

During the year monthly statements of accounts were furnished the Department with the proper vouchers, for all moneys received and expended from time to time.

I may observe, that the Provincial system of Accounts and Audit, which permitted the Railway Commissioners to pay the working expenses out of the Revenue of the Line, and which required that the *net* Revenue only should be paid to the Government, was continued upon this Railway until after the passage of the "Act respecting the Public Works of Canada," when the system was introduced of paying the gross Revenue of the Railway to the credit of the Receiver General, and of requiring the expenditure to be paid out of the moneys appropriated by Parliament for that purpose, after being sanctioned by the Government, and then making it necessary for the Manager, upon the authority of the Minister of Public Works, to obtain funds for working expenses, and other contingencies, by means of certificates addressed to the proper officer of the Finance Department, in favor of the party entitled to receive the money.

Whilst, therefore, during the first part of the year the Revenues of the Railway were drawn upon to pay working expenses (and to a limited extent, for other purposes), since January the gross cash receipts from whatever source have been deposited to the credit of the Receiver General.

That these *money* transactions may clearly appear, the following statements showing the "gross receipts from all sources" and the manner in which they were disposed of, have been prepared :—

Gross Receipts from all Sources.

1867.			
June 30	Balance Arrears at Stations,.....	1,695	72
	Cash in Commercial Bank,	1,284	40
	Westmorland Bank Paper on hand,.....	567	00
	Cash,.....		14
1868.			
June 30	Passenger Traffic.....	70,669	01
	Freight Traffic,	87,970	24
	Mails and Sundries,.....	8,119	17
	Cash from Station Masters for Wood and Oil,.....		315 00
	Cash for Barrel Sugar sold,.....		16 68
	Cash for Labor supplied,		9 80
	Cash from American Telegraph Company,		10 08
	Cash from T. E. Smith & Sons for Notes and Interest,..		656 48
	Cash for Old Earth Waggon,.....		2,084 00
	Cash for Stores,.....		1,197 52
	Carried forward,	\$174,595	24

\$18,888 60

A. McNAUGHTON,
Accountant.

St. John, N. B., 30th June, 1868.

E. & O. E.

"Arrears at Station,....."

1,864 72

\$18,888 60