

Witness Name: Mrs Donna Gosney  
Statement No: WITN0262\_01  
Exhibits: none  
Dated...20/1/2022.....

**THE POST OFFICE HORIZON INQUIRY**

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**FIRST WITNESS STATEMENT OF MRS DONNA GOSNEY**

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I, MRS DONNA GOSNEY WILL SAY as follows:

**INTRODUCTION**

1. I am grateful to the Chair to be invited to provide a “human impact” statement, concerning the physical, psychological, emotional, reputational and financial consequences to me and my family of being held responsible for shortfalls shown by the Horizon IT system and Post Office Limited’s actions toward me and my family. The initial paragraphs below provide a brief summary of my background, and provide context to the detail of the human impact of the Horizon scandal on me and my family. This statement does not reflect a full account of my experiences or those of my family and if necessary or required I will provide further witness statement evidence.

**BACKGROUND**

2. I live with my husband David Gosney in Poole, Dorset. We have two children, one son and one daughter. Both our children have grown up and moved into their own homes. Our son is married and has a daughter.

3. Prior to becoming a subpostmistress, I worked as a teaching assistant at a school for children with special needs for 5 years. I also previously ran a nursery and playgroup. I had worked for thirteen and a half years in child care.
4. My husband was in the military for 23 years, and we used to move every three years, depending on where my husband was stationed. When he retired, we used some of his gratuity to buy our house in Shipton village. Our children settled in nicely in the village and had made good friends.
5. My son **GRO** worked as a paper boy for the shop connected to the Post Office. **GRO** had **GRO** and **GRO** I went to the Post Office on his behalf. The owner, **GRO** told me that he was moving to Australia and was selling the post office and shop attached.
6. I went home to David and said to him that I thought that running a post office might be perfect for us, as he had been away so much in his military career. We sold our house in the village, and we used the proceeds and £10,000 that my dad lent us to buy the post office and shop.
7. I loved my job as a teaching assistant and I was reluctant to leave. I only left because David and I had spent so many years apart, and I thought that it would be quite nice to spend some time together.
8. I thought that the Post Office would be a safe and secure job, I could not think of anything safer, as the Post Office had been around for years and years. I thought that running a post office had prospects, and we could make enough money by making the post office a good and thriving post office. I could not think of a better job than having a post office, combined with a village shop. I thought it was a little gold mine.

9. I believed that we could run the post office until retirement. We loved the job and fell into it quite well. Businesswise I thought it was a good idea for me to run the post office and my husband run the shop.
10. I was a Subpostmistress of Shipton Bellinger, Hants SP9 7TW from 25 October 2001 to 24 April 2007. We lived on the premises in a nice flat above the shop. It was a good set up.
11. We operated a local general village store called Parkhouse Stores. It was a grocery store with an Off Licence and a National Lottery terminal. The store was run by my husband, myself and part time staff.
12. I had one assistant, Karen Mundy, who was employed by me in the Post Office until her arrest for theft, which I detail below. Mrs Mundy worked in the post office prior to my appointment and her continued employment was upon the recommendation of the previous subpostmistress, Gaynor Nash and the Post Office, who had trained her on the horizon system.
13. I signed an Acknowledgment of Appointment on 24 October 2001 when I went to the interview to be a subpostmistress. I was told by my Post Office interviewer that a contract would follow but it never did. It was not explained to me that this document contained contractual terms, which could be relied upon to hold me liable for any losses, regardless of cause. This only came up in my disciplinary hearing in 2007.

#### **TRAINING AND SUPPORT**

14. My initial training was supposed to be two weeks long. However, I only received two days of training at the Crown Post Office in Salisbury, which consisted only of stock related training. This was one to one training whereby I was familiarised to a limited

degree with stamps and premium bonds. It did not cover paperwork and there was no hands-on training on Horizon procedures or how to work it.

