

By the report of the Comptroller made to me by that officer, showing the state of the Treasury Department at the end of the fiscal year, 1854, it appears that the aggregate receipts into the Treasury for that year ending 30th of September, amounted to \$1,208,347.39, which with the sum of \$345,357.80, the balance in the Treasury at the close of the preceding year 1853, made the total sum in the Treasury from all sources, during the fiscal year 1854, \$1,553,705.19. The public expenditures for the same period were \$1,175,581.21 leaving a balance in the Treasury on the 30th September, 1854, of \$378,123.98, subject to the payment of subsisting demands, amounting in the aggregate to \$268,177.87; leaving in the Treasury at the termination of the year, applicable to future demands a nett balance of \$109,946.11.

On the 30th September, 1853, there remained in the Treasury to the credit of the Free School Fund a balance of \$30,802.66, and at the close of the fiscal year 1854, there had been received from all sources of revenue applicable to that fund the sum of \$75,235.18. The expenditures on that account for the same period were \$64,610.18, leaving at the close of the year, a balance on hand to the credit of that Fund, of \$41,427.76. Among the sums received on account of said Fund, it appears, from the statement of the Comptroller, was the sum of \$9,300 received of the Farmers' Bank of Maryland, from the reduction which took place under the act of 1854, Chapter 78, of two-fifths of so much of the Stock of the said Bank, as stood to the credit of the Treasurer of the Western Shore, for the use of the said Fund.

The Legislature made no provision for the investment of these funds, and they have been invested by the Treasurer in six per cent. stock of the State. This investment was made with the sanction of the Comptroller, who suggests that some legislative provision should be made by you, ratifying and confirming the same. I respectfully recommend the suggestion of that officer to your favorable notice.

At the close of the fiscal year 1853, there remained in the Treasury, to the credit of the Sinking Fund, the sum of \$1,117,777. During the year ended 30th September, 1854, there was received into the Treasury to be accredited to that fund, the sum of \$284,473.58, which together with the balance on hand at the end of the year 1853, as above stated, show an aggregate sum of \$285,591.35, which entire sum was disbursed, during the fiscal year 1854, in investments for the use of that fund, so that at the close of the year, there was no balance whatever standing to the credit of that fund.

The stock of the State belonging to this fund at the termination of the fiscal year 1853, amounted to \$2,870,704.71, and there was purchased therefor during that of 1854, additional stock to the amount of \$287,931.82, so that the sum total of State stock held