

as those goods were unsold, and were invoiced at about the full prices at which the commission agents of the institution were then authorised to sell, the per centage, $7\frac{1}{2}$ p. ct. commission afterwards allowed to those agents when sales were effected by them, increased the apparent loss of 1838."

"A deduction of 10 per cent., \$4,575 59, appears to have been made in the inventory of 1837 from the aggregate of goods on hand, as above stated, but was afterwards erased. Had this deduction been allowed to remain, as originally made, the apparent loss of 1838 would have been \$4,575 59 less, and that of 1837, instead of \$149 27, as stated in the report, would have appeared to be \$4,724 86."

"The $\frac{3}{4}$ plaid and stripe were originally estimated in the inventory of 1837, at 13 cents per yard, but one cent per yard was afterwards added on the whole number of yards—92,104 of that description of goods then on hand—making \$921 04, besides the above amount of \$4,575 59, added to the apparent loss of 1838 and taken from that of 1837."

The alterations here specified, together with those stated in my letter to the board, are all that have affected the reports to the Governor, which have been observed by me.

Interrogatories 6 & 7. When were the loans made by the State to the institution for which it is now liable? and what were the amounts at different periods—and what part of said loans was applied to any part of the estate, either real or personal, of the institution. What part has been sunk in the operations of the institution—and what part of said loans has been paid.

What appropriations have been made to the Penitentiary by the State (which the former is not bound to refund) during the time within which the aforesaid loans have been made. And what part of said appropriation, if any, has been applied to the improvement of the real estate?

Answer.—The loans made by the State to the institution, for all of which it is (according to law) still liable, either for interest, or principal and interest, were as follows:

Loan of 1822, redeemable in 30 years,	\$27,947 30
1828, " 20 "	30,000 00
1835, " 20 "	20,000 00
1837, " 20 "	20,000 00

The whole of the loans of 1828, 1835 and 1837 was applied to the erection of buildings for the introduction of an improved discipline, viz :

That of 1828 towards the erection of the east wing, the whole cost of which was \$46,823 44—the excess over the loan, \$16,823 44, having been paid out of the profits of the institution.

And the loans of 1835 and 1837 were used, in as far as their amount extended, in the erection of new workshops, the whole cost of which was \$49,675 08—the excess over the loans, \$9,675 08, having been paid out of the profits of the institution.