1982 November 15

[LORIS J.]

IN THE MATTER OF ARTICLE 146 OF THE CONSTITUTION

FANOS IONIDES AND MARIA ROSSIDOU, AS ADMINISTRATORS OF THE ESTATE OF THE DECEASED LOIZOS ROSSIDES,

Applicants,

v.

THE REPUBLIC OF CYPRUS, THROUGH THE COMMISSIONER OF ESTATE DUTY,

Respondents.

(*Case No.* 256/81).

Estate Duty—Deductions—Debts due to a relative of the deceased —Principles applicable—Section 25(b) of the Estate Duty Laws 1962-1976—Corroboration of the testimony of the claimant required—Section 7 of the Evidence Law, Cap. 9—Evidence adduced not sufficient to prove alleged debt—Requisites of section 25(b) supra not satisfied.

Administrative Law—Administrative act or decision—Presumption that it was reached after a correct ascertainment of the relevant facts.

Administrative Law—Administrative acts or decisions—Reasoning —Need for due reasoning—Not all reasons behind a decision need be stated explicitly and omission to state subsidiary reasons does not render the reasoning inadequate—Though sub judice decision framed in a legalistic language and expressed in a laconical way it conveyed to the applicants the main reason for which their application was dismissed.

The applicants in their capacity as the administrators of the estate of the deceased Loizos Rossides late of Strovolos by the present recourse challenged the decision of the Commissioner of Estate Duty dated 20.6.1981 whereby the latter refused the

deduction of £6,000.- from the estate of the said deceased, an amount allegedly representing rents collected by the deceased during his life time on account of his wife to whom they are still due. The sub judice decision was taken pursuant to the provisions of section 25(b)* of the Estate Duty Laws 1962-1976 and was impugned on the following grounds:

(1) That the respondent acted in contravention of s.25 of the Estate Duty Laws, 1962-1976.

(2) That the respondent acted under a misconception of facts because—

(a) he failed to carry out a full inquiry in order to ascertain the actual facts,

(b) he ignored the fact that the amount of £6,000.- was collected by the deceased from the rents of a house belonging to his wife, for which he had a duty to account as representative of his wife,

(3) That the impugned act or decision is not duly or at all or sufficiently reasoned.

Held, that it is clear from the wording of para. (b) to s.25 that it restricts allowances to be made in assessing the value of the estate of a deceased person in case of debts due to a relative of such deceased, to those cases only where the adduction of evidence proves that the debt was incurred or created (i) bona fide, (ii) for full consideration in money or money's worth, (iii) wholly for the deceased's own use and benefit; that in cases of claims against the estate of deceased persons corroboration is required (see section 7 of the Evidence Law, Cap. 9) and there was lack of corroboration in this case; that the evidence adduced was not sufficient to prove even the existence of the alleged debt; that afortiori there was no evidence proving the requisites of s.25(b) of the Estate Duty Laws; that there was no a scintilla of evidence that the respondent failed to carry out a proper inquiry or that he misconceived the facts; that the presumption that this administrative decision was reached after a correct ascertainment of the relevant facts holds good and the applicants failed in establishing that there exists even a slight probability

* Section 25(b) is quoted at pp. 1141-1142 post.

that a misconception has led to the taking of this decision; accordingly grounds (1) and (2) should fail.

(2) That though administrative decisions have to be duly reasoned not all the reasons behind a decision need be explicitly stated and omission to state subsidiary reasons does not render the reasoning inadequate; and that though it is true that the sub judice decision was framed in a legalistic language and expressed in a laconical way it conveyed to the applicants the main reason for which their application was dismissed, i.e. their failure to adduce evidence proving the debt in question, that the debt was incurred or created bona fide, for full consideration in money or money's worth wholly for the deceased's own use and benefit pursuant to the provisions of s.25(b) of the Estate Duty Laws; accordingly ground (3) should also fail.

Per Curiam: The authorities should not be encouraged to limit the communication of their reasons to the minimum possible.

Application dismissed.

