither the skill nor the opportunity to examine the Horizon system, himself or by an agent, so his chance to prove the system wrong was incomplete.
35. I was not provided with a copy of the judgment (until now), or informed of the outcome of the case, except verbally by Mr. Castleton.

### **REFLECTIONS**

36. Since the trial I have not experienced any issues with the Horizon IT system, but I have been retired for 15 years.
37. I have seen Mr. Castleton, his wife, and her father on several chance occasions since, and they would tell me how things were progressing with their claim.
38. I now believe, with what has been publicised, that it is likely Mr. Castleton was unfairly treated. The Post Office took the attitude, as they always have, that they and their systems are infallible. In the days of manual accounting this may have been justified, but at the time of Mr. Castleton's problems, this attitude to the Horizon system had not been seriously questioned or examined.



**OTHER MATTERS**

39. I don't think there are any other matters not referred to above that I wish to bring to the attention of the Chair. I do think, however, that views on my own performance are not relevant to the inquiry into the Horizon system.

**Statement of Truth**

I believe the content of this statement to be true.

Signed:

**GRO**

Dated:

*19th June 2023*

**Index to First Witness Statement of Gregory Booth**

<b>No.</b>	<b>URN</b>	<b>Document Description</b>	<b>Control Number</b>
1	POL00074091	First Witness Statement of Gregory Booth dated 7 October 2006	POL-0071464
2	POL00081446	Second Witness Statement of Gregory Booth dated 8 November 2006	POL-0078009
3	POL00083031	First Witness Statement of Catherine Oglesby dated 21 January 2006	POL-0079594
4	POL00071592	Second Witness Statement of Catherine Oglesby dated 10 October 2006	POL-0068155
5	POL00083641	First Witness Statement of Christine Train dated 29 November 2006	POL-0080204
6	POL00082577	Letter from Mr. Castleton to Mr. Mellow-Facer dated 22 September 2004	POL-0079140
7	POL00083319_036	Introductory letter from Stephen Dilley of Bond Pearce LLP to you dated 22 August 2006	POL-0079882_036
8	POL00071025	Attendance Note of Interview with Stephen Dilley on 30 August 2006.	POL-0067588
9	POL00071025	Attendance Note of Interview with Stephen Dilley on 30 August 2006.	POL-0067588
10	POL00081700_221	Letter from Stephen Dilley to you enclosing the first draft of your Witness Statement dated 4 September 2006.	POL-0078263_221
11	POL00081700_180	Letter from Stephen Dilley to you enclosing amended Witness Statement to sign, dated 27 September 2006.	POL-0078263_180

12	POL00081700_150	Letter from Stephen Dilley to you enclosing further amended Witness Statement to sign, dated 3 October 2006	POL-0078263_150
13	POL00081700_069	Letter from Stephen Dilley to you regarding hearing availability, dated 25 October 2006.	POL-0078263_069
14	POL00069418	Attendance Note of your call to Stephen Dilley on 27 October 2006 regarding the £1.27 lost transaction.	POL-0065981
15	POL00069845	Letter from Stephen Dilley to you regarding the £1.27 lost transaction dated 3 November 2006.	POL-0066408
16	POL00069824	Attendance Note of call between yourself and Stephen Dilley to go over your amended Witness Statement on 7 November 2006.	POL-0066387
17	POL00069922	Letter from Stephen Dilley to you regarding Christine Train's Witness Statement, dated 30 November 2006.	POL-0066485
18	POL00081700_193	Email from Stephen Dilley to Tony Kane of POL on 27 September 2006	POL-0078263_193
19	POL00081700_160	Attendance Note of call between Stephen Dilley and Tony Kane	POL-0078263_160
20	POL00069279	Transcript of Lee Castleton's evidence during trial on 8 December 2006	POL-0065842
21	POL00069286	Transcript of your evidence during Lee Castleton's trial on 8 December 2006	POL-0065849
22	POL00004325	approved Judgment in Post Office Limited v Lee Castleton	VIS00005393