

**Witness Name: Ms Joanne George**  
**Statement No: WITN0294\_01**  
**Exhibits: None**  
**Dated 08/02/2022**

## **THE POST OFFICE HORIZON INQUIRY**

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### **FIRST WITNESS STATEMENT OF MS JOANNE GEORGE**

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I, MS JOANNE GEORGE 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 was a subpostmistress of Baschurch Post Office, in Newtown, Baschurch from 23 March 2013 to 5 October 2016.
3. My husband and I owned the premises prior to Post Office Ltd adding a post office branch.

4. Our business was a hardware store which we had run since 2005. We were approached by a family friend of ours who advised that Post Office Ltd were interested in adding a post office branch.
5. This sounded like an excellent business opportunity and something that we could take on as a family. My husband, Nick would continue to run the store and I would run the post office. Our son, Ross could split his time between helping between the two.
6. I made the appropriate application to Post Office Ltd and was accepted as a subpostmistress.
7. We were extremely excited about expanding our business and invested heavily in renovating the premises. We introduced a kitchen and bathroom saleroom and made the store accessible and installed new counters and signage.
8. It was our intention to remain running the business until we retired. Which would have been in 2036. At which point, we would pass the business onto our two sons.

### **TRAINING AND SUPPORT**

9. I attended a two-week training course in Chester in January 2013 with a dozen or so other people.
10. The actual training was 8 days in total and tried to deal with too much information in such a short period of time. We went over things very quickly and I did not find the training as useful as I was hoping it to be.
11. I then had three Post Office trainers come into my branch when I started and assisted as and when a customer came in.

12. This was completely inadequate, and the Trainers were too busy talking amongst each other and I recall that one of the trainers', named Beth was there being trained to be a trainer.
13. The three of the trainers seemed more interested in chatting amongst themselves than offering any practical support of advice.
14. At one point I did ask the Post Office for more training, but they said that we would have to deal with matters by ourselves or pay for any further training.
15. I received no further training.

#### **HELPLINE**

16. I estimate that I contacted the Helpline 2-3 times a week about problems relating to shortfalls and or balancing. The number of times I contacted the helpline towards the end of my running the branch escalated to nightly as my frustration and anger at their ineptitude infuriated me.
17. The advice from the Helpline was always the same. If there was a shortfall, I was advised to put my own money in, and that the system would correct itself the following week. It never did.
18. All in all, the Helpline staff were not helpful, and I found them to be rude all the time.
19. I remember one advisor, named Caroline who was particularly obnoxious. I would dread getting her if I called. Often her response to me was "Oh no, not you again".

## **SHORTFALLS**

20. 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, to provide necessary context for the explanation of the human impact which follows.
21. I would estimate that throughout my position in the branch, I paid (or Post Office deducted) more than £12,000.
22. The figure of £12,000 comprises frequent shortfalls of somewhere between £22 and £400 which I immediately repaid as and when they arose.
23. Within the first month and a half of opening, I was noticing shortfalls. We were down approximately £2500 in stamps. I called the Helpline but had to wait over a week for a call back. I demanded that someone come to the branch to investigate.
24. There was also a shortfall of about around £280 -300 which the Post Office called me about and made me make a debit card payment there and then over the telephone.
25. I was always led to believe that I was responsible for the shortfalls and had to repay them, despite having no idea how they were occurring and having no assistance in discovering how or why it was happening.
26. The shortfalls that I repaid accrued over a period of about 3 and a half years.

## **AUDIT AND INVESTIGATION**

27. We were audited within the first 4 to 6 weeks of taking over the branch, which would have been approximately April or May 2013.