Cases referred to:

A.G. v. *Duke of Richmond and Gordon* [1909] A.C. 466 (H.L.);

Georghiades v. *Republic* (1982) 3 C.L.R. 659 at pp. 668, 669;

Coussoumides v. *Republic* (1966) 3 C.L.R. 1 at p. 18;

Hadjiyiannis v. *Republic* (1966) 3 C.L.R. 338;

Makrides v. *Republic* (1967) 3 C.L.R. 147 at p. 153;

Kavanagh v. *Chief Constable of Devon and Cornwall* [1973] 3 All E.R. 657;

Iacovidou v. *Schiza and Others* (1967) 1 C.L.R. 323 at p. 334;

Georghiades and Others v. *Republic* (1967) 3 C.L.R. 653 at p. 666;

Kittides v. *Republic* (1973) 3 C.L.R. 123 at p. 143;

HjiSavva v. *Republic* (1972) 3 C.L.R. 174 at p. 205;

Mouzouris v. *Republic* (1972) 3 C.L.R. 43;

Vassiliou v. *Republic* (1982) 3 C.L.R. 220 at p. 229.

Recourse.

Recourse against the decision of the respondent whereby the deduction of £6,000.- from the estate of the deceased Loizos

Rossides an amount representing rents collected by the deceased during his life time on account of his wife was refused.

L. Papaphilippou, for the applicants.

M. Photiou, for the respondent.

Cur. adv. vult.

LORIS J. read the following judgment. The applicants in their capacity as the administrators of the estate of the deceased Loizos Rossides, late of Strovolos, attack by the present recourse the decision of the Commissioner of Estate Duty dated 20.6.81 (vide Appendix 'C') whereby the latter refused the deduction of £6,000.- from the estate of the said deceased, an amount allegedly representing rents collected by the deceased during his life time on account of his wife to whom they are still due.

The deceased Loizos Rossides, late of Strovolos, died on the 1st January, 1975. Maria Rossidou is the widow of the deceased and one of the administrators of his estate.

Following an assessment of the estate of the deceased for estate duty purposes made by the respondent, the applicants filed Recourse No. 110/79 attacking the said assessment; pending the hearing of the recourse in question, the respondent undertook, through his counsel, to re-examine that part of the assessment which was referring to a claim of applicants for deduction of £6,000.- out of the estate, an amount allegedly due by the deceased to his wife personally, representing rents of a house or flat belonging to his wife (situate at Liberti Street No. 5 - Strovolos) for the years 1967 - 1974, which were collected, according to the allegation of the widow always, by the deceased during his life time, not paid over to her and due to her till the present day.

In furtherance of this re-examination by the respondent, one of the administrators, Mr. Ionides, addressed to the respondent a letter, dated 4th September, 1980 (Appendix 'B') forwarding therewith an affidavit sworn by the administratrix - widow of the deceased - dated 30th August, 1980; copy of this affidavit is attached to the Opposition as Appendix 'A' and it is marked exhibit 1A.

The respondent, having considered the documents placed before him, including the affidavit of the administratrix (exhibit

1A) and having discussed the matter with Mr. Ionides, the other administrator, at a meeting held for the purpose, rejected the claim of the applicants for the deduction of £6,000.- from the estate of the deceased. The aforesaid rejection of the respondent is contained in a letter dated 20th June, 1981, addressed to the applicants (Appendix 'C').

This decision of the respondent is now being impugned by the applicants by virtue of the present recourse.

The applicants are basing their complaints against the sub judice decision on the following grounds of law:

(1) The respondent acted in contravention of s. 25 of the Estate Duty Laws, 1962 - 1976.

(2) The respondent acted under a misconception of facts because -

(a) he failed to carry out a full inquiry in order to ascertain the actual facts,

(b) he ignored the fact that the amount of £6,000.- was collected by the deceased from the rents of a house belonging to his wife, for which he had a duty to account as representative of his wife.

(3) The impugned act or decision is not duly or at all or sufficiently reasoned.

