

Witness Name: Mr Gary Brown  
Statement No.: WITN0315\_01  
Exhibits: None  
Dated: 9/02/2022

**THE POST OFFICE HORIZON INQUIRY**

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**FIRST WITNESS STATEMENT OF MR GARY BROWN**

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I, MR GARY BROWN 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 wife Maureen and we have a son and a daughter, and one granddaughter.
3. Before becoming a Subpostmaster I was a paint sprayer in armoured vehicle factory. My wife gave up work as a secretary for social services in local government. We had a decent wage coming in and had been able to buy our home.

4. My wife and I had been looking for a business to go into as we wanted greater financial security. My father always advised that a Post Office was a secure prospect for a business, and we thought that it could take us into retirement. We trusted the Post Office as an institution and thought it would give us security.
5. We were attracted to the idea of being at the centre of a community, and we moved from Leeds to a picturesque village, and our Shop was situated opposite the village green.
6. We paid £115,000 for the Post Office, which was financed through a loan.
7. I was a Subpostmaster of Rawcliffe SPSO, 11 The Green, Rawcliffe, East Yorkshire DN14 8QP from 22 August 2000 to 12 March 2014. I lived in the adjoining house, the post office was my home.
8. I operated a retail business from the premises. I employed three assistants at different times throughout my tenure.

#### **TRAINING AND SUPPORT**

9. I was told that I would receive training at a hotel before I began in my position. However, the Post Office informed me this would have to be rearranged owing to resource problems, but it never was. When I did start, Norma Beresford came to train me in the branch for the first couple of weeks, but this was cut short owing to bank holidays. Norma was very helpful but even admitted herself that the training was inadequate as there was too much to learn in such a short period of time.
10. I do not feel that the training adequately prepared me for working in the branch with the Horizon system. Eventually, I became accustomed with the system through teaching myself over time.

11. I did request further training in my first couple of years at the branch and a trainer attended the branch to help me for 3 days. This training was not very helpful and did not really improve my overall view of the training. I also received some Motor Vehicle Licence training from my area manager, Diane Hoyles but this was completely useless and it was like the blind leading the blind. Again, I had to teach myself how to use this.
12. When the alleged shortfalls began getting very high, I informed Diane Hoyles about the issues I was having and she advised me that if I told the Post Office I would be closed down. Diane then arranged for an auditor to come to the branch to monitor my transactions off of the record. The auditor did not think there were any problems and this was of no real help as I still suffered alleged shortfalls for no reason.

### **SHORTFALLS**

13. I would estimate that throughout my position in the branch, I paid (or Post Office deducted) in excess of £40,000 back to the Post Office over the 14 years I was at the branch.
14. I cannot remember any specific shortfalls save for the two mentioned below. The shortfalls happened so frequently in the end that it was hard to keep track.

#### **Shortfall 1**

15. Approximately £1,000, which then doubled to £2,000. I cannot remember the date this occurred. I repaid the Post Office for this shortfall. I contacted the Helpline and followed their advice which resulted in the alleged shortfall doubling to approximately £2,000. I cannot recall whether I declared the alleged shortfall as a loss in my accounts as most of the time I would put the cash in and accept the balance as I went along.

Shortfall 2

16. Approximately £3,000. I cannot remember the date this occurred. I cannot recall whether I declared the alleged shortfall as a loss in my accounts as most of the time I would put the cash in and accept the balance as I went along.

Shortfall 3

17. Approximately £16,000, which was then doubled to approximately £32,000 in February 2014 at an audit. I repaid this money in full to the Post Office following my resignation. Running up to the audit I had been overstating the amount of cheques I had on the system to try to make the accounts balance. The stress and panic of doing this led me to have a nervous breakdown and a union (NFSP) representative attended my branch to try to help. The representative told me that I had an alleged shortfall of around £16,000 and instructed me to close the branch until I could get a formal audit. Six days later the Post Office conducted an audit which revealed an alleged shortfall of approximately £32,000. This shortfall had doubled whilst the branch was closed.
18. I also remember one of my regular customers coming in claiming that her water company had not been paid despite having paid them through the branch and having receipts to show the same. I know that I had entered the transactions into the Horizon system, but they were not being processed and this left her in arrears. The same thing, though not as extreme also happened to another customer who informed me that despite having paid in the monies for his utility bill, the monies had not been paid to his supplier. I do not know whether this would have contributed to an alleged shortfall.



19. I would make good the shortfalls as and when they arose and was told by Norma Beresford that it was good practice when balancing to put any money that was a gain into a separate box and use this to make up any losses the following weeks. I started to do this, but eventually I was forced to put my own monies in to repay the alleged shortfalls. The alleged shortfalls became so bad that my wife had to take up a job as a GRO to help us to pay for the alleged shortfalls. This was completely degrading and humiliating for myself and my wife.
20. When I could no longer support paying the money as and when the shortfalls arose the Post Office began deducting the money from my monthly salary which made living and running the branch very unsustainable.
21. In the end I had absolutely no money to repay the alleged shortfalls so I began inflating the number of cheques we had in the branch to make up for the alleged shortfalls just so that I could balance to roll over the next day. Eventually, the pressure, stress and anxiety of having to do this led to me having a nervous breakdown in the branch and led to the final audit.

