

Included in these investments are \$15,914,720. held by the Trust Department of the Equitable Trust Company for account of the State Accident Fund under an agreement, dated January 2, 1964, between that Agency and the bank. The remainder of the investments are held in the custody of the State Treasurer in safe deposit boxes maintained at the Maryland National Bank, Baltimore, Maryland.

Under the provisions of Section 197, of Article 41 of the Annotated Code of Maryland, the Treasurer is authorized to advance, on the warrant of the Comptroller, to the State departments, agencies, etc., cash working fund balances to enable them to make prompt payment for certain expenses exempted from general regulatory control. Such advances, totaling \$3,183,549. at June 30, 1971, are presented in detail in Statement A—2, and consisted of the following funds:

General Funds.....	\$1,454,652.
Special Funds.....	800,000.
Non-Budgeted Funds.....	928,897.
Total.....	<u>\$3,183,549.</u>

The amount of \$1,454,652. representing advances from the General Fund, is a portion of the General Fund Surplus Account, and although not in the State Treasury, is considered as cash receivable and due from the various State departments, agencies, etc., and, therefore, represents unappropriated General Fund Surplus.

Financial statements contained in this report are presented generally in accordance with standards of financial reporting promulgated by the National Committee of Governmental Accounting through the Municipal Finance Officers Association of the United States and Canada. The accounting system and records of this office are in conformance with generally accepted accounting principles applicable to government fiscal operations, and have been set up to achieve both current and effective management reporting. To accomplish this, every effort has been made to utilize the most current and advanced technology and equipment to maintain our accounting controls and procedures.

It is my opinion that the exhibits, and supporting statements and schedules, presented herein cover all areas of fiscal operations of our State Government which by Constitutional and Legislative mandate have been entrusted to the office of the Comptroller of the State of Maryland. However, if any addi-