The respondent in his Opposition supports his decision on the following grounds of law:

"The act and/or decision complained of was properly and lawfully taken after all relevant facts and circumstances were taken into consideration, viz.

(a) The provisions of s. 25 of the Estate Duty Laws 1962 - 1976 were correctly applied by the Respondent Commissioner of Estate Duty in arriving at the conclusion that the claim by the deceased's wife for a deduction of £6,000.- as a debt due to her by the deceased was not a deductable debt.

(b) Applicants failed to satisfy the Respondent Commissioner of Estate Duty that the aforesaid debt was

in fact created and that same was created bona fide and against full consideration as provided for in s. 25(b) of the Estate Duty Laws 1962 - 1976.

(c) The Respondent Commissioner of Estate Duty, after making a full inquiry into this matter and after considering carefully the affidavit dated 30th August, 1980 sworn by the widow of the deceased Mrs. Maria Rossidou, and after discussing the matter with Mr. Fanos Ionides, rightly decided not to accept the deduction of the aforesaid sum of £6,000.-.

(d) The decision of the respondent, which is duly reasoned, is contained in his letter dated 20th June, 1981."

Grounds of law 1 and 2 relied upon by the applicants are interwoven; this is apparent from the initial written address filed on their behalf, as well as their reply to the address of the respondent; I have decided, therefore, to deal with both these grounds together, avoiding thus, unnecessary repetitions.

The material part of s. 25 of the Estate Duty Law (Law 67/62) reads as follows:

"25. Κατὰ τὸν ὑπολογισμὸν τῆς ἀξίας τῆς περιουσίας ἀποθανόντος προσώπου, τηρουμένων τῶν ἐν τοῖς ἑφεξῆς διατάξεων, θὰ χορηγῆται ἔκπτωσις λογικοῦ τινὸς ποσοῦ διὰ τὰς δαπάνας κηδείας, ὡς καὶ ἔκπτωσις διὰ χρέη καὶ ἐμπραγμάτου ἀσφαλείας συνομολογηθείσας ἢ δημιουργηθείσας ὑπὸ τοῦ ἀποβιώσαντος ἢ αἵτινες ἐβάρυνον οἱονδήποτε περιουσιακὸν στοιχεῖον συνιστοῦν μέρος τῆς περιουσίας πρὶν τοῦτο περιέλθῃ εἰς τὴν κυριότητα τοῦ ἀποθανόντος εἴτε διὰ κληρονομικῆς διαδοχῆς, δωρεᾶς, μεταβιβάσεως, ἀγορᾶς εἴτε ἄλλως, καὶ αἵτινες ἐσυνέχισαν βαρύνουσαι τὸ στοιχεῖον τοῦτο κατὰ τὴν ἡμερομηνίαν τοῦ θανάτου. Οὐδεμία ὅμως ἔκπτωσις θὰ χορηγῆται—

(α) - --- - - - -- - - - - - --- -- --

(β) διὰ χρέη ὀφειλόμενα εἰς τινα συγγενῆ τοῦ ἀποθανόντος καί βαρύνοντα τὸ συμφέρον τοῦ ἀποθανόντος ἐκτὸς ἐὰν προσκομισθῶσιν ἀποδεικτικὰ στοιχεῖα ἀποδεικνύοντα ὅτι τὸ χρέος συνήφθη ἢ συνωμολογήθη καλοπίστως ὑπὸ τοῦ ἀποθανόντος ἀντὶ πλήρους χρηματικῆς ἢ ἐχούσης χρηματικὴν ἀξίαν ἀντιπαροχῆς, καθ' ὁλο-

κληρίαν πρὸς χρῆσιν καὶ ὄφελος τοῦ ἀποθανόντος. Διὰ τοὺς σκοποὺς τῆς παρούσης παραγράφου, ὁ ὅρος 'συγγενὴς' σημαίνει τὸν σύζυγον ἢ τὴν σύζυγον, τοὺς ἀνιόντας, τοὺς κατ' εὐθεῖαν γραμμὴν κατιόντας, τοὺς ἀδελφοὺς καὶ τὰς ἀδελφάς· ἢ

(γ) .....

