

constituting "THE FUNDS," will be found comprised in *Statement No. 5.*

It will be observed, by reference to this statement, that there was in the Treasury to the credit of the "Free School Fund," on the 30th September 1853, the sum of \$30,802.66, and that the receipts, on this account, for the fiscal year, were \$75,235.18, and the expenditures for the same period amounted to \$64,610.08 leaving a balance to the credit of that fund, as of 30th September 1854, of \$41,427.76.

Among the items of receipts on account of this fund, in the statement aforesaid, will be seen the sum of \$9,300, received from the Farmers Bank of Maryland, from the reduction of two-fifths on so much of the stock of said Bank standing to the credit of the Treasurer of the Western Shore, for the use of Free Schools. This reduction was made, in virtue and in pursuance of authority derived from the Legislature, by chapter 78 of the Acts of 1854. The Legislature, at that session having made no provision for the investment for the proceeds thereof, the Treasurer, with a laudable desire to keep active this sum, for the purposes for which it was originally designed, has, with the approbation and concurrence of the Comptroller, since the close of the fiscal year, invested this amount in State of Maryland 6 per cent, Stock.

Some provision should be made by the Legislature, at its next session, ratifying this disposition of the said sum.

That portion of the school Fund which consists of Bank Stock and cash belonging to the Counties, is set fourth in *Statement A.*

*Statement No. 5.* also gives the amounts received into and disbursed from the Treasury, on account of the Sinking Fund, during the past fiscal year. From this statement it will be seen, that there was in the Treasury to the credit to the Sinking Fund, on the 30th September 1853, the sum of \$1,117.77; and there was received from the sources therein specified, during the fiscal year, the sum of \$284,473.58, making an aggregate of \$285,591.35, every dollar of which was disbursed during the fiscal year in investments, for the use of that Fund; so that at the close of that period there was no balance whatever in the Treasury, standing to the credit of that Fund.

For the character of the Stocks purchased for the use of the Sinking Fund since 30th September 1853, reference should be made to *Statement B.*

By an examination of his statement, it will be discovered that on the 30th September, 1853, the stock standing to the credit of