of the said works from time to time as may be found necessary or expedient, subject to the provisions of this Act and the Acts herewith incorporated, the trustees are hereby authorised and empowered to carry on and complete the whole or such and as many of the said works as to them from time to time shall seem expedient"—that is the eighth and last object. What is the meaning of the phrase "in terms of the said recited Acts?" It is, no doubt, a very extraordinary way of carrying out the announced intention of the Legislature to repeal the former Acts and consolidate their provisions, to say that the powers of the trustees for deepening and widening the river shall be just the same as if the repealed Acts were still in force; but if it does not mean that, what does the phrase mean? I think it does mean that, and so thinking I come to precisely the opinion much more briefly expressed by the Lord President.

I therefore think that the judgment should be affirmed and the appeal dismissed with costs.

Interlocutors under appeal affirmed and appeal dismissed with costs.

Counsel for Appellant — Solicitor-General (Herschell) — R. T. Reid. Agents—Grahame, Wardlaw, & Currey—J. & J. Ross, W.S.

Counsel for Respondent—Benjamin, Q.C.—Asher. Agents—W. A. Loch—Webster, Will, & Ritchie, S.S.C.

Thursday, April 7.

(Before Lord Chancellor Selborne, Lord Blackburn, and Lord Watson.)

CAITHNESS FLAGSTONE QUARRYING COMPANY *v.* SIR TOLLEMACHE SINCLAIR.

(*Ante*, 9th July 1880, 7 R. 1117.)

Writ—Holograph—Agreement Written by Factor to the Dictation of his Principal.

Held (*aff.* judgment of the Court of Session) that an agreement written by the factor for one of the parties in the presence of the other party to the dictation of the factor's principal, and unsigned, is not a valid holograph writ of the principal so as to constitute, when formally accepted and acted on, a completed contract between the two parties interested therein.

This case was decided by the First Division of the Court of Session on 9th July 1880, and is reported in 7 R. 1117. The defender having appealed against the interlocutor then pronounced, the House of Lords recalled it and remitted to the Court of Session to dispose of the merits of the case in a manner favourable to the contentions of the appellant. On the question as to the validity of the alleged agreement of 28th September 1878, however, the Lords who took part in the judgment concurred with the view taken in the Court of Session, and their views were thus expressed by Lord Watson:—"I am of opinion with all the Judges of the First Division that the missive of the 28th September 1878 is not a valid holograph writ. I do not doubt that a missive written and signed by a factor or agent professing to bind his principal is a probative holograph according to the law of Scotland, and that when duly accepted it will bind the principal if he gave authority, and will subject the writer in damages if he did not. It appears to me, however, to be sufficient for the decision of this point that Mr Logan who wrote the document was not in any sense a party to the negotiations on the 28th September, which resulted in its delivery to the respondents for their consideration and acceptance. These negotiations were conducted by the appellant in person, and it does not appear from the evidence that Mr Logan ever had or supposed he had any authority from the appellant to make such an offer. Even if Mr Logan had been the sole negotiator, acting in the appellant's absence and by his instructions, I doubt whether the writing would have been thereby validated. The general rule of the law of Scotland is that a holograph writing in order to be effectual must be subscribed by the writer."

Counsel for Appellant (Defender)—Solicitor-General (Herschell)—Webster, Q.C. Agents—Simson & Wakeford and Webster, Will, & Ritchie, S.S.C.

Counsel for Respondents (Pursuers)—Benjamin, Q.C.—Asher. Agents—W. A. Loch and Mackenzie, Innes, & Logan, W.S.

Thursday, April 7.

(Before Earl Cairns, Lord Penzance, and Lord Blackburn.)

COLTNESS IRON COMPANY *v.* COMMISSIONERS OF INLAND REVENUE.

(*Ante*, 7th January 1881, *supra*, p. 221.)

Revenue—Income-Tax—5 and 6 Vict. c. 35, secs. 60 and 100, Schedule D.

Held (*aff.* judgment of Court of Session) that in determining the amount of profit for any year upon which a mine-owner is to be assessed, he is not entitled to write off and deduct from the gross earnings of his mine a sum to represent the amount of capital expended on making bores and new pits that has been exhausted during the year.

This case was by an order of the House of Lords, dated 1st August 1879 (6 R. 617), remitted to the Court of Session for amendment. The Court of Session on January 7, 1881, pronounced judgment on the case as amended (*ante*, p. 211), and the case was again taken by appeal to the House of Lords.

At delivering judgment—

Earl Cairns—My Lords, this is an appeal from the First Division of the Court of Session, in which the appellants, an Iron Company at Coltness, contend that in rating for the property and income-tax they ought not to be assessed on a sum of £9027, a portion of the gross proceeds of their mines, for the year ending the 5th April 1879. The description of this sum of £9027 upon which the appellants contend that they