(δ) .....".

("25. In determining the value of the estate of a deceased person, allowance shall be made, subject as hereinafter provided, for reasonable funeral expenses and for debts and incumbrances incurred or created by the deceased or which, having been charged upon any property forming part of the estate prior to its acquisition by the deceased, whether by way of inheritance, gift, transfer, purchase or otherwise, continued to be so charged at the date of death, but an allowance shall not be made -

(a) .....

(b) for any debt due to a relative of the deceased taking effect out of the deceased's interest unless evidence is produced to prove that the debt was incurred or created bona fide by the deceased for full consideration in money or money's worth wholly for the deceased's own use and benefit. For the purposes of this paragraph, 'relative' means husband, wife, ancestor, lineal descendant, brother or sister; nor.

(c) .....

(d) .....").

It is clear from the wording of para. (b) to s. 25 that it restricts allowances to be made in assessing the value of the estate of a deceased person in case of debts due to a relative of such deceased, to those cases only where the adduction of evidence proves that the debt was incurred or created (i) bona fide, (ii) for full consideration in money or money's worth, (iii) wholly for the deceased's own use and benefit.

In the case of *A. G. v. Duke of Richmond and Gordon* [1909] A.C. 466 (H.L.) (decided by majority), where similar wording to the above in the Finance Act 1894 was being construed, it was held that -

"The words 'wholly for the deceased's own use and benefit' apply to the consideration given for the incumbrance, not to the incumbrance itself, and simply mean that the deceased, the person who creates the incumbrance, must receive the full consideration in money or money's worth as his own, to be disposed of by him in any way he pleases free from the control or interference of others".
(Per Lord Atkinson, at p. 478).

I shall confine myself at present to the above as regards the material section of the Estate Duty Law on which the respondent based the sub judice decision.

Before proceeding to the facts of this case though, I feel that I should make a brief reference to the legal position as regards the nature of judicial review under Article 146, the powers of our Supreme Court in reviewing taxation decisions in particular, the position in connection with misconception of facts and, finally the question of the burden of proof.

In the recent appeal of *Lilian Georghiades v. The Republic*, (1982) 3 C.L.R. 659, the scope and compass of the jurisdiction under Article 146, as well as the powers of the Supreme Court in reviewing taxation decisions, were thus summarised: (at pp. 668 and 669).

"..... The review and the inquiry it (Article 146) entails is limited to the validity of the act impeached. Such validity is tested by reference to the powers vested by law in the administration, the manner of their exercise and the factual substratum, particularly its correctness. The revisional jurisdiction of the Supreme Court is primarily of a corrective character. It is aimed to ensure, in the interest of legality and public good, that the administration functions within the sphere of its authority and always subject to the principles of good administration. The Court will not assume administrative responsibilities, a course impermissible under a system of separation of State powers constitutionally entrenched in Cyprus. It is appropriate to recall in this respect the observations of Triantafyllides J., as he then was, in *Costas M. Pikis v. The Republic*, (1965) 3 C.L.R. 131 at p. 149, earmarking the powers of the executive and the judiciary: 'After-all it must not be

lost sight of that it is for the Government to govern and for the Court only to control.....'

Unlike the powers vested in the District Court before Independence to adjudicate upon a taxation assessment by s. 43 - Cap. 233 - and earlier by virtue of s. 39 of Cap. 297 (of the old edition of the Statute Laws of Cyprus), the Supreme Court has no jurisdiction to go into the merits of the taxation and substitute, where necessary, its own decision. The power of the Supreme Court is limited, as indicated, to the scrutiny of the legality of the action, and to ascertain whether the administration has exceeded the outer limits of its powers. Provided they confine their action within the ambit of their power, an organ of public administration remains the arbiter of the decision necessary to give effect to the law; and so long as they make a correct assessment of the factual background and act in accordance with the notions of sound administration, their decision will not be faulted. In the end, the courts must sustain their decision if it was reasonably open to them....."

