

the lands. But the judgment of the Court being against the complainant on this point, and it being determined that the purchase was not made for the Company, and that the complainant is chargeable with the money of the Company, applied by him towards paying for the lands, and the question being with what amount he should be so charged, justice seems to require that he shall be credited with any sums which the Company may have received from the same lands. The right to the deduction on this account is presented defensively, and not by way of surcharge or falsification of the account, and it therefore appears to me that the complainant is entitled to set off against the charge, with respect to these lands, the value of the wood taken by the defendant, from them, and the rents which it may have received from the tenants.

That there is a great deal of complication and difficulty in this case, it is impossible to deny, and though the conclusions I have formed upon the various questions involved in it are the result of a very careful consideration, aided, as I have been, by full and able arguments, I am quite sensible of the probability that I may, upon many of them, have fallen into error. Should this be so, the steps necessary for their correction will doubtless be taken by the aggrieved party.

The case will be sent to the Auditor, with directions to restate the accounts upon the principles, and according to the views hereinbefore expressed, and when this report comes in, the extent and character of the decree will be determined, due regard being had to the orders already passed in the cause.

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[An order was passed accordingly, dated the 30th of October, 1852, and the Auditor having stated accounts in accordance therewith, exceptions were again filed thereto, at the hearing of which the Chancellor delivered the following opinion, on the 27th of January, 1853.]

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**THE CHANCELLOR :**

This cause, standing ready for hearing upon exceptions to the report of the Auditor of the 12th of November last, and