

Mr. TURVILLE: It is the general practice of our firm to obtain outside verifications from both debtors and creditors. But in the case of these companies, particularly the railway company, it is very difficult to verify them in this way when you have many accounts divided among regions and districts. Of course in this case I think the balance was largely the balances receivable from agents. We examine the agents' reports coming into the steamship company.

Mr. MORISON: We verify them subsequently to the cash receipts and items coming in later on.

Mr. HAMILTON (*York West*): You checked it up later. Even though you have not verified it this year, next year you would check?

Mr. MORISON: We verify them before we certify the accounts. We see them settled in the subsequent period,—January or February.

Mr. HAMILTON (*York West*): The method of verification is slightly different here from that which you would get in an average company?

Mr. MORISON: Well, these voyages are all closed now. They were open at the end of December. They are now closed voyages, and finalized. We know they are settled before we finish the audit.

The CHAIRMAN: Shall the auditor's report carry?

Moved by Mr. Power and seconded by Mr. Bell that the auditor's report of Canadian National National West Indies Steamships Limited carry.

Carried.

The CHAIRMAN: Now, I would suggest that the committee meet on Monday afternoon at 3.30 in order to consider the report, before any presentation is made.

Mr. FULTON: Mr. Chairman, before we conclude this portion may I say a word? I know that Mr. Macdonnell last year, when he was a member of the committee asked for certain information to be compiled with respect to the tables, the statistical tables and the method of presenting the budget, and I would like to say I know on his behalf and certainly my own—I am sure all the members of the committee will agree—that we express appreciation of the very full picture given in these statistical tables and in the method of setting up the capital budget for the year. I think that our suggestions and requests have been compiled with and I think we should express our appreciation.

The CHAIRMAN: I should also like to express to Mr. Turville and Mr. Morison who are here representing the auditing firm our thanks for their very careful consideration of the accounts and their assistance here today.

The committee adjourned.