

## BOARD OF AUDIT,

September 20th, 1867.

SIR,—I have the honor to submit to you the Public Accounts for the year ending June 30, 1866.

There have only been three important changes in the Accounts since they were last submitted.

The method upon which the Accounts of the Municipal Loan Funds were kept upon the first establishment of the funds having been found inapplicable to their condition as altered by subsequent legislation, it became necessary to open new subsidiary books and reconstruct the whole of the accounts from the commencement. The balances, as they appear in the Statement of Affairs this year and in the detailed Statements in Part II, exhibit the aggregate of the Funds and the position of the several Municipalities as they stand after revision.

The Seigniorial Accounts having been now closed and the population of the Townships in Lower Canada having been ascertained by the Bureau of Agriculture and Statistics, these Accounts have also been revised, and new accounts appear in the Statement of Affairs for the capital on which interest is annually payable to Seigniors, whilst the indemnities payable to Upper Canada and to the Townships have for the first time been brought into the Ledger.

The arrears due to the Grand Trunk Railway Company for Postal Service have been ascertained; the various accounts on which they were indebted have been amalgamated Postal Subsidy bonds and Preference Stock have been received for the balance due and added to the Consolidated Fund Investment Account.

I have the honor to be,

Your obedient servant,

JOHN LANGTON,

*Chairman.*

The Hon. A. T. GALT

Minister of Finance.