28. I received notice of the audit beforehand, and I was present whilst it was taking place.
29. The Auditor arrived at about 10.00am and stayed until about 1.00pm. I told the Auditor that because of the shortfalls in cash and stamps (about £2,500 at that time) I was going to close the branch until someone came from the Post Office came to resolve it and help me to understand how it had occurred and to prevent it happening in the future.
30. The auditor became quite obstructive, and I ended up arguing with him. He wanted to take all the paperwork away with him and I refused to hand it over without having copies. I photocopied the papers. He subsequently rang me and told me I had to forward the copies onto Post Office. Even at this point I was too trusting and posted the copies to him.
31. I was not happy that they were brushing the problem under the carpet I was very serious that I would shut the branch, but I was threatened with action if I did this.
32. I was told that it would not be possible for anyone from Post Office Ltd to come to my branch to help resolve the issue with the shortfalls. I was told by the auditor not to worry about the shortfalls and if I continued to keep all the paperwork at hand, the system would right itself.
33. I did not receive a copy of the Auditor's report and a couple of weeks after he left, the Horizon system "zeroed" itself.
34. I had agreed a payment with Post Office Ltd as part of the Network Transformation Programme of £42,000 around this time.
35. I was audited again when my branch was closed under the Network Transformation Scheme. Again, I received notice of this audit beforehand, and I was present when the auditor arrived at about 10.00am.

36. I was not concerned at all prior to the audit as the Horizon system had balanced perfectly the night before.
37. In preparation for the audit, I balanced the system the night before and everything was zero. I went out of my way to make sure everything was correct.
38. I had my mother and father-in-law check the system, along with my husband and my son. I even went so far as to ask other subpostmasters that I knew to double check the system. Everything balanced. I was more than satisfied that the audit would go ahead without issue.
39. However, the auditor arrived and switched on the Horizon system, and it showed a shortfall of approximately £450. I asked how that could be, but the only response I got was that I had to repay the shortfall there and then and that if I did not then I would not receive my payment of around £42,000 from the Post Office under the Network Transformation scheme. I felt as though I was being blackmailed.
40. I was virtually held hostage by the Post Office official, Caroline until I had paid the shortfall. I was made to do this over the phone with my debit card. I remember at this time being furious.
41. I was also told by Caroline that I had to hand over all my paperwork. I initially refused to do this but was threatened with further action if I did not. A large box containing all my paperwork was taken. I was also ordered to sign a non-disclosure document, which I refused to sign at first but then relented. I was threatened not to speak to any solicitors or the media or I would face action by them.

#### **SUSPENSION AND TERMINATION**

42. I was not suspended; my contract was terminated.

43. I believe that my contract was terminated because of the alleged shortfalls however, the reason stated by Post Office Ltd for my termination was the Network Transformation process that was taking place.
44. I firmly believe that I had my contract terminated because I was causing too many problems. I was far too vocal for their liking. I was silenced and moved aside.

#### **CIVIL AND CRIMINAL PROCEEDINGS**

45. The Post Office did not pursue civil or criminal proceedings against me for recovery of the alleged shortfalls.

#### **LOSSES**

46. I repaid approximately £12,000. I was led to believe that I had no alternative but to pay the shortfalls and I believed that a thorough and fair investigation had determined that payment was due.
47. I have lost value in the business. Whilst I received a payment of approximately £42,000 from the Post Office under the Network Transformation scheme, this is by no means the true value of the business.
48. Originally, I was told that I could sell my business under the scheme and two valuations were obtained at approximately £480,000.
49. When these valuations were obtained, I confirmed that I would put the business on the market, but I was then told by the Post Office that I could not do that, so I received the £42,000 and subsequently the post office branch was installed into the local Spar shop, and I have heard this is a thriving business.

50. In the meantime, my business without the post office attached, struggled to sell for over a year. We did receive an offer of £290,000 which put us at a loss in the region of £148,000. We refused the offer.
51. To help with the sale of the property, we converted it into two flats and a bungalow. We already had a mortgage of £180,000, had taken a loan out of £60,000 for the original renovations after Post Office Ltd moved the branch in. We borrowed £85,000 from friends for the flat conversion and had £55,000 of credit card debt.
52. We have just recently managed to sell the remaining bungalow and have paid all our debts, leaving us with the sum of £58,000.
53. We lost what would have been our livelihoods up to our retirement. Annual salaries for up to fifteen more years.

#### **HUMAN IMPACT**

54. I was directly and adversely affected by the problems in the Horizon system. Shortfalls were an everyday occurrence.
55. I was not party to mediation in 2013, but was party to the group litigation against Post Office Ltd. As a result, I am excluded from the Historic Shortfall Scheme.
56. I had issues with the lottery and stamps, which were almost always incorrect. I reached out to the Post Office's dedicated helpline for assistance on numerous occasions and was always told variations of the same thing: "*The system cannot be wrong*", or "*are you sure someone has not stolen it?*".
57. I realised that I could not be the only subpostmistress/master experiencing these shortfalls. Although that is what I was continuously led to believe by Post Office officials.