15. The off-site training mainly focused on accounting for daily transactions and how to sell products. There was no training in relation to balancing, what to do with discrepancies or the settle centrally function.
16. In fact, there was very little on the Horizon system in general and it mainly seemed targeted at the sales element of running a Post Office. The Post Office were pushing new products through and trying to get you to sell as many as you could.
17. I was meant to receive 10 days one to one training in-house. The trainer came on the first day and expected me to be hands on, without any training, while he sat at the back of the office playing basketball with rolled up pieces of paper and the wastepaper bin. I could not believe it.
18. My first customer at the post office had to pay a bill and the trainer only told me what buttons to press, he gave no explanation of the buttons' functions.
19. During the first week, the trainer was meant to help me do my balance on the Wednesday, and then on the following week he was meant to observe that I did the balance correctly.
20. However, for my first balance the trainer just did the balance himself and didn't explain the procedure. He did not instruct me how to use Horizon, how to correct any errors or look into why errors were occurring.
21. The balance showed a £30 shortfall. The trainer told me that if I did not immediately make good the alleged shortfall, I would not be able to open the next day and so he told me to just pay it.

22. The trainer was supposed to help me with the second balance but he just left me on my own and went home early. I was asking questions but he gave no answers and no reason. He was very unapproachable.
23. The first 2 days that he came to my branch he was on time and took an hour for lunch. However, after we did the first balance on Wednesday, he came late on Thursday and Friday, took 3 hours for lunch and spent his time driving around looking at sights.
24. I specifically asked the trainer if it was acceptable for the existing financial management system to be continued. When I took over from Gaynor Nash, she had a system in place where Mrs Mundy would balance and check stamps by lunchtime, and Gaynor Nash would check lottery and roll the accounts over at the end of the day. The trainer expressly told me that I should continue with this process for doing the balancing, and said that 'if it's not broken don't fix it.' This system was how Mrs Mundy stole money from the post office.
25. I complained about the trainer and requested further training. A Manager (Fiona Tucker) came to my branch but she spent more time chatting with Mrs Mundy about a pyramid scheme that they were in together than sorting out the problems in the post office.
26. Ms Tucker told me that the trainer had taught me all he could and from here on I should call the helpline or consult the operations manual if I had any difficulties. I found this frustrating.

#### **HELPLINE**

27. I believe I contacted the Post Office helpline at least 132 times between November 2001 and April 2007. It was usually in regards to shortfalls connected to the lottery



terminal. They normally told me to *"make good any shortfall I had found if I wanted to open the next day"*, this was a standard phrase they used.

28. The helpline was never actually helpful, and often made the situation worse. Their attitude was very blasé and they were not at all helpful. They were robotic and I always felt like they were reading from a script.
29. It was quite normal for the helpline to tell me different things for the same problem if I called multiple times per day. The advice would not work and I would call back, but the same person never answered. Sometimes when I would follow helpline advice the shortfall would multiply.
30. When I called the helpline, no matter the particular issue with Horizon, I was always told that I was the only one with this particular issue and that they had never encountered problems like mine before.
31. I do not think any of the helpline advisors had any training, because they could never fix a problem, 9 out of 10 times the problem multiplied, and the same person never answered my calls.
32. The Helpline would tell me to use the operations manual, and I would also get notifications telling me to check the operations manual. I would look at the operations manual but it was not helpful, as it didn't have the right information.
33. In 2003, I received a notice saying that I had received a roll of stamps to the value of £500. This was impossible, as I did not have an outside stamp machine in my Post Office.
34. I called the helpline and was told to REM (remit) the stamps through anyway and the system would correct itself and balance. It did not work and when I called the helpline back, they told me I should not have done this and that I should have put

the value in a suspense account. I explained that a helpline advisor had told me to do this, but the new helpline advisor said that I had been given the wrong advice. The money was then put into the suspense account.

35. The Post Office then demanded I make good this shortfall. I refused as we hadn't been given the stamps. The Post Office responded that I needed to make good my suspense account, they said that if I didn't make it good, they would take the money out of my wages. I refused to pay the money and when my wages came the Post Office had taken all of the shortfall amount out from one months' wages.
36. We complained about the Post Office deducting monies from my wages to the area manager. He said that the Post Office had looked into the matter and that I was at fault and had to pay. He told me I was the only one with this problem and that they had never experienced this problem before.
37. After this incident, I kept a log book and wrote down the names, problems and times that I called the helpline. I told Mrs Mundy to keep a record of her calls with the helpline in the book, this was removed from my office by the audit team, and has never been seen since.

