

bookkeeping for the expenditures should be checked first, but in the series of books under consideration, it will be advisable to prove the cheques issued into the cash book.

It has been found a great help to have all paid cheques pasted back to their respective stubs, so that the amount shown as liability for outstanding cheques should be easily proved. Having checked the entries of cheques into the cash book and proved the additions, every auditor should add up the cheques charged in the bank book and apply the following test:

Outstanding cheques at the end of previous year added to cheques issued during current year, less cheques charged up in the bank book, equals amount of outstanding cheques at end of year.

Having done this, the proof of the bank account is so elementary as to need no further comment.

The auditor will, in performing this work, require auxiliary information before he can be properly satisfied that all is in order for the expenditures to be certified.

Every account is, under section 59 of the Town Act, required to be audited, and this should be done by comparing each with its corresponding voucher. It is not looked upon as a function of a town auditor in Saskatchewan to verify prices charged, but he should wherever possible, see that supplies are purchased by tender.

He should satisfy himself that the distribution of the expenditures is logical and see that the total expenditure (less outstanding accounts) agrees with the figure shown in the cash book.

This being satisfactorily done, and the posting from the cash book checked into the ledger, the auditor should proceed to compile the abstract of Revenues and Expenditures prescribed by the Department and the details called for on the back of the prescribed form. The writer holds that the best time to do this is before the ledger is closed, wherever practicable.

The auditor will have followed out his statutory duties by calling for and initialing every debenture for which he