#### HELPLINE

22. I would contact the Helpline at least 2-3 times per week in relation to alleged shortfalls and general procedural issues. The Helpline were completely inadequate.
23. They would constantly transfer you on to different departments and once you finally got through to the right person their typical response was that the problem 'would rectify itself' the following balancing period.
24. The Helpline repeatedly told me I was the only one suffering alleged shortfalls and told me I would have to make them good if they were not resolved. This made me feel as if I was making the mistakes and as if I was not good enough for the job.

25. On one occasion, I remember having an alleged shortfall of approximately £1,000 which, after following the instructions of the helpline, was doubled to £2,000. I had to make good the £2,000 alleged shortfall.
26. In the beginning I would also contact Norma Beresford if I had a problem, and I did contact her again when I started getting the alleged shortfalls. Norma came into the branch on a couple of occasions to try to help me decipher the alleged shortfalls, but she could never find anything wrong.

### **AUDIT AND INVESTIGATION**

27. I had 3 audits during my time as a subpostmaster. I had an initial audit in my first few years at the branch, however, the audit was cut short because the auditors were called to another branch that had been involved in an armed robbery. The auditors never returned to complete the audit.
28. In around September 2013 I had an audit without notice which resulted in a around a £300 gain. I was told by the auditor that it was fine and that it would sort itself out. One day in February 2014 I opened the shop and had a nervous breakdown owing to the pressure of having to inflate the accounts as I knew that the Post Office would eventually find out there was an alleged shortfall of approximately £16,000.
29. After I had seen a doctor, my union (NFSP) representative visited the branch to help me with the shortfalls and following my breakdown. The union representative looked over the accounts and found a shortfall of approximately £16,000. The representative convinced me that someone must have stolen the money whilst the security door was open. Owing to my mental state I believed him and closed the branch until an audit could be completed on his advice.
30. The branch was closed from that day until the day of the audit. During the time the branch was closed I emailed the Post Office to tender my resignation. Once the audit

was completed on 22 February 2014 the alleged shortfall had doubled to approximately £32,000. I was suspended as a result.

31. I have seen no evidence of any adequate investigation carried out by the Post Office. However, I was interviewed under caution at my home in 2014 and I admitted to the problems I was having. The whole situation was very stressful and made me very anxious.

### **SUSPENSION AND TERMINATION**

32. I was suspended following my audit on 22 February 2014. The branch was closed on the day of the audit, on 22 February 2014. No temporary subpostmaster was appointed. The auditors unplugged the horizon system and warned me not to tamper with it. I did manage to take some of my documents with me after the audit but after that I did not get any documents from the Post Office.
33. I resigned following advice from my union (NFSP) representative. My resignation was accepted whilst I was suspended.
34. I was advised by my union (NFSP) representative that if I resigned it would look better than if I was terminated to potential new employers when I tried to get new work. I believed him and so tendered my resignation before the final audit as I knew that once the Post Office found the shortfall I would be suspended and likely terminated. I was incredibly stressed and anxious as a result of the shortfalls and suffered a nervous breakdown. I then tendered my resignation and was suspended before my resignation was accepted by the Post Office.
35. I was told by my union (NFSP) representative that the only way the Post Office would not prosecute me in relation to the alleged shortfalls was if I could prove that I was serious about repaying the alleged shortfall.

36. Following his advice, I put the house up for sale as quickly as possible. The house was valued at £350,000 but the estate agent suggested that we put it on the market for £250,000 to enable us to get the quick sale we needed. We eventually sold the house at £225,000 and used the proceeds to repay the outstanding shortfall of approximately £32,000 to the Post Office. We were unable to open the branch following the audit and subsequently lost it completely.

### **HUMAN IMPACT**

37. The Post Office's actions ruined the financial security my wife and I had. In total we had to repay £70,000.00 in shortfalls. Whenever there was a shortage, I had to make the money up from savings. Then I borrowed money and I maxed out 2 credit cards. Then when I couldn't do any of the above I had to use money from our private business. We could not sustain this indefinitely and after a while we could not afford to stock cigarettes anymore because of the high cost of buying them and the little profit in return. This cost us a lot of footfall.
38. When we did not have the money to cover shortages in the Post Office I had to phone the helpline and ask for the amount to be deducted from my wages, this was degrading to me because it felt as though I was begging for a loan. Every time I phoned I was told that I was the only person effected in this way, which in turn made me feel as if I was stupid and knocked my confidence in my job. Customers even began to comment that I was not my usual jovial self. This also impacted on my private life.
39. As detailed above, my wife and I had to sell our home at a significant undervalue. I was in such a bleak place at this time neither my wife nor I thought to say no and agreed. I feel this was naïve looking back but as I say I was not in an appropriate place with the Post Office continually pushing me for the money £32,000 we had to pay back and pay back fast. In the end we agreed to the price decrease because of



the pressure we felt under due to the constant harassment and pressure the Post Office were putting on us.

