

- (c) the report of the auditor or auditors;
 (d) such further information respecting the company's financial position as the special Act, letters patent or the by-laws of the company may require; and shall furnish a copy thereof to every shareholder, with the notice calling such meeting; provided, however, that in cases of private companies such copies need not be furnished.

Details of
balance
sheet.

3. Every balance sheet shall be drawn up so as to distinguish severally at least the following classes of assets and liabilities, namely:—

- (a) cash;
 (b) debts owing to the Company from its customers;
 (c) debts owing to the company from its directors, officers and shareholders respectively; 15
 (d) stock in trade;
 (e) expenditures made on account of future business;
 (f) lands, buildings and plant;
 (g) goodwill, franchises, patents and copyrights, trademarks, leases, contracts and licenses; 20
 (h) debts owing by the company secured by mortgage or other lien upon the property of the company;
 (i) debts owing by the company but not secured;
 (j) amount of common shares, subscribed for and allotted and the amount paid thereon; 25
 (k) amount of preferred shares subscribed for and allotted and the amount paid thereon;
 (l) indirect and contingent liabilities. *Ontario Act, s. 36.*

AUDIT.

Accounts
to be
audited.

3. The accounts of the company shall be examined once at least in every year, and the correctness of the balance sheet shall be ascertained by an auditor or auditors. *Ontario Act, s. 123.* 30

First
auditors.

4. The first auditors of the company may be appointed by the directors before the first meeting of the shareholders, and the auditors so appointed shall hold office until the first general meeting of the shareholders. *Ontario Act, s. 124; Imperial Act, s. 112, s-s. (5) in part.* 35

Appointment
of auditors.

5. Thereafter the auditors shall be appointed by resolution at a general meeting of the shareholders, and they shall hold office until the next annual meeting unless previously removed by a resolution of the shareholders in general meeting. *Ontario Act, s. 125; Imperial Act, s. 112 (1), in part.* 40