

Board, consisting of three persons appointed by the Governor, to examine all persons desiring to become qualified to hold the office as Municipal Surveyor or Engineer.

The Auditors are elected at the same time and in the same manner as the Councillors. The number as fixed when this Act comes into force is unaltered, but in new municipalities only one is elected, the Governor may appoint an Auditor in addition. The salaries of Auditors are fixed by the Governor, and paid by the Municipality.

Collectors must pay in all moneys within three days after receiving them to the Treasurer. Full accounts are to be kept, and balanced to the thirtieth of September yearly, and audited "as soon as conveniently may be." "If the accounts be found correct, the Auditors shall sign the same in token of their allowance thereof, but if they think there is just cause to disapprove of any part of the said accounts, they may disallow any parts of the said accounts so disproved of." An annual statement of accounts is printed, including all transactions, assets, and liabilities, and laid before an annual public meeting of the Council; and, if signed by the Auditors and Chairman, "shall (except as herein provided with regard to an audit by special Auditors) be final in regard to all persons whomsoever"

The Councillors are made personally liable for any money borrowed illegally or any borrowed money expended illegally, which may be recovered from them or any of them at the suit of any ratepayer on behalf of the Municipality; and are, in addition, liable to a penalty of £200 for binding the Municipality to any payment which it is not legally empowered to make.

Upon the petition of a Council, or of any twenty ratepayers of a municipality, the Governor may appoint special Auditors to audit the accounts, and to report to the Ministers, and if it appear to them "that any money forming part of the Municipal Fund or any other fund or account under the control of the Council has been wilfully or through culpable negligence misapplied to purposes not authorized by law, and that any Councillors have wilfully or by culpable negligence misapplied, or connived at, or concurred in the misappropriation of such money," they give a certificate to that effect, and the Governor in Council may within three months wholly or in part confirm or disallow such certificate. An order of confirmation is made conclusive evidence of misapplication of such moneys, which may then be recovered from any of the Councillors named therein, at the suit of the Municipality or any of the ratepayers. A sum not exceeding £50 must be deposited by the petitioners for a special audit, and the costs of the inquiry are paid wholly or partly out of such deposit, or out of the Municipal Fund, as the Governor directs.

As evidence that the power to appoint Special Auditors on petition by the ratepayers is not a dead-letter, it appears in a *Gazette* published on the 22nd November, 1880, that, on the report of two Special Auditors, certain of the Councillors of the Shire of Wimmera are declared to have wilfully misapplied to purposes not authorized by law various sums amounting in the whole to £856 6s. 4d.; and the sums of £144 15s. and £144 7s. 9d. are ordered to be paid out of the Municipal Fund to the said Auditors respectively as costs and expenses connected with the audit. The deposit of £30 lodged as security for costs is ordered to be returned to the depositors. That the certificate of the Executive Council is not granted formally, is shown by the fact that it reduces the surcharge on the Councillors by £2 12s. below the award of the Auditors. The debt thus established against the Councillors is left to be recovered at the suit of the Municipality, or of any of the petitioning ratepayers, or of any creditor of the shire. A single case, such as the above, would be sufficient to induce very careful dealing with the municipal funds on the part of the Boards.

The Municipal Fund consists of all the revenue of the Council, excepting special rates and loans, including grants of Parliament not specially appropriated. All moneys belonging to the Council, amounting to twenty pounds and upwards,