

Witness Name: Ms Christine Goodwin  
Statement No: WITN0247\_01  
Exhibits: None  
Dated...8/1/2022.....

**THE POST OFFICE HORIZON INQUIRY**

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**FIRST WITNESS STATEMENT OF MS CHRISTINE GOODWIN**

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I, MS CHRISTINE GOODWIN WILL STATE 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 am now 71. I have been married for 44 years. My husband and I have four children. I live in Sheffield in South Yorkshire.
3. I worked for the Employment Service for 24 years, working my way up through the grades of the civil service.

4. After leaving the Civil Service, I worked with my husband making craft cards. We organised and set up the fairs as well as selling our cards.
5. The craft fair area had started to shrink. Our accountant suggested that my husband and I consider taking over a post office. He felt that given my experience, which involved accountancy, we would fit in well in a post office, it would also provide an outlet to sell craft cards.
6. We looked into this. We looked at a number of post offices and found one in Rotherham. We liked the area, so we applied to the Post Office for me to become a subpostmaster. We used an agency called "Ernest Wilson", which specialised in post offices for sale. They eased the application process, and assisted with the financing.
7. I was interviewed by the Post Office, by an area manager to assess my suitability. My application was approved.
8. I became a subpostmistress of Broom Lane Post Office, 78 Broom Lane, Rotherham S60 3EW from 13 October 1999 to 6 November 2014. My post office converted to being a Main Branch in April 2013.
9. I also operated a retail business from the premises selling greetings cards and general stationery. We also sold our own craft cards.
10. We had five part time staff to assist in the post office, and my husband and I both worked full time. We had a very good relationship with our staff that was later soured by the Post Office.

#### **TRAINING AND SUPPORT**

11. When I took over the Branch in October 1999 Horizon had not been installed. Installation of Horizon took place in January 2000. Prior to January 2000, we used

the paper ledger system, which I found to be reliable and easy to interrogate. The old system allowed you to track back through transactions to identify what the cause might have been if the ledger did not balance.

12. However, the Horizon system did not allow you access to the data, so you could not check back through transactions.
13. I received some limited onsite training from the Post Office in January 2000, which dealt with basic transactions, end of day accounting and month end balancing. I believe this lasted for one week. I believe there was another day of training in the second week after installation of Horizon, and a Post Office representative attended the Branch at the end of the month to supervise the first monthly balance.
14. The initial training helped me a great deal with simple transactions, but it was difficult to cover all eventualities that might occur, and the training was not as thorough as I needed or would have liked. I simply had to rely on the helpline, which unfortunately felt like, at times, that they did not know any more than I did.
15. The suggestions that they made sometimes were obviously wrong, and I would point this out to the helpline staff and they would have no answer.
16. I received no further training. I wasn't aware I could ask for any additional training. In addition, there didn't seem to be much time to give us thorough training. In the Branch we were left to help each other out as and when any problems arose.

#### **HELPLINE**

17. I estimate that I contacted the Helpline at least once a week concerning procedural problems relating to alleged shortfalls, balancing of other matters.

18. In relation to the shortfalls, I felt the helpline had little to add, beyond the usual advice given to try and identify a problem whilst undertaking the daily balance. Their advice did not seem to be relevant to the large and unexplainable losses I experienced.
19. I was simply told by the Helpline to double check all the stock and cash again, and to contact Post Office HQ at Chesterfield to see if any corrections were waiting to be cleared, which could help with the discrepancy. Otherwise I was told that I must make the discrepancy up from my own funds.
20. These were standard responses from the Helpline, and did not assist with the loss of large amounts of money as reported on horizon.
21. When I had followed the Helpline instructions and undertaken these checks and the results did not throw up anything unusual, I asked the Helpline if there was anyone who could offer any more specific help. I was referred to the audit team, who then sent someone to the Branch to try to help.
22. However, as set out below, nothing could be found to resolve the problems I was experiencing with the Horizon System.
23. On numerous occasions, I queried with the Helpline if anyone else was having the same problems with Horizon. I was told "no".
24. I even contacted the National Federation of Subpostmasters to see if there was anything, they could do to help, or if they knew of any problems elsewhere, only to be told they knew of nothing.
25. We paid to be members of the National Federation, so that they would represent and assist us; however, they were of no assistance at all.
26. The Helpline also suggested that I should look at investigating my staff, who might be stealing. According to the Post Office, staff theft was often the cause for missing

money in branches. I had no doubt about the integrity of all of my staff and informed the Post Office of this.

