

Brought forward.....	\$10,898,738.46
<i>Deduct</i> Fixed Charges accrued during the year, including interest on Land Bonds (see page 12).....	6,774,321.24
The surplus for the year was.....	\$4,124,417.24
From this there has been charged off the half yearly dividend on Preference Stock ;—	
2 per cent. paid 1st October, 1898.	\$235,546.67
And half yearly dividend on Ordinary Stock ;	
2 per cent. paid 1st October, 1898.	1,300,000.00
	<hr/> 1,535,546.67
Leaving balance.....	\$2,588,870.57
From this there has been declared a second half yearly dividend on Preference Stock of 2 per cent. payable 1st April, 1899.	\$237,162.50
And a second half yearly dividend of 2 per cent. on Common Stock payable 1st April, 1899.....	\$1,300,000.00
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2. The working expenses for the year amounted to 59.92 per cent. of the gross earnings, and the net earnings to 40.08 per cent., as compared with 57.16 and 42.84 per cent. respectively in 1897.

3. The earnings per passenger per mile were 1.52 cents and per ton of freight per mile 0.76 cents, as against 1.82, and 0.78 cents respectively in 1897.

4. Although the gross earnings for the year were considerably beyond those of 1897, the net earnings show a comparatively small increase. This was due in part to the rate disturbances which continued during nine months of the year, but in greater part to the long continued rains following the harvest in the North West, which prevented the threshing and harvesting and marketing of grain until within a few weeks of the close of lake navigation, making it necessary to find employment for the Company's rolling stock in other traffic affording little profit.