58. I increasingly found the attitude of Post Office Ltd to be deliberately unhelpful which towards the end, verged on spiteful and vindictive when it became obvious that I was not going to take the shortfalls quietly.
59. Whilst I would bombard the Post Office helplines with calls, I felt increasingly isolated. The people who were supposed to help me failed me massively, this included the National Federation of Subpostmasters who I also turned to for advice on a regular basis.
60. The advice given from the National Federation of Subpostmasters often mirrored that of Post Office Ltd. They too warned against blaming the Horizon system for fear of upsetting my payment from the transformation scheme.
61. I was constantly anxious and stressed. The fact my concerns were being ignored by those supposed to help only intensified this.
62. Another constant phrase from the Post Office helpline was that, as no technical error with the Horizon system was possible, it must be theft. Of course, this only increased my sense of paranoia and suspicion. I had conversations with the advisors on how I had raised my son and it would be unconscionable that he would be stealing from me.
63. Still to my shame, I took my own son aside and asked him, "Hand on heart, have you taken the money?" Of course, I really did not believe this. The hardware store side of the finances as opposed to the post office always balanced. So, to me it was obviously the Post Office systems that were at fault. However, the advisors had twisted my thinking to such an extent I was not thinking clearly.
64. My son understands what I was going through, but it is something he will never forget being accused of.

65. I was spiralling into depression. I felt there was no way out. I felt that I was failing in every aspect of my life.
66. We were no longer a profitable business. The profits we did make from the hardware store were put into the post office to make up the losses.
67. I felt in a constant state of guilt. My husband's parents were having to bail us out financially. I was not the person I once was and could see no way back. Within the space of 18 months, I felt I had lost everything.
68. In November 2016 I experienced the lowest point of my life. I very rarely speak of this. I precisely planned the day through. I knew my son would be leaving at 11am in the morning. I went to our store and picked up a rope. I went into the garage.
69. I remember thinking to myself, what would be the best knot to tie so it would not break, so it would hold my weight? And then asking myself why I had no idea how to tie a decent knot. I then threw the rope over the beam and put my neck through.
70. Thankfully, my son had returned home. The garage door was not fully closed and my son, realising I was not in the house went looking for me. He saw what I was about to do and ran in and caught me. My son was in his early twenties at the time and that is something he should never have had to witness.
71. After losing our home and our business, my husband and I have been left with very little. We now live in a mobile home. We exist on very little. It is not the life we expected to be living but, in some ways, we are grateful to be out of the rat race.
72. We have learnt not to be reliant on anyone, particularly those who are supposed to be in authority. We claim no benefits, even though we are probably entitled to some. I avoid having to go into any post office unless forced to do so. I cannot help being suspicious and somewhat cynical.

73. I am left with a deep sense of betrayal and mistrust. I am only 50 years old but cannot see myself ever working again because of this.

### CONCLUSION

74. My life has been forever changed by the actions of the Post Office.
75. I was leading a happy family life and running a successful business. I was forced out and made to sell my business at a loss because I was too much trouble and was vocal about the failings of the Post Office Horizon system.
76. I am now living in a mobile home with my husband. A life I did not expect to be living. The financial security we worked hard for was taken from us. We have been left with the sum of £58,000 after selling our business and property. This is to last me and my husband for the rest of our lives. We have no pensions to fall back on or other savings or investments.
77. I continue to feel tremendous guilt over the way I treated my family. My husband's parents are struggling financially as they were forced to bail us out time after time. I practically accused my son of being a thief, putting our relationship in jeopardy.
78. My husband's health has suffered as well as mine. We actively shut ourselves away and are not as sociable or trusting as we once were.
79. It has felt as though we are on a merry go round with no end. All I hope is that we can finally put the situation behind us and have some closure.

**STATEMENT OF TRUTH**

I believe the contents of this Statement to be true.

Sign **GRO** ed 08/02/2022  
Joanne George