

Under the authority of the 13th clause of the Act of Incorporation, a Mortgage has been executed in trust to the Hon. William Cayley, to secure the payment of \$50,000 of Bonds of the Company, having twenty-five years to run, with interest semi-annually, and providing for a Sinking Fund for their redemption, in pursuance of Resolutions of the Shareholders and Directors.

The following statement of the operations of the Company shows its business during the worst season of the year, with a totally inadequate equipment. It may, however, be taken as an index of the capacity of the road when fully equipped, and with an average amount of summer weather.

No. of Passengers carried on Yonge Street, from opening of road to 31st December (95 days).....	121,801
No. of Passengers carried on Queen Street from opening of road to 31st December (26 days).....	17,197
Average No. of passengers daily—Yonge Street.....	1,270
“ “ “ “ Queen Street.....	688
Average No. of passengers per car—Yonge Street.....	423
“ “ “ “ Queen Street.....	344
Total Receipts of both roads to 31st December	\$6,865 39
Total Expenses “ “	4,561 08
Balance.....	<u>\$2,304 31</u>

Although at first sight it may appear that the receipts will not increase in the ratio of the increased equipment (the lines having been hitherto operated by only 5 cars while the travel demands 20), yet when the advantages of the summer season, and economy of different branches of expenditure are considered, the future profits of the Company may be safely estimated to give a dividend of 15 per cent. on its stock after paying expenses, allowing \$2,500 for wear and tear, and \$4,500 for the interest and sinking fund of its bonds.

The road now built comprises six miles of single track, and an equipment of 11 first-class cars, 70 horses, waggons, sleighs, harness, &c., good premises, brick stables and car-houses. An adjoining lot has been purchased, on which is blacksmith's shops, dwelling and sheds for the uses of the Company.

The Company has no floating debt or liabilities. The road and equipment as it now stands has cost \$175,000, including all preliminary and other expenses whatsoever, which has been all paid in stock and bonds.

W. ANDERSON, *Secretary.*

The following documents are hereto appended, for the information of the stockholders and bondholders of the Company.