

portance, the other rather a matter of bookkeeping. They are as follows:—

1. It is claimed that the plaintiff and those in like case with her should not have their dividend diminished by the payment of any expenses, etc., beyond the "expense fund."

2. The new "reserve fund" should not have been formed and the stock of the plaintiff and others in like case should have been credited year by year with such dividend as they were entitled to out of the profits actually received.

1. The plaintiff contends that her stock cannot be affected by expense, etc., beyond the amount of the expense fund; but that if and when the expenses are in excess of the amount provided by that fund, the general shareholders must suffer the loss.

This is based upon the wording of the documents: it is pointed out that "this stock is entitled to receive in addition (to 6 per cent. per annum), its proportion of the entire profits of the company:" this it is argued, means something more than the net profits. The argument has no force—"entire profits" means nothing more than or different from "all the profits"—and that is the same as "the profits," and may mean net profits or gross profits according to the contract, &c., in which the phrase appears.

In *Guthrie v. Wheeler* (1883), 51 Conn. 207, the expression: "the entire rents and profits of the estate" came up for interpretation. The Court said, p. 213: "The testator doubtless meant by the expression 'the entire rents and profits' all the rents and profits: and it is as applicable to the net income as to the gross income. We think the better view is that . . . as in ordinary cases the income shall bear the expenses." Such an "expression must in a business document receive a business interpretation," *Whicher v. National Trust Co.* (1909), 19 O. L. R. 605, at p. 612, [1912] A. C. 377, and in a business sense as applied to a stock company's profits out of which a dividend should be declared it means the excess of receipts over expenses properly chargeable to revenue account with care taken as a rule to properly write down bad debts. The cases on this are very numerous, many of them are to be found in *Stroud* sub voc. "Profits," pp. 1571, 1572. Lost capital may be made good before estimating these profits and it is well recognised that "it may be safely said that what losses can be properly charged to capital and what to income is a