

and Younger, J., by whom the motion was heard, decided that clause (b) of the memorandum of association did not authorize a separate and independent business, but was merely subsidiary to the main purpose in clause (a) and that the amount of the discount at which the stock had been redeemed was not net profit of the company, nor net profit arising from its business, and that no part thereof could be distributed as dividends. In short, the learned Judge holds that it is inadmissible to carry a gain on capital account to the credit of the revenue account.

CAUSE OF ACTION—LEASE—CLAIM FOR RECOVERY OF POSSESSION
COMBINED WITH CLAIM FOR BREACH OF COVENANT IN LEASE—
INTERLOCUTORY INJUNCTION.

Wheeler v. Keeble (1920) 1 Ch. 57. In this case the action was by lessors against their tenant in which the plaintiffs claimed to recover possession of the demised premises and an injunction to restrain an alleged breach of covenant in the lease. Younger, J., on a motion for an interim injunction on the latter branch of the case, held that the claim for possession was an unequivocal termination of the lease on the part of the plaintiffs, and it was therefore not open to them to move for an injunction on the footing that the lease was still subsisting. The motion was therefore refused with costs. Counsel for the plaintiff endeavoured to support the plaintiff's claim for an injunction on the ground that it was claimed in respect of an injury which was complete before action. But in answer to that contention the learned Judge says the breach complained of was or was not a continuing breach. If it was a continuing breach it ceased to be so by the destruction of the covenant; and if it were not a continuing breach there was no case for an injunction.

COMPANY—DISCRETION OF DIRECTORS TO ISSUE SHARES—FIDUCIARY POSITION OF DIRECTORS—SHARES ISSUED BY DIRECTORS IN ORDER TO RETAIN CONTROL OF COMPANY—BREACH OF TRUST.

Piercy v. Mills & Co. (1920) 1 Ch. 77. This was an action claiming a declaration that the allotments of certain preference shares made by the directors of the defendant company to themselves and their friends were made in breach of the fiduciary powers of the directors and were void, and for the cancellation of such allotments. It appeared by the evidence that the company was in no financial need of the further issue of shares for the purpose of its business, and that the allotment of the shares