pany of hereafter participating in the traffic of the Connecticut Valley northward, it was considered advisable that this short section should be undertaken by the Company. Accordingly, although the powers requisite to be obtained from the Legislature of Vermont, have not yet been received, means were found for entering into a secure contract for the construction of this part of the line for account of the Company, the work to be completed by the 1st of July next. The work of the Island Pond section is generally light, and the contractor evinces the fullest confidence that it will be duly completed within the time specified, and correspondingly with the remainder of the Company's road on the northerly side of the Boundary Line.

The Sister Corporation of Portland have evinced the greatest energy in the prosecution of their share of the undertaking. Their Trains have been for some time running daily to the Connecticut River at Northumberland.—Their road bed is nearly completed throughout the distance to Island Pond, and their Contractors are now proceeding with the laying of the Track to that point. There is no doubt of their having their entire line completed for the passage of locomotives within a very short period.

The resources from which the Company have met the very large expenditure necessarily incurred in thus vigorously prosecuting their works, have been supplied mainly by Her Majesty's Provincial Government. The sum received within the year on account of the claim of the Company under the Provincial Guarantee Act, is shown by the accompanying statement to have been £310,524 9s. 6d. The first issue of Provincial Guarantee Bonds for account of the Company, was £400,000 Sterling, of this £100,000 Sterling were received in 1851; £255,000 Sterling, as just stated in 1852, the balance remaining in the hands of the Government on 30th November last, having been accordingly £45,000 Sterling. This balance has been since paid to the Company; at the same time, the total amount of the claim for Public aid has been extended from £400,000 Sterling to £467,500 Sterling, being one-half an admitted total ultimate cost of the Railway and its Equipment, amounting to £935,000 Sterling, or £1,137,583 6s. 8d. Currency.

The Island Pond section has been provided for, by means of a distinct loan, raised in England, on Sterling Bonds, at 7 per cent. Interest, for the amount of £90,000 Sterling. Of this amount £50,000 Sterling had been realized on 30th November last, from which the Disbursements for the Section up to that time, had been met. The balance of the Loan has been since received, and is now held to meet the cost of the remaining works. Since the close of the financial year, the President of the Company has proceeded to London to negotiate for the Company the sale of the balance of the Provincial Bonds to be received, amounting as before mentioned, to £67,500 Sterling, and he will probably be enabled, at the same time, to effect arrangements for the Loan on favorable terms, of such further sum as it may appear requisite to provide for effectually completing and equipping the Railway for the performance of the anticipated traffic.

The Company have punctually met all liabilities for interest on their loans, having found in the receipts realized from the traffic for the year, resources nearly sufficient for this purpose.