### **SHORTFALLS**

38. In this section, I set out in very brief detail my experience of shortfalls arising from deficiencies in the Horizon IT System, and Post Office Limited's actions as a result. This is only a brief introduction to those matters, in order to provide necessary context for the explanation of the human impact which follows.
39. I would estimate that throughout my position in the branch, I paid, or the Post Office deducted, in excess of £800. However, the Post Office also sought to recover

£189,000 from me, in circumstances where the Post Office knew, as a matter of fact, that I was not responsible for these monies.

40. Over the period I was subpostmistress I repaid hundreds of pounds in shortfalls. The printer was often offline, and this made it difficult to run off reports for my Wednesday balance, which in turn made it difficult for me to look for potential discrepancies.
41. I kept a diary of all phone calls logged with the helpline after the stamp roll incident, but on 24 April 2007 when the Post Office removed paperwork from my office (detailed below) they removed the diary and this has not been returned.
42. In 2003 I had a shortfall of £500 from stamp rolls. This amount was deducted from my remuneration. When the error first showed, I contacted the helpline to say that I had not received the roll of stamps the £500 was alluding to. I did not have a stamp machine and so I would not receive a stamp delivery at all. The helpline told me to REM (remit) the value through the system and it would balance and rectify itself. I later called back when this did not work and they told me that this was incorrect advice and I should have put the £500 into a suspense account, which I subsequently did. I was then told to pay this money back. I refused but the Post Office deducted it from my wages anyway.
43. On 29 July 2005 I had a shortfall of £124.64 and £3.04 from a previous surplus not withdrawn. This was made up of £77.86 cash figures and £49.82 stock figures. I paid the shortfall immediately as instructed by the auditor who discovered it. He told me I would not be able to open the following day if I did not pay it back that day, as I wouldn't be balanced. I was not aware of the shortfall prior to the audit.
44. On 24 April 2007 I had a shortfall of over £189,000 consisting of £1.68 difference in cash figures, £40.82 stamps and £189,000 in cheques (which Karen Mundy stole). I did not pay this money back to the Post Office. It was soon discovered that my



assistant Karen Mundy had stolen £189,000 worth of cheques and she was later convicted for theft.

45. What astonishes me is why the Post Office's Horizon System did not pick up this massive loss of money, but that it only came to light in an audit.
46. The Post Office pursued me for the money regardless of the fact that Mrs Mundy accepted responsibility for this theft and was convicted of theft of this money. Despite this, and despite the fact that it was accepted by the Post Office that I had no hand in this theft/loss, the Post Office sought to recover this money from me.
47. The Post Office suspended me on 24 April 2007.
48. I later went for a disciplinary hearing with the Post Office, where they told me they had interviewed Mrs Mundy and she admitted that she had stolen all the money. The Post Office told me that they would recover the money from Mrs Mundy, but I knew she did not have the money. I told the interviewers this, and they then said that they would come after me for the money. Their attitude was that they wanted the money back one way or the other.

#### **AUDIT AND INVESTIGATION**

49. I was audited on 29 July 2005 and a shortfall of £124.64 was found which I immediately made good.
50. In February 2007, I received a phone call from the Post Office cash handling department informing me that £112,000 was missing from my accounts and must be being held in my safe. I said that this was not possible and mentioned the phone call to Mrs Mundy who laughed and said it must be a paper error, because she did the cash balance, I accepted what she said. The Post Office seemed to accept my explanation at that time and I heard nothing further until the audit in April.

51. I was audited on 24 April 2007 by Derek Edmunds and Paul Holland. I was present for the audit, however, I had to wait in my dining room which was adjacent to the Post Office and they closed the adjacent door to the Post Office.
52. The auditors turned up first thing in the morning and within five minutes of beginning the audit, they had closed my Post Office and informed me of the alleged shortfall of over £189,000.
53. Mrs Mundy was in the shop and I immediately called her through to the post office, as she was also involved in doing the balancing, and the auditors were asking questions which I thought she might have the answer to.
54. Both Mrs Mundy and I were shocked at the alleged shortfall, and I was initially sure it must have been a paper error. Mrs Mundy then said she had to leave, as she was not due to be in work at that time. She told us that she was going home to walk her dog and would be back in half an hour. She went home, called husband and then her husband called an ambulance as she took an overdose. Mrs Mundy had to have her stomach pumped.
55. The Post Office called the police and their fraud investigation team left immediately after Mrs Mundy had left.
56. I was told by the audit team that I had to pay the alleged debt/loss.
57. I was also told by the Post Office's Fraud Investigation Team, whilst they were in my office, that it would be unfair for me to be made to pay this money back if it was proven that Mrs Mundy was guilty of theft; which they were starting to suspect as Ms Mundy had undertaken all the of cheque transfers under her own log.
58. Mrs Mundy eventually admitted to having stolen the £189,000 and pleaded guilty to theft. She was convicted of one count of theft and one count of dishonesty making