27. The Post Office (the auditor who came out when I sought assistance) suggested that we change our working practices to make it easier to identify if a particular staff member might be stealing. The Post Office strongly suggested that each member of staff be allocated certain stock and cash, for which they would be responsible. We would then be able to identify if a staff members were stealing.
28. We implemented this system, which added a great deal of time and cost to our work, and made our working lives much more difficult. It also caused the staff to feel that they were under suspicion, which strained relationships. Also, and more importantly the staff were not the problem, the Horizon System was the problem.

#### **SHORTFALLS**

29. 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.
30. I would estimate that throughout my position in the branch, I paid (or Post Office deducted) in excess of £8,574.86.
31. There were many shortfalls under £100. They occurred approximately every month or two. I did not keep a record of these. We had to make up these shortfalls straight away.
32. The first significant loss occurred in November 2008 and was in the sum of £2,790. I conducted the balance, and this shortfall came up on the system.
33. I called the Helpline. They gave me the standard advice that I should recheck my stock and cash, which we had done a number of times.

34. They then said that we should either put the money into balance the accounts or the suspense account. I put the money into the suspense account, and repeatedly checked my stock and cash. However, the source of the loss could not be found.
35. As I say, I reported this to the Post Office. They wrote to me saying that I must repay this sum. I complained to the Post Office saying that I wanted this matter investigated. However, the Post Office simply demanded that I pay the money.
36. I therefore had no alternative and I paid shortfall off in instalments on my credit card on a monthly basis for 12 months, thereby accruing a lot of interest.
37. The second significant shortfall was in December 2010, which totalled £5,784.86.
38. I was balancing the account on the Horizon System, and the system showed that we were short by £5,784.86. I was shocked.
39. I rechecked all of my stock and cash, but could not see where this sum could possibly have gone.
40. This was a very large sum of money, and I would have noticed a transaction like this.
41. My husband and I investigated every possible cause, including giros and payments of all types, but the sum could not be identified.
42. We called the Helpline, and they gave us their standard advice about checking cash and stock or calling the Post Office at Chesterfield.
43. We stayed up to 11pm checking and rechecking.
44. I called our area manager (Dawn Penty) the next day and told her what had happened. She agreed to come to see us, and she did. We showed her what checks we had made. I believe Ms Penty also called the Post Office Chesterfield to see if there were any outstanding corrections. There were none.

45. I asked my area manager to arrange an audit, and she agreed to arrange one.
46. I wanted the audit, because I wanted to get to the bottom of the problem, as there was no way that our business could sustain shortfalls like this. I was also very worried that there might be further shortfalls, which the Post Office would hold me responsible for such shortfalls.

#### **AUDIT AND INVESTIGATION**

47. In our first year at the Branch we had three audits, after this they were not as regular but I would estimate at least once a year.
48. There were no problems identified at the first three audits we had. However, given the problems with shortfalls that I later experienced in November 2008 and December 2010 I asked for an audit to be conducted; and my area manager agreed to arrange this.
49. In early 2011 an audit was conducted.
50. A single auditor came. She was polite and helpful, and remained with us most of the day. We showed her all of the paperwork and records, which she studied.
51. The auditor concluded that there was no discrepancy that she could find. As such, we would have to pay the shortfall balance of £5,784.86. She also asked if I had doubts about my staff.
52. The auditor advised me that she was surprised that the Post Office had not suspended me over the shortfall, given how large it was.
53. This made me feel under suspicion. I also found it very upsetting, as I was the one who had asked for the audit to be conducted.

54. The auditor suggested that we change our working practices to make it easier to identify if a particular staff member might be stealing. The Post Office suggested that each member of staff be allocated certain stock and cash, for which they would be personally responsible. We would then be able to identify if a staff members were stealing.
55. We implemented this system, which added a great deal of time and cost to our work, and made our working lives much more difficult. It also caused the staff to feel that they were under suspicion, which strained relationships. Also, as I have said, the staff were not the problem, the Horizon System was the problem.
56. The Post Office demanded that I repay the short fall. I paid an initial £784.86 in March 2011, and thereafter 10 monthly deductions from my salary of £500. I had no option but to repay these sums, which were taken from my salary by the Post Office.

#### **FUJITSU ENGINEERS**

57. We had many other problems with the Horizon System and other Post Office equipment. We would report these problems, as they were disrupting our business.
58. Fujitsu engineers would be sent out, and we would explain the problems to them.
59. A number of the Fujitsu engineers told us that the Horizon System was not up to the work that it was expected to do.
60. Looking back, it now seems clear to me that the Post Office and Fujitsu must have known that their IT system was not up to the job. This was the opinion of a number of their engineers who came to our post office. As such, this must have been known to the Post Office and Fujitsu.