As regards misconception of facts in relation to an administrative decision, it was held on appeal, in the case of the *Republic* v. *Ekkeshis,* (1975) 3 C.L.R. 548, that there exists a presumption that an administrative decision is reached after a correct ascertainment of relevant facts, though such presumption can be rebutted if a litigant succeeds in establishing that there exists at least, a probability that a misconception has led to the taking of the decision complained of.

In connection with the burden of proof, it was laid down as early as 1966 that "under Article 146, also, it is on applicant on whom lies the initial burden of proof to satisfy the Court that it should interfere with the subject-matter of a recourse". (*Coussoumides v. The Republic,* (1966) 3 C.L.R. 1 at p. 18).

The same principle was reiterated subsequently in a number of cases (*Andreas Hadjiyianni v. The Republic,* (1966) 3 C.L.R. 338; *Rallis Makrides v. The Republic* (1967) 3 C.L.R. 147 at p. 153; and most recently, in the case of Lilian Georghiades (supra) where it was re-affirmed that "the initial burden of establishing that the decision complained of is vulnerable to be

set aside is upon the party propounding its invalidity" (at p. 669 (22-25) of the report).

Turning now to the factual background of this case bearing always in mind:

(a) That the applicants in the present recourse are claiming a deduction of £6,000.- from the estate of the deceased, an amount allegedly due by the deceased to his widow on account of rents of her house collected by him during his life time;

(b) That according to the provisions of s.25(b) of the Estate Duty Law the applicants have to adduce evidence proving that the debt was incurred or created -
(i) bona fide;

(ii) for full consideration in money or money's worth;

(iii) wholly for the deceased's own use and benefit.

It goes without saying that the applicants have to establish in the first place the existence of such debt.

Now what was the evidence adduced by the applicants proving to the respondent their aforesaid allegations?

For all we know the applicants furnished the respondent with -

(a) affidavit dated 30.8.80 sworn by the widow of the deceased (Appendix "A" - Exhibit 1A);

(b) letter of 4.9.80 (Appendix "B");

(c) letter dated 15.5.80 of Mr. Fanos Ionides - one of the administrators - addressed to the respondent; this letter was never produced before me, the contents thereof is unknown and its existence is denoted simply by reference of same in the decision of the respondent (Appendix "C").

It is not clear whether exhibits 1 (photocopy of the contract of lease dated 23.9.72) and 2 (photocopy of receipt dated 4.8.70 for the sum of £720.- purported to have been signed by the deceased) attached to the written address filed on behalf of the applicants were produced to the respondent as well. Be that

as it may, I shall treat both these exhibits as having been duly placed before the respondent for consideration.

It is apparent that almost all the allegations of fact on which the applicants rely emanate from the affidavit of the widow of the deceased dated 30.8.80. Only two isolated facts appear in exhibits 1 and 2: *Exhibit No.* 1 indicates that the deceased contracted as lessor letting to a certain Georghios Kyriacou Iacovou for a period of 2 years (23.9.72 - 22.9.74) the flat in question which, according to the affidavit of the widow (exhibit 1A) belonged at all times to her. *Exhibit* 2 is a receipt dated 4.8.70 for the amount of £720.- paid by the National & Grindlays Bank Ltd. as rent of the flat at 5 Liberti Street for the period 19.8.70 - 18.8.71. This receipt bears underneath an illegible signature which is being presented as the signature of the deceased and for the purposes of the present proceedings I assume that it was so signed.

It is significant to note that the affidavit is quite vague and uncertain as regards the period the said flat was being let whilst it is completely silent as to the monthly or yearly rental; the only information that can be deduced from the affidavit in connection with the rent is the global amount of £6,000.- which is repeatedly mentioned, without any indication as to how this figure was arrived at.

