

(a) that the moneys or sums to which the municipality is entitled are accounted for, either as a receipt, or as an asset;

(b) that the funds properly entitled to receive credit have so received credit;

(c) that all moneys received are properly accounted for, and that the expenditures have been made in accordance with the requirements of the statute, by-law, or resolution authorizing them, and out of the proper fund;

(d) that no improper and illegal expenditures have been made;

(e) that the accounts of the corporation are being properly kept;

(f) and if not, that recommendations be made, which, if enforced, will bring about the desired amendments;

(g) to advise with the council and to suggest changes in method or policy, which will tend to improve the financial condition of the municipality.

For the purposes of our talk this evening we will discuss, principally, the requirements in connection with an ordinary township audit. The principles covering such an audit are identical with those of the county, town or city; the difference being only in form and degree.

The auditor should first gather together at some convenient place, all the books, vouchers, documents, etc., relating to the affairs of the municipality. These will ordinarily be obtained from (a) the Treasurer; (b) the Clerk, and (c) the Tax Collector. The books in use should be listed, and initialed; and time will be saved if the several officials are invited to state, at the outset, the manner and method of performing their duties. A competent auditor will surely learn all these things during the course of the audit, but if he obtains the information at the inception of the work, considerable time will be saved, and, possibly, items which might otherwise be overlooked, may be brought within his knowledge.

The auditor should then obtain and make a record of the names of the several officials and of the reeve and members of council; the names and addresses of the county clerk and county treasurer; of the secretary-treasurer of the several school sections; if town lines are adjacent to more than one county, then the names of the county clerk and county treasurer of the outlying counties should be obtained; the names and addresses of the clerk and treasurer of all municipalities adjacent which have had or would be likely to have had any business transactions with the municipality, the affairs of which are under audit. It may be, through its drainage accounts, that townships or municipalities not immediately adjacent are interested; if so the names of these officials should likewise be obtained.

The auditor should at once forward letters to the clerk and treasurer, not only of the county or counties, but of the several townships, with a request which may read somewhat as follows: