

increase the Locomotive power and Rolling Stock so as to enable the Company to work the Line to the best advantage—the Directors feeling assured that if such relief was afforded the receipts of the Road would meet every expenditure, pay the interest on the Company's Bonds, and sustain its credit. On the other hand, the Directors cannot refrain from expressing their fears, that unless some such assistance is obtained, the Company will be unable to provide means to relieve it from its embarrassments.

The Directors have also to report, that the pressure on the Company for payment of the floating debts was so great that the Directors were prevented from meeting the interest dividends on the Company's Bonds, due on the 31st Dec. last, (with the exception of the portion of the Mortgage Bonds issued), amounting to \$34,345, the receipts of the Road being necessarily applied in paying the more urgent demands, which, if not paid, would have resulted in stopping the running of the line.

The Directors have also to report, that on the night of the 22nd July last, a fire broke out in buildings contiguous to the Company's Office, then on King Street, and unfortunately extended to and consumed the Building in which the Offices were. The Books of the Company were saved, but many valuable papers and documents belonging to the Company were destroyed.

The annexed Reports of the Superintendent and Treasurer exhibit in detail the operations of the Line since the first of July last, and the present position of the Company. The Directors cannot avoid expressing that the best thanks of the Stockholders are due to Mr. Grant for his assiduous attention to the duties of his office, and the economical working of the Road, and the general interests of the Company.

J. MITCHELL,
Vice-President.