false representation to make gain for herself on 8 February 2008 in Salisbury Crown Court. Mrs Mundy was ordered to pay £1,000 compensation. She was sentenced 21 months' imprisonment.

59. The Post Office investigation was carried out by Graham Brander on 24 April 2007. The audit team and fraud and investigation team were involved. The audit team was made up of two people, and the fraud investigation team was made up of three people. Both teams acted like they had one good cop who was friendly, one bad cop who was intimidating and one indifferent cop who was sneaky.
60. Before Mrs Mundy was arrested and charged, I was interviewed under caution as part of the investigation. It was such a long and intimidating day; I had never felt so frightened in my life. It was the worst day of my life.
61. My husband was allowed to stay with me during the investigation. We were both totally in shock for the whole day, it was like an out of body experience. It was very surreal and we were bombarded with questions and demands for information by the investigation team. It felt as though all of a sudden, our world was collapsing around me.
62. At the time, one of the investigators told me to write a written statement, I was in total shock as I have never been in trouble with the law, and so I felt intimidated into writing a statement. I wish I had never written the statement as the Post Office tried to twist this later on.
63. Most of the discrepancies, but not all, can be put down to Mrs Mundy moving large amounts of money through a dormant account with the Post Office, which the Post Office should have picked up upon at central hub. This was an account that I was unaware existed. Mrs Mundy had been moving money from the Post Office account into a PayPal account and then into her personal account. I was told this by the court when I later phoned them.

64. The fact that such a large sum of money could go missing from the accounts demonstrates what a poor and unreliable system Horizon was.
65. Following my interview under caution, I was kept completely in the dark about the investigation and what was going on. The only way I could get any information as to what was going on with the investigation was by threatening to refuse the Post Office access to my post office without them first giving me my disciplinary hearing date.
66. The Post Office said that they wanted to come to my branch and remove the contents of our safe. My husband told them that they would be trespassing, as they would have to go through our private premises to get to the safe. He said to them that when they come back with a date for my disciplinary hearing they could come back.
67. I attended a disciplinary meeting on 16 May 2007 with my contracts manager Carol Ballan and Ellaine Ridge to discuss my suspension. This was horrendous. They kept saying they had not made a decision regarding my appointment. Through the meeting, it became apparent they were only interested in how I was going to repay the monies stolen by Mrs Mundy.
68. My husband was not allowed to come with me to my disciplinary meeting. I was advised that I was able to have a National Federation of Subpostmasters representative present. I went to the subpostmaster in the next village, as I knew he was a federation representative.
69. The National Federation representative told me that this is how it works, you are just expected to make good losses, so I decided not to take him with me as he was negative, and clearly on the Post Office's side.



70. I asked the Post Office if I could bring my friend who was a police officer; however they said that I could not bring him. I said I would not go if my friend could not come with me and so they let me bring him but said that he couldn't say anything.
71. My police officer friend made notes during the meeting and at the end he asked if the Post Office were done, and when they said that they were, my friend told them that you cannot charge two different people for the same crime.
72. The Post Office representatives at the disciplinary meeting were very hard-faced women, they took what my friend had to say and walked out. They acted like a pair of robots and repeated that my issues had not happened before. They kept saying "it's in your contract that you have to make good any losses". I said to them that it does not say that I had to make good theft.
73. I told them that I never received a contract so they sent it the next day special delivery. It was following this meeting that I first saw a copy of the Standard Subpostmaster Contract.
74. I had an initial consultation with Blanchard Bailey Solicitors soon after I was dismissed. I formally instructed them upon receiving a formal claim from Post Office Limited, which was soon after Mrs Mundy was convicted. The Post Office were pursuing me for breach of contract because I refused to pay the monies that Mrs Mundy had stolen.
75. Blanchard Bailey requested all the audit and full investigation documents from the Post Office, but we were told that this would be too expensive to provide. When it became apparent that the Post Office was coming after me for the money, my solicitors asked that my book that contained my helpline call records be returned, however, the Post Office denied all knowledge of it ever being held by them.

