

## REPORT OF THE CANADIAN DIRECTORS.

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*To the Proprietors of the Northern Railway of Canada:*

TORONTO, 8th February, 1871.

1. The Canadian Directors have the honor to submit their Report for the year ending 31st December, 1870, with the usual appendices in detailed explanation thereof.

2. The Gross Traffic Receipts for the year have been \$733,567.52 (£150,733 1s. 0d. stg.) as against \$671,076.51 (£137,892 8s. 8d. in 1869, showing an increase of 10.73 per cent.

3. The ordinary Working Expenses of the year have been \$426,118.61 (£87,558 12s. 4d. stg.) as against \$338,035.91 (£69,459 8s. 11d. stg.) in 1869, being for year 1870 a rate on gross traffic receipts of 58.08 per cent. To these sums have to be added \$136,248.03 (£27,996 3s. 5d. stg.) for extensions and additions to works, buildings and equipment. See Appendix K.

4. The balance for the year carried to the Net Revenue account (No. 2) has amounted to \$171,200.88 (£35,178 5s. 3d. stg.), which, after appropriations to meet all accruing Interest Dividends, leaves a balance of \$9,135.31 (£1,877 2s. 4d. stg.) to be carried forward to the credit of 1871.

5. The expenditure on capital account during the year has amounted to \$204,886.67 (£42,100 stg.) appropriated to the construction of Elevators at Toronto and Collingwood, and to the extension of the Rolling Stock equipment. The whole amount of Third Preference A Debentures issued to this date is \$204,886.67 (£42,100 stg.), leaving a balance of \$38,446.66 (£7,900 0s. 0d.) to complete the issue authorized by the act of 1868.

6. The Lease of the Muskoka Railway (now in course of rapid construction), as approved in London between the two companies, now only awaits for execution the necessary ratification of the Proprietors, for which purpose the Annual General Meeting will be made special.