The data given in paragraph 4 of the affidavit (which states that the flat in question was leased in 1967) and exhibits 1 and 2 (which provide (i) the figure of the yearly rent for the last three years and (ii) the time of the year when the lease commenced, i.e. August, 1970) may lead one to calculate the rent that this flat yielded for the whole period it was let, upto the time of deceased's death, at £5,040.- (i.e. £720 x 7 years) at the most, althought such a calculation would have been open to criticism that unknown data were presumed favourably to the view of calculating the rent collected at the highest possible level.

I fail to see how the figure of £5,040.- reached by a willing calculator presuming everything in favour of the highest possible assessment, could by any stress of imagination be increased to reach the global amount of £6,000.- repeatedly averred with emphasis by the widow of the deceased in her affidavit.

Stress must be laid on the fact that the alleged debt of £6,000.- is defined in the affidavit in question, in very clear and unambiguous words, as the debt that was created from the collection of rents of specific premises by the deceased; it is, therefore, natural that failure of those propounding the proof of the debt to prove the yielding of rent, by the premises in question, equal to the amount of the alleged debt, will not only affect the quantum of the debt but it will have far reaching repercussions extending to the very existence of the debt itself, for which evidence must be adduced proving, inter alia, that it was incurred or created "bona fide", which was held to mean in *A.G. v. Duke of Richmond and Gordon* (supra) that the debt was not "fictitious or colourable" but "real and genuine".

Another matter which is relevant and which presumably was considered by the respondent, is the question of corroboration required in cases of claims against the estate of deceased persons. The relevant section (s.7) of the Evidence Law, Cap. 9, provides as follows:-

> "A claim upon the estate of a deceased person, whether founded upon an allegation of debt or of gift, shall not be maintained upon the uncorroborated testimony of the claimant, unless circumstances appear or are proved which make the claim antecedently probable, or throw the burden of disproving it on the representatives of the deceased."

When learned counsel for the respondent submitted in his written address that there was lack of corroboration in the present case, learned counsel of the applicants submitted in effect in his written reply that it was not within the province of the respondent to examine whether corroboration as envisaged by s. 7 of Cap. 9 existed in the present case or not.

With respect, I find myself unable to agree with counsel for the applicants on his said submission. I hold the view that the respondent was bound to examine this issue for the simple reason that he had to ascertain whether the alleged debt was primarily an enforceable one, before examining whether it fulfilled the requirements of s.25(b) of the Estate Duty Law.

According to Green's Death Duties, 7th ed., p. 505, " 'Debts' mean only such debts as an executor may properly pay or

retain..... For Estate Duty purposes statute-barred debts, which satisfy the other conditions, are allowed if they are actually paid. A debt or claim which is unenforceable for any other reason is disallowed, for payment would either be a devastavit by the executor or a gift by the beneficiaries....."

The above submission of counsel for the applicants is interwoven with a statement to the effect that "the principles regarding evidence before administrative bodies are quite different, and permit the use of even hearsay evidence" and the case of *Kavanagh* v. *Chief Constable of Devon and Cornwall*, [1973] 3 All E.R. 657, is cited in support.

Pausing here for a moment I wish to emphasize two things: First the question of "corroboration" relates to the weight of the evidence already adduced whilst "hearsay" evidence is a term employed in connection with the issue of admissibility of evidence. "Admissibility" and "weight" are altogether different matters and should be kept distinct. Secondly the case of *Kavanagh*(s upra) is completely irrelevant both to the question of corroboration and the facts of the case in hand.

A brief reference to *Kavanagh's case* (supra), which was an appeal by way of a case stated by the Crown Court sitting at Bodmin will clear out any doubt as to its relevance with the present case and the question of corroboration:

During the hearing of the appeal of the appellant against the refusal of the respondent Chief Constable of Devon and Cornwall, to grant him a shotgun certificate and to register him as a firearms dealer, a question arose whether in hearing the appeal the court was bound by the normal rules of evidence applicable in civil or criminal proceedings or whether the court was entitled to hear all the matters which had influenced the respondent in refusing the appellant's application. The Court were of the opinion that they were entitled to hear of all the matters which had influenced the respondent in reaching his decision with regard to the appellant, whether those matters were hearsay evidence, were not strictly proved, or were otherwise inadmissible by the rules of evidence applied in ordinary courts of law.

