

interest until repayment, and which provided that the testator should have free access to the books at all times, and contained various provisions intended to satisfy him as to the continued solvency of the partnership, and on breach of any of which he was to be entitled to claim payment of the £15,000. The questions submitted for the opinion of the Court were (1) how often an audit of the accounts and stock-taking of the partnership ought to be made? and (2) whether the expense of such audits and stock-taking was chargeable against capital or income? The Vice-Chancellor of Lancaster determined that the audit and stock-taking ought not to be made oftener than once a year, and that the expense thereof should be borne by the income; but the Court of Appeal (Lindley, Kay and Smith, L.JJ.) thought he was wrong on both points, and that the trustee ought not to be limited to a yearly audit and stock-taking, but that he ought to have a discretion to have an audit and stock-taking at more frequent intervals, although, in the absence of special circumstances, an annual audit would be sufficient. On the second point it was held by the Court of Appeal that the expense of the audit and stock-taking was chargeable against the capital, as being an expense incurred for the protection of the fund.

COMPANY—DIRECTORS—NOTICE OF MEETING OF DIRECTORS—NOTICE OF BUSINESS
TO BE TRANSACTED—COMPANY, AUTHORITY TO USE NAME OF.

La Compagnie De Mayville v. Whitley, (1896) 1 Ch. 788, was an action brought by a director of a joint stock company in his own name and that of the company against two other directors of the company, to prevent them carrying out certain resolutions passed at a meeting of directors at which the plaintiff was not present. The plaintiff Seal, and the defendants Whitley and Tellier were the directors of the company which had been recently formed, two directors being a quorum. Tellier and Whitley held a meeting on 14th February without notice to Seal, at which they appointed O'Brien a director, appointed solicitors and bankers for the company, and accepted an offer for offices for the company. On hearing of these resolutions on the 22nd February, Seal