## MEMORANDUM

Civil Accounts Department MS

22nd July 1983

Report on Taxation

<u>37/65/200458</u>**-**82

In this account the Agents, Messrs. Ross Harper & Murphy elected to charge their account on a Block Fee basis and in the account included a restricted Extra Judicial Settlement Fee of £40.00 plus Session Fee.

The Auditor decided that the main consideration should revolve around whether the fee claimed was appropriate in that no agreement was reached between the parties. The choice was open to the Agents regarding the method of charging the account and having elected to charge Block Fees for the Precognitions and Instruction Fee it appeared to the Auditor that the Agents were attempting to "Find" a "Block Fee" to accomodate the entries re the proposed settlement. The Auditor decided the Agents were in fact attempting to mix blocks and details and indicated that if this method was allowable their correspondence re (say a proposed specification) would also attract a restricted Block Fee.

The method used by the Agents was <u>not</u> allowed and the items were taxed off in full. The Instruction Fee was also apportioned between the old and new rates and no objection was raised by the agent.