

The capital of the indemnity account, according to the Statute, should have been \$2,507,858 88, as follows :

<i>By Public Accounts</i> .....	\$2,218,555 39	
Amount charged against Lower Canada Municipalities Fund but interest to be paid out of Consolidated Revenue Fund, till the former Fund could cover it. It will never be able to pay it, and hence it is permanently charged on Consolidated Revenue Fund, and in the debt of the late Province.....	196,719 66	
Amount of capital of Jesuits Estates carried to the credit of Superior Education, Lower Canada.....	92,583 83	
	<u>2,507,858 88</u>	
 4. <i>Agricultural Society of Upper Canada</i> .....		4,000 00
This was a loan by the late Province to the Agricultural Society of Upper Canada, and is a debt from the Society to the late Province, and therefore an asset. See P. A., 1867, page 3, under heading "Miscellaneous Accounts."		
 5. <i>University Permanent Fund</i> .....		1,220 63
This item arose in this way. The Government of the late Province, through the Commissioner of Public Works, ordered a ditch to be made on the University Grounds without authority. It was objected to by the University authorities, and stopped, and I believe was filled up. This is for that expenditure. It was charged against the University improperly, and is repudiated by the University. It does not appear in the published Public Accounts of 1867, but will be found in those of 1865, from which schedule 4 to B. N. A. Act was taken ; per P. A., 1865, p. 5, under heading "Miscellaneous Accounts." Nevertheless, it being found in the said schedule, it is included in the expenditure for local purposes in Upper Canada, whereby the debt of the late Province was increased by this amount.		
 6. <i>Equivalent to Upper Canada</i> under Seigniorial Act, 1854	\$60,000 00	
 7. <i>Indemnity do</i>	1859 2,218,555 39	
		<u>2,818,555 39</u>

For explanation of item No. 6, see 18 V. c. 3, secs. 17, 18, 19. It forms part of the item, "Building Fund Upper Canada," P. A., 1867, part 2, p. 2, under heading "Trust Funds." See, also, Statement No. 2, P. A. 1866 ; also Statement 23, P. A. 1867, part 2, p. 16.

For explanation of item No. 7, reference is made to the observations under item No. 3.

\$9,808,728 02

ASSETS TO BE ASSIGNED TO ONTARIO.

Debt from the Upper Canada Building Fund.....	\$ 36,800 00
Do from the Law Society, U. C.....	156,015 61
Do from the Con. Mun. Loan Fund, U. C.....	6,792,136 39
Do from the Agricultural Society, U. C.....	4,000 00
Do University Permanent Fund.....	1,220 63
	<u>\$6,990,172 63</u>