

Bond Pearce

Telephone attendance

Client: Royal Mail Group PLC Sub Postmaster Litigation

Matter: Mr Lee Castleton

Matter no: 348035.134

Attending:

Name: Stephen Dilley

Location: N/A

Date: 3 October 2006

Start time:

Units:

Attending Richard Morgan (Counsel) in relation to every witness statement. Most of them are now on third or fourth versions and Richard wanted to discuss what he thought of the latest versions plus any comments on them before many of them are signed.

He did not have any comments on Meryl Laudit, Ann Chamber, Liz Morgan, Davlyn Cumberland or Ken Crawley's statement.

In relation to Julian Hoyland's statement, we need to amend paragraph 5 to define "FAD". We need also to change branches in paragraphs 12 to branch's.

We need to clarify paragraph 9 of Andrew Dunstan's statement.

In relation to Greg Booth's statement, we need to amend paragraph 9 to make it clear that Mr Castleton continued to operate the shop. There is also the word "that" included twice by mistake. We need to insert a new paragraph 13 to say that the transfer clause a cash account to show the surplus. In the old paragraph 13 we want to say that each day Mr Booth counted up the stock account foils. In paragraph 13D we need to change the word if to it.

Counsel also had comments on the witness statement of John Jones (substantial comments), Cath Oglesby, Andrew Wise, Andy Duncts, Paul Williamson and Michael Johnson which, for ease of reference, I simply recorded on in manuscript on the latest draft of those statements.

After discussing the witness statements, then going on to discuss a few further points as follows:

1. Experts. I said that I was slightly concerned that if the Court did not give us permission to serve sequential reports, there is a possibility that we get a very short date to disclose experts reports. Reminding Counsel that we have currently instructed our experts to do no further work. Counsel said that now he had read all the witness statements again, he was feeling more confident and clearer about the Post Office's case. He wonders whether, given the absence of a really detailed and precise allegation about the IT and accountancy systems, the Post Office currently want to call an expert. Of course when we get Mr Castleton's experts reports if they identify any issues, then we may want to. However, that was his view on that particular point ie he questions whether an expert's report is currently necessary. It may only be necessary if the other side serve expert evidence.
2. Going through my e-mail of 28 September with him about opening audit and proving the losses. We prove the losses as follows:

- a. the auditor, Helen Rose, covers off the majority of the losses.
 - b. Michael Johnson (the lottery) refers to the lottery errors to prove the balance. In other words, there is no one particular person that can simply say that these are all the losses. It is derived from 2 people's witness statement. Counsel appreciates this.
3. On the question of an opening audit, explaining to Counsel that what happens is the audit team for the outgoing sub-postmaster "rems out" the stock and cash from the computer and the new sub-postmaster or his trainer rems it in for any cash or stock handed over. Therefore Mr Castleton will be starting with a blank slate and the first weeks cash accounts should have the starting stock and cash in them. I asked the Post Office to get these, but if they do not have them, we will ask Castleton for them. It seems, updating him on my 28 September e-mail that we cannot identify who the actual auditor was on or around 18 July 2003.
4. Counsel wondered if we wanted to serve the other side subject to witness statements, we are ready to go to trial in December, because it might prompt them to settle. He also wonders how hard we want to push the change of venue point.

Units: 16

Dictating attendance note on 6 October.

Units: 3
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