76. After I was cleared of any wrong doing the investigation was then focused on Mrs Mundy and her actions.

### **SUSPENSION AND TERMINATION**

77. I was suspended on 24 April 2007.
78. GRO was appointed a temporary manager on 11 July 2007 and continued for 6-7 years.
79. My post office was stripped of all paperwork on 24 April 2007 and the keys were removed on the same day.
80. My appointment was terminated on 13 June 2007 relating to the shortfall.
81. According to my termination letter dated 13 June 2007 from Carol Ballan, the grounds of my termination were cash and stock not being kept in the prescribed manor and lack of controls and false accounting within the branch, which led to the loss found in the audit.
82. A potential buyer came into my post office and informed me that he had been told by a member of the fraud investigation team that I would be selling my post office off cheaply due to the theft and my mental health. He had heard that I was stressed and unwell and that I wanted to move away.
83. This buyer said that a member of the fraud investigation team had contacted him and informed him of their investigation. This buyer knew more than I did about Mrs Mundy's prosecution and it was through him that I discovered Mrs Mundy had been convicted. The potential buyer advised me to contact the court.

84. My husband and I had not discussed selling the post office and we were surprised to hear that the fraud investigation team had been telling people that we would be selling.
85. I reached the stage of completion with this buyer when the sale fell through because he said he wanted an additional £10,000 to be deducted from the price because of the issues. He knew we were desperate to sell because of the state I was in.
86. The store was eventually sold to somebody else for £50,000 excluding the stock. I initially purchased it for £112,000 excluding stock. We could not sell our post office because Post Office Limited had already employed a temporary manager, **GRO** **GRO**. The post office is no longer there.

#### CIVIL AND CRIMINAL PROCEEDINGS

87. The Post Office pursued civil proceedings against me for the recovery of the alleged shortfalls. The Post Office pursued me for breach of contract because I refused to pay the monies that Mrs Mundy had stolen. They obtained a judgment against me as I was unable to fund my defence in court.
88. The Post Office did not pursue criminal proceedings against me although they threatened to do so.

#### LOSSES

89. I was led to believe that I had no alternative but to pay the shortfalls. I estimate that I paid, or the Post Office deducted, in excess of £800.
90. I lost the value of my business. I purchased the premises for approximately £112,000 (plus £2,000 legal fees) plus stock of the value of approximately £20,000.

91. I was suspended for around 7 weeks. Based on my average monthly salary I lost earnings of around £2,423.
92. I received £25 per week from the interim post master when he took up the post in July 2007.
93. During my suspension, and without my being in the post office, the general store also had significant losses, we were barely keeping afloat, because the local people had reservations about using the post office after the events. Without this footfall, I would estimate that the store lost approximately £200 per day up until the business was sold in 2009.
94. I suffered a loss of earnings due to the Post Office failing to give me notice. Based on 3 months' notice I would have been due: £4,500, based on 6 months' notice I would have been due: £9,000 and based on 12 months' notice I would have been due: £18,000.
95. I planned to remain in my position in the Post Office for around a further 10 years before selling the business and using the proceeds of sale to buy a property in Southern England and have no mortgage to pay in my retirement. Therefore, I anticipate that this loss of future income was around £180,000 (based on my average annual salary of £18,000).
96. The actions of the Post Office caused irreparable damage to my reputation.
97. It was so severe that the local vicar organised a village meeting in order to dispel the rumours, which my husband David attended in order to explain the situation, rumours were rife and people continued to avoid the village shop.
98. I ran the shop with my husband before the termination of my appointment. I found the stress and aggressive manner in which I was treated too much, and moved away



from the village I had lived in for 13 years, to live with my daughter. I left my husband and son for about a year with the expense of finding a part time manager to take on my role. I simply could not cope.

