

been made by boring to insure a permanent supply of water at Smith's Falls, but I regret to say without success.

It will be observed that the number of Platform Cars has been increased since the last Annual Report by 11, making now in all 82 Platforms, still very far short of the requirements of the Road.

In accordance with the resolution of the Directors, at a Board Meeting held on the 23rd day of July, I have taken steps to remedy this deficiency by the construction of 25 new Platform Cars, the materials for which have been provided and the work of building them commenced.

The average number of employes appears much larger owing to a mistake in last year's Report, which should have represented the number of employes in the Traffic Department, in which very little change has been made, at least fifteen more than the number stated.

There have been the following additions made to the Machine Shop, namely, one Wheel Lathe and one McKenzie Blower.

The new Carpenter's and Blacksmith's Shops afford much better accommodations than as formerly arranged, and will enable us to fulfil the requirements of the Road much more rapidly and economically than heretofore.

STATEMENT No 2.

GENERAL STATEMENT OF REVENUE ACCOUNT.

The total receipts for the period embraced in this Report, viz: from 31st December, 1865 to 9th November, 1866, (not including back charges)	
amount to.....	\$96,532 24
Operating expenses.....	55,463 75

Which is equal to.....57⁴⁶/₁₀₀ per cent.

The following statement of the percentage of expenses to earnings since 1860 will enable you to make a comparison:—

	Per Cent.
1860.....	64
1861.....	66
1862.....	65
1863.....	75
1864.....	65 ¹ / ₂
1865.....	65 ⁴⁴ / ₁₀₀
1866.....	57 ⁴⁶ / ₁₀₀