40. We had to leave our home very quickly because we were so in need of the money. It was a hot July and we didn't have the time to book a removal vehicle. We called some friends to help us move the bigger things nine doors down the street from the Post Office, to our 2 up 2 down cottage. We were downsizing from a 5 bedroomed home plus kitchen, dining room and another reception room plus the shop on the lower level. We physically moved as much as we could on the day of our move with a trolley, our car, a friend's emergency vehicle and another friends white van. We moved a lot of smaller things down the evening before and left them in the back garden. We had to leave TVs and other things out overnight due to us not having the correct vehicle to facilitate the move in July 2014.
41. Our plan was not to sell our home until or when we had both retired, then the idea was that we could get something more practical and use the rest of the money towards a well-earned retirement where we did not have to worry about surviving till we died but enjoy our lives. The Post Office took this dream for us.
42. We had to then sell some of our possessions too so that we could fit everything else into the smaller house that we moved into, that was run down and needed significant repairs which I have not been able to afford for a long time. We had to fit furniture from a three storey detached property with 5 bedrooms, a huge living room over the shop and four rooms on the lower level into a small cottage. To say this was stressful is an understatement.
43. I have not been able to find employment since being dismissed as a subpostmaster. This has meant that I have not been able to live a comfortable life that I envisaged with my wife. It also meant that I could only ever have old unreliable cars, and have not been able to socialise with our family and friends, due to the lack of money. We have struggled to pay food bills and have had to eat leftover sandwiches from our shop. We have not been able to buy new clothes for ourselves and give decent



birthday and Christmas presents for our family, due to the lack of money. We have not been able to take regular holidays each year, in fourteen years we only had three one week holidays as that was all we could afford at that time.

44. We have had to borrow money from family and friends. I visited Citizens' Advice who advised me of benefits that I could claim. I had never claimed benefits at any time in my 44 years of working life so I found this to be a very degrading and embarrassing experience.
45. Sometimes we could not even afford to visit our parents who lived in Leeds some 35 miles away due to not being able to afford the petrol. We had to miss family occasions like weddings as we simply didn't have the money to go.
46. The damage to my reputation has been immense. My wife and I were once loved by the local community but since the branch was shut down many of my old customers avoid and spread rumours about us being thieves and now avoid speaking to us. I struggle to leave the house most days as I am too anxious about seeing people who might treat me negatively because of the alleged shortfalls. Some people who were customers the entire time we were in the post office still will not talk to my wife and myself making us feel that we should have moved out of our village.
47. We did notice however, some villagers being rude by ignoring us and are still like that now, even though I have been proven innocent. I felt lost and extremely cut off from everything. This however just added to my anxiety and stress.
48. The situation has effected every aspect of my health and wellbeing. I suffered a nervous breakdown owing to the stress of having to deal with the alleged shortfalls and still suffer with anxiety and depression. I am still undergoing treatment for this.
49. The thought of going to prison and having to put my wife through the situation, specifically the additional work she undertook has led me to have suicidal thoughts and I attempted suicide in 2012.

50. I have been on anti-depressant medication since the alleged shortfalls began to occur and have sought mental health counselling as a result of the ordeal. Due to the stress I have also been diagnosed with Fibromyalgia, and Chronic Fatigue Syndrome which has led to my wife having to become my full time carer and I rarely leave the house. I also suffer from severe anxiety, fatigue, panic attacks and Post Traumatic Stress disorder and not a day goes by without me dwelling on what has happened.
51. My poor health from stress has affected my relationship with my wife. My ill health is not conducive to me having any sexual activity anymore. This again makes me feel inadequate and worthless as I used to enjoy a good sexual life after all I have been in a sexual and loving relationship with my wife for over 45 years.
52. My wife suffered greatly with the difficulties I faced. There was strain on our relationship from the stress that we faced from losing everything.
53. In order to keep going my wife had to do inappropriate and humiliating work before having to return to work as a carer, when previously we had expected to live off our shop.
54. My wife has also been diagnosed with depression and was prescribed anti-depressant medication as a result of the stress caused by the alleged shortfalls. She is still being treated for depression currently as a result of the situation.
55. The effects of the Post Office's conduct caused stress also for our two children, and they were very distressed by our financial ruin and seeing us get so low. I have also not been able to be the active grandparent I would have liked to be to my granddaughter due to my ill health and not having any money to support her future.

## **CONCLUSION**

56. The Post Office destroyed the lives of myself and my wife. We were financially ruined and lost our home, and my health completely deteriorated. All our plans for our future that we worked so hard for have been ruined.

STATEMENT OF TRUTH

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

Signed... **GRO**

...Dated... 9/02/2022

Gary Brown