99. My son ran the shop on weekends, which enabled my husband to come see us and have a break as he was struggling too. We were all struggling, as none of us had been in trouble with law before; we had always lived on right side of law.
100. I lived in Shipton Bellinger for 13 years and was a big part of the community. I worked at the local school, and was part of a voluntary team running the local youth club. Moving away from the community where I was well thought of has been very hard.
101. I found the aggressive manner in which I was treated by the Post Office unbearable. Having been an active member of village life I could not stay in the village as my reputation was in question.
102. I was put on sleeping pills to help me sleep and I attended counselling to try and put my life back on track and deal with anxiety. I am still on medication for anxiety.
103. I tried to cut down on the use of sleeping pills this summer but this caused stress related eczema for which I have to use steroid creams. My doctor has advised me not to cut down on the sleeping pills, and I am back on the full dose.
104. I had found employment, but I have never been well enough to work full time again. The thought of attending another interview makes me very anxious and I do not think I am strong enough. I have taken voluntary retirement for my own sanity and have to live more simply to cope.
105. I was declared bankrupt in November 2011 and this was discharged in 2013. My Trustee in Bankruptcy was Moore Steele. I paid £700 for the bankruptcy petition.

106. My husband offered the Post Office a settlement of £12,000 to stop me from being made bankrupt but this was refused by the Post Office.
107. I received a small amount of damages from the Group Litigation. However, £11,000 of the settlement went to Moore Steal to pay them back for the bankruptcy.
108. As a result of the bankruptcy, I had been unable to get a joint account with my husband David.
109. I was also forced to sell my share of the family home to David for £30,000. This money went towards legal and travel costs. David also had to take out the mortgage on our new family home in his sole name.
110. As part of my previous employment at the Church of England, I was asked to be a director of Wimborne Minister Limited. This meant that I had to explain my situation with the Post Office Limited and my full bankruptcy details to the other trustees. Thankfully, this has not affected my standing within the Church but it did cause anxiety and stress to myself.
111. I paid £19,000 in legal expenses to my solicitor Blanchard's Bailey. I estimate that I also incurred in or around £200 in travel expenses in regards to the Civil Proceedings.

### **HUMAN IMPACT**

112. The problems caused by the Horizon System and the Post Office action against me has been a huge source of distress and embarrassment for me. It has also hindered me professionally and prevented any meaningful employment. I have not worked full time since and actually gave up working altogether due to the deterioration of my health. I suffer from severe anxiety, which hinders my life in every facet of living.

113. I was a party to the group litigation against Post Office Ltd, as such I am excluded from the Historic Shortfall Scheme.
114. I was sacked from my role of subpostmistress that I had held for almost 6 years, as a result of being required to make good shortfalls. I had enjoyed this role as it used my brain and I liked the people and customers. The job was hard at times, but enjoyable.
115. I felt forced to move from our business and home due to the constant pressure and bullying from the Post Office, and the stigma of the whole episode had caused in our small village community.
116. I got to a point where I could not open mail or answer my phone as I was petrified. People would ask "what's going on", but I would think I was only one having these problems and so I wouldn't talk about it. It felt like my head was in a vice.
117. When I refused to pay any of the shortfalls back and we sold the business, Post Office Limited asked my husband, who was not involved in any way with the post office, to use his proceeds from the sale, plus a monthly payment of approximately £600 a month to settle the shortfall. The Post Office told my husband that if he did so they would stop the court case against me for breach of contract.
118. When my husband refused to use all the proceeds from the sale to settle the shortfalls, as this would result in us living on the streets, Post Office Limited took me to court and I was forced into bankruptcy.
119. When I was made bankrupt, it was for a year. Because I only owed Post Office Limited money, Moore Steal put an application in for my one-year bankruptcy to be reduced to 6 months' bankruptcy. However, Post Office Limited refused the application. I found this to be very nasty and petty.