## **TERMINATION**

61. Our relationship with the Post Office changed.
62. They wanted us to become a Main Post Office Branch. This involved a large investment in refurbishment. The Post Office said that this would allow us to have more space for our retail business. The Post Office said that having a busy retail side would attract more customers to the post office.
63. However, when the refurbishment was completed, we had less space. I felt that we had been taken advantage of by the Post Office.
64. At this time the Post Office proposed making us sign new contracts. We no longer trusted the Post Office because of the lack of help and support we had had with the Horizon System, and being held liable for large shortfalls.
65. My husband and I were getting older. We would have liked to continue running the post office for a few more years and growing our retail business, at which point we could have sold it on as a going concern.
66. However, our loss of trust in the Post Office and the significant losses we experienced, made us decide to retired early, as we were afraid of further shortfalls, for which we would be held liable.
67. As such, I resigned from the post office.

## **LOSSES**

68. I paid the Post Office £8,574.86. I was led to believe that I had no alternative but to repay the alleged shortfalls.

69. If it were not for the events that occurred, I would have stayed working for the Post Office for at least 2 more years before retirement. During this time, I would have earned approximately £24,000 in my post office salary. I would have also had the profits from the retail business. However, as I have said, I no longer trusted the Post Office; as such I resigned,

#### **HUMAN IMPACT**

70. I suffered serious problems with the Horizon system including alleged shortfalls. I had to pay the Post Office over £8,500 from my personal funds, from revenue from my other business and by credit card in order to pay these alleged shortfalls. Despite raising the fact I was experiencing issues of shortfalls to the Post Office, they did nothing to assist me.
71. I came to fear Wednesday evenings, as this was the balancing day. I never knew what the Horizon System would show in the balance.
72. However, we also had to do a complete monthly balance at the end of each month, and these balance days would be a constant worry at the back of your mind.
73. Our relationships with our staff became strained.
74. The Post Office strongly suggested that my staff were stealing, and they were not. The Post Office strongly advised me to implement new working practices, which I have described. I had to explain to my staff why I had to make these changes. My staff naturally felt under suspicion. They felt that they had to check and check their takings and stock, so that they would not fall under suspicion. This spoiled what had been a very happy working relationship.
75. Also, I and my husband felt that we were under suspicion by the Post Office. Being an honest person, it was very upsetting to be immediately presumed to be guilty by Post Office of the theft of a large amount of money.

76. My husband and I had really enjoyed running the post office. We really enjoyed speaking with and helping our customers. People would come in to ask for our advice about all sorts of problems that were not part of the post office, such as help with utility bills, or if they did not have a phone, we would help them make calls.
77. Older people use to love to come to the post office. For some of our older customers it was often the only time they came out and met anyone.
78. To be a good subpostmistress you have to really like working with and talking with people. My husband and I loved this aspect of our job, even though we received nothing for it.
79. It had been our dream to live and work in a community and to provide vital services and support for people. Unfortunately, that dream had to end.
80. When the day came for us to leave the post office we received so many cards and gifts, it took three carloads to carry all of the cards, flowers and gifts home.
81. As I say, our trust in the Post Office was broken. The Post Office simply did not seem to care about us; all they wanted was their money.
82. I later discovered that other subpostmasters had also been experiencing similar problems to us across the country.
83. This came as a great surprise to me, as no one at the Post Office or the National Federation had told us that anyone else was experiencing similar problems to us.
84. I had asked directly if other subpostmasters were having similar experience and I had been told no. I felt lied to by the Post Office.

**CONCLUSION**

85. I think that now most people with an understanding of these events know what happened. The Post Office had a faulty IT System, they knew it, but did not tell subpostmasters about this. Despite this knowledge, the Post Office continued to demand monies from subpostmasters for shortfalls, without investigating the cause.
86. I would like this to be brought out in to the open.
87. The Post Office is a national organisation, which is effectively a government agency. The Government should not treat trusted people in this way.
88. I know that others have suffered more than my husband and I, they deserve justice and compensation.
89. However, my husband and I really enjoyed working in the community and wished to continue to do so until retirement. We were denied this opportunity, because we concluded that the Post Office could not be trusted.
90. It now appears that we were right.

**STATEMENT OF TRUTH**

I believe the contents of this Statement to be true.

Signed..... **GRO** .....Dated..... 8th JAN 2022.....  
Christine Goodwin