

ing) on a gross revenue of \$406,606 55 (£83,549 5s. 9d. St'g), full Interest has been paid on the Company's Bonds, and a balance of \$27,680 47 (being nearly the difference between the actual and the estimated gross earnings), has been secured for other appropriations.

In reviewing the Expenditure of the past year it will be found that great economies have been effected. These have resulted to a considerable extent, as already premised, from the excellent condition to which the Road, works, and rolling stock had been brought during the years 1861 and '62, yet it is certain that in each of these branches of the service, whilst the charges in 1863 have been diminished, their repair and efficiency has been still further improved. The maintenance of Permanent Way, (see Appendix A,) which the Directors have established as a Company's, as in distinction to a Contract Service, has been reduced to \$271 75 per mile per annum, exclusive only of Iron and Chairs; and the reduction in the whole cost in 1863 as compared with 1862, has amounted to \$13,427.58.

The main items of this service have comprised the following:—

- 412 tons Re-rolled Iron.
- 1072 “ Repaired Iron.
- 4943 Cast-Iron Chairs.
- 12474 Cross Ties.

It will be the object of the management to maintain all the works and appliances of the line in their present high state of efficiency, and with this view the Directors have already made liberal provision in Iron, Ties, &c., for repairs, especially of the Northern Division, during the current year.

In the Locomotive Department, although by an improved and more stringent classification of accounts, the comparison with previous years are not upon the face of them so favourable to 1863 as the facts would warrant; the expenditure in that branch (see Appendices C. 11, 12, 13, 14,) has been marked by special economies, and more particularly in the important items of consumption of fuel, and of oil and waste.

The average cost of working and repairing engines (see Appendix 13,) has been 17— cents per engine-mile run; whilst the average cost of running and repairing all classes of car stock (see Appendix 14,) has been 8²⁴ cents per train-mile run.

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