120. Some of the shortfalls were caused by the Horizon system, these included shortfalls relating to the lottery and stamps. But most of the shortfalls I experienced were caused by a theft carried out by my employee Mrs Mundy. However, this should have been picked up by the Horizon System if it was an adequate system.
121. I was told by the fraud investigation team that if Mrs Mundy could repay the stolen monies nothing would happen to me, but if she couldn't repay the money then the Post Office would come after me.
122. Although Mrs Mundy admitted to taking the money and was sentenced to 21 months in prison, I was still expected to pay back the £189,000 she was unable to repay.
123. Mrs Mundy was very popular, friendly, kind and everyone liked her. I befriended her and she had never done anything to make me doubt her. I could not understand how somebody who was under my roof, in my house and working with me could steal from the post office. I felt extremely betrayed and had a complete loss of trust in people.
124. I can forgive Mrs Mundy after all these years, because she was stealing the money to feed her gambling habit, and gambling is an illness. However, I cannot forgive the Post Office, because from day they called me about the missing £112,000 they must have known that something was wrong. However, between February and April they sat back and watched Mrs Mundy take more money as the discrepancies kept getting larger and the only person who suffered was me.
125. The consequences of being held responsible for the shortfalls upon myself and entire family were immense.
126. I became so mentally ill I was put on medication, which I still take until this day. I had a course of counselling.
127. I was advised by my GP to move from the area, and re-locate for health reasons relating to my depression and anxiety.



128. I had depression. I contemplated suicide. I thought that if I jumped out the window my problem would go away.
129. I spent a morning contemplating walking away or ending it to get it over with. Only the thought of my kids and husband stopped me.
130. My solicitor had told me that the only way he could see out of the situation was if David and I got divorced and split up financially, However, David said no.
131. We had been married for 40 years, and I was worried that the Post Office were going after him. This conversation with the solicitor and my worries about David was a trigger for me contemplating suicide.
132. After my son graduated from university, he had to give up a year of his career as a history teacher. Instead of going out into workforce, he came back to help my husband run the village shop and to sell the business we had spent the last 8 years building.
133. Due to my mental health declining, I moved in with my daughter, which put pressure on her.
134. My daughter was half way through her police training and she had to disclose to the police what had happened with our post office, which was embarrassing for her. She tried to hide the pressure she felt from me.
135. I had to sell my share of our house to my husband to fund the court case the Post Office had brought against me to try and clear my name through the legal route.
136. I used all monies in my name to try to take on the Post Office. I ran out of funds for legal representation, and a judgement was made against me in favour of the Post Office. I was ordered to pay the Post Office almost a quarter of a million pounds, including their legal fees and interest, which forced me into bankruptcy.

137. It was upsetting for me to have to sell my share of our home. Now aged 60, I have nothing financial to show for my life. Knowing that the house is not mine by law makes me feel rubbish and inadequate.
138. I have only recently (since last month) been able to get a joint bank account with my husband again. However, previously I did not want to have a joint account with my husband because I didn't trust that Post Office Limited wouldn't try and come after us and take everything again.
139. I cannot apply for any form of credit, and I remain unable to be put back on the joint mortgage for our house, which would have been paid-off by now. As things stand now, my husband will be repaying the mortgage until he is 72 years old.
140. Since the audit on 24 April 2007 when I was suspended, I have never been well enough to work full time.
141. As a result of Covid, I was made redundant from my part time admin role at the Church but due to the effects of my experience with the Post Office I do not have the confidence to apply for another job.
142. As a result, of being accused of committing a criminal offence I went from being a very self-confident person who had run three successful businesses in my career to a person who could not cope with the day-to-day chores of running a household.
143. The whole episode with the Post Office has left me on medication for the last 13 years and unable to hold down a full-time job or apply for jobs that I would have been able to apply for before, due to having a bankruptcy against my name.
144. I was sued by the Post Office as a result of being unable to repay the monies that Mrs Mundy stole that they were claiming from me. I have been unable to apply for

meaningful full-time employment as a career because of the bankruptcy and I do not have confidence now to go through an interview. It is like a dirty little secret that follows you around.