It is crystal clear that the ratio decidendi in the *Kavanaghs'* case (supra) is confined to the admissibility of evidence only

and in no way touches the question of corroboration which falls within the sphere of the "weight" of evidence.

Reverting now to the question of corroboration in the present case. Needless to say that the affiidavit (exhibit 1A) was sworn by the widow of the deceased and, therefore, it cannot afford corroboration to the claim for the debt, as such a claim emanates from the widow. Exhibit 1 does not constitute corroboration of the alleged fact that the deceased collected the rents for the period 23.9.1972–22.9.1974 (i.e. a total of £1,440.–) nor does it make the claim for £6,000.– antecedently probable. *Olymbia Iacovidou* v. *Katina Schiza and Others*, (1967) 1 C.L.R. 323, at p. 334.

Exhibit 2 on the other hand, may throw the burden of disproving that the deceased received as rent £720.– for the period of 18.8.1970–18.8.1971 to the representatives of the deceased but it cannot make the claim of £6,000.– antecedently probable.

A reasonable person cannot lose sight of the fact that one of the representatives of the deceased, notably his widow, is the person who advances the claim of £6,000.–. for her benefit; and an admission by her, as administratrix of the estate of the deceased, of a debt allegedly due to her personally by no means can carry her case any further.

From the above it is abundantly clear that the decision of the respondent was reasonably open to him: The evidence adduced was not sufficient to prove even the existence of the alleged debt; afortiori there was no evidence proving the requisites of s.25(b) of the Estate Duty Laws. There is not a scintilla of evidence that the respondent failed to carry out a proper inquiry or that he misconceived the facts; the presumption that this administrative decision was reached after a correct ascertainment of the relevant facts holds good and the applicants failed in establishing that there exists even a slight probability that a misconception has led to the taking of this decision.

As a result grounds 1 and 2 fail and are accordingly dismissed.

I shall now deal with the last ground, namely "absence of due reasoning of the decision impeached".

It is well settled that administrative decisions have to be duly

reasoned; what is due reasoning is a question of degree dependent upon the nature of the decision concerned. (*Athos Georghiades & Others* v. *The Republic*, (1967) 3 C.L.R. 653, at p. 666).

The whole object of the rule requiring reasons to be given for administrative decisions is to enable the person concerned, as well as the Court, on review, to ascertain in each particular case, whether the decision is well founded in fact and in accordance with the Law. (*Kittides* v. *The Republic*, (1973) 3 C.L.R. 123, at p. 143).

Reasoning behind an administrative decision may be found either in the decision itself or in the official records related thereto. (*Georghios HjiSavva* v. *The Republic*, (1972) 3 C.L.R. 174, at p. 205).

Not all the reasons behind the decision need be explicitly stated, and omission to state subsidiary reasons does not render the reasoning inadequate. (*Christos P. Mouzouris* v. *The Republic*, (1972) 3 C.L.R. 43).

It is true that the sub judice decision was framed in a legalistic language and expressed in a laconical way but I am satisfied that it conveyed to the applicants the main reason for which their application was dismissed, i.e. their failure to adduce evidence proving the debt in question, that the debt was incurred or created bona fide, for full consideration in money or money's worth wholly for the deceased's own use and benefit pursuant to the provisions of s. 25(b) of the Estate Duty Laws.

However, the authorities should not be encouraged to limit the communications of their reasons to the minimum possible; in this respect I fully endorse what has been said by my brother Judge Pikis, J., in the case of *Vassiliou* v. *The Republic*, (1982) 3 C.L.R. 220, at p. 229:

> "Proper acquaintance of the subject about the fate of his affairs with the administration, is greatly in the interests of proper administration and in the end strengthens the confidence of the public in the action of the administration .....".

In the result this recourse fails and it is accordingly dismissed with no order as to costs.

Recourse dismissed. No order as to costs.