

These statements obviate the necessity of keeping separate accounts for "Collections" in small towns, inasmuch as the difference between the uncollected taxes, and the liability shown, should at all times correctly represent the liability of the town to the Provincial Treasurer for collected taxes.

It will be observed that receipts from tax sale have not been separated in this example, but treated as tax collections. Properly handled, in small towns this is found to be a better plan than that prescribed for Rural Municipalities.

We have now to prepare a combination tax statement. This can easily be taken directly from the ledger, and will be found to be as follows.

Municipal arrears January 1, 1920	3760.44	
Penalty added	300.83	
Public Revenues, arrears Jan. 1	103.77	
Penalty added	8.30	
General Municipal Tax	11000.00	
Public School Tax	6000.00	
High School Tax	3000.00	
Public Revenues Tax	600.00	
Municipal Taxes Collected		17413.10
Discount allowed		328.40
Cancellations		164.20
Public Revenues Taxes Collected		608.34
Cancellations		3.20
Municipal Tax unpaid Dec. 31		6155.57
Public Revenues Taxes Unpaid Dec. 31		100.53
		24773.34 24773.34

The reader may object to the form of statements here given on the ground that it will not be easily adapted to the form of statement provided by the Department, which is a Cash Statement pure and simple. The Department never asks any town that keeps its books properly to submit a cash statement, but unfortunately many small towns have not a clerk who up to the present has sufficient bookkeeping knowledge to prepare statements on the lines herein outlined. The Act calls for a statement of Revenue and ex-