145. By far the worse effect of this whole situation has been a very stressful and undignified conversation I needed to have with my father when he was diagnosed with terminal cancer.
146. I nursed my father through his cancer and having explained my situation, I had to ask him to rewrite his will and leave my inheritance to my husband so that the Post Office could not claim it. I did not want the Post Office to take what my father had worked for all his life.
147. My father died not knowing if I was going to be all right. This is unforgiveable.
148. We had tried to keep as much as possible away from him as we did not want to add to the stress of my father's illness and he couldn't understand. My father was very worried about what would happen would happen to me. It was heart breaking.
149. The issues I had with the Post Office impacted upon my relationships with my family, friends and community.
150. Some of the local community were very supportive, but many others were not. Rumours were rife around the village and this is why my GP, who lived in the next village, advised me to move from the area. My GP also had Mrs Mundy as a patient so he knew about the rumours.
151. We lost several long-term friends who found it hard to understand how such a trusted enterprise like the Post Office would have a computer system that allowed such a thing to happen. A couple of our friends expressed this to me directly. It made me feel bad that friends I had made thought the Post Office was more trustworthy than me.

152. Since moving to Poole I have not made any friends as this whole experience has made me lose trust in people.
153. Once I relocated, in Poole, I eventually worked for the Church of England as a part time manager of the Church gift shop, and after some time I was asked to become a director of the shop.
154. One of the stipulations of this was that I had never been made bankrupt, so I had the shameful task of telling them that I had, and actually still was a bankrupt. Once again, this prompted some very uncomfortable attitudes towards me. Some of the people I worked with started avoiding me.
155. My family and remaining friends have been very supportive, but are sick to death of the whole situation and its prolonged effect on me and my family after 13 long years.
156. My family never doubted me, luckily, we are a strong family and stuck together.
157. As a result, of what happened and the relentless hounding of me by the Post Office, my son had to put his career on hold in a bid to help my husband run the shop whilst we were trying to sell it.
158. My son found this extremely stressful and this in turn put extreme pressure on his relationship with his partner and they eventually ended splitting. They had been together for 4/5 years but the pressure got too much for them.
159. My daughter's mental health also deteriorated as a result of having to support me whilst studying to become a police officer. She suffered with depression and found the studying and physical side during her police training, the issues with the Post Office and her grandad having terminal cancer were all too much.
160. When the business eventually did sell, we were only able to achieve half the value we originally paid for it because the post office element was no longer ours to sell. This



has had a huge impact on all my family, as we still continue to struggle to meet every day financial commitments.

161. My husband is still working as he has to pay the mortgage, he had planned to retire by now but will have to work for at least another 12 years.
162. My husband is a strong man who had tried to keep it together but his mental health had also gotten really bad.
163. As a family, it has made us all very wary of trusting people and very wary of accepting new people into our circle.
164. My son didn't tell his now wife for a very long time about my suspension from the post office, I was worried this would affect their relationship as she is a gorgeous lady but luckily everyone understood.
165. I don't celebrate my birthday anymore because 2 days before my birthday I had the audit where I was terminated. I now only have bad memories and I am reminded of that awful day each year when my birthday comes around.

### **CONCLUSION**

166. We now live in a house much less nice than that which we had before. We feel that we had worked hard for nothing, just to line the pockets of the Post Office. We didn't think that we would be working this hard to pay our debts off at our age.
167. I would go back to work if I could but I can't due to my mental health, it's not what it should be. The Post Office shortfalls and threat of a court case against me put a strain on our marriage for a very long time.

- 168. I have managed to get help for my depression and it is getting better as time goes on, but it is struggle and something that I have to work on all the time.
- 169. The public inquiry has helped, as hopefully those responsible will be found liable and named and shamed if nothing else. I want to put it all to bed now.
- 170. I think that the whole Post Office as an institution needs to be blown up and put back with completely different people and be more transparent with what they are doing.
- 171. I want the Inquiry to recommend redress for the 555 subpostmasters who were part of the Group Litigation, as we are currently excluded from Post Office compensation schemes.
- 172. I want the Inquiry to hold those at the Post Office to account for what they've done. I want Paula Vennels to be stripped off her titles and awards.
- 173. I want the situation to be put right, and for this to never happen to anybody else again. I do not want the Post Office to exploit others like they have me.
- 174. I would like a printed apology in the newspaper where I used to live in Shipton, Bellinger to put my reputation right.

**Statement of Truth**

I believe that the facts stated in this Witness Statement are true.

Signed GRO Dated 20th Jan 2022

**Donna Gosney**