

## POST OFFICE LIMITED

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### ADVICE

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1. Following judgment in *Post Office Limited –v- Castleton* I have been asked to provide a short written advice on the key points that have emerged from my involvement in the case as a whole and that judgment in particular. I should emphasise that this Advice has been written as a short preliminary overview and should not be relied upon as providing a final and definitive consideration of all steps that should be taken in order to ensure that the Post Office derives maximum advantage from the judgment.
2. The first point is that it is easier to sue a sub-postmaster on an account produced by him than try to prove that a loss has arisen in the business. Trying to prove such a loss, if it is possible at all, is extremely difficult forensically and will inevitably be expensive and time-consuming.
3. The second point is that the Post Office derives a significant advantage in litigation if the sub-postmaster bears the burden of proof to show that the account sued on by the Post Office, such as the Cash Account (Final), is wrong, rather than the Post Office having to prove that the account sued on is right.
4. This reversal of the burden of proof can only occur if the Post Office is suing on the sub-postmaster's own account, i.e. on a formal account produced by the sub-postmaster and tendered by him to the Post Office as his confirmed statement of the trading that has occurred.

5. As such, a Cash Account (Final) (or any other account produced by a sub-postmaster) is only likely to be treated as a final account for a given period if it is (i) produced by the sub-postmaster (ii) at least in circumstances where he is contractually required to produce and verify the figures as accurate, but preferably where he formally certifies the figures as such, and (iii) where the sub-postmaster physically signs off the accounts as such, alternatively signs electronically.
6. The third and final point is that if and when it is decided that a sub-postmaster is to be suspended or removed from post, he should be required, in accordance with the terms of his contract, to produce and sign a final account to the date of his removal, whether or not the Post Office has conducted its own audit. The purpose of requiring this is simply to rely on the reversal of the burden of proof and remove the necessity (though not the desirability) of having to call the auditors to prove the loss.
7. I trust that this short Advice provides sufficient overview for present purposes, but I should be happy to provide such further assistance as may be required.

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