

Do. paid thereon.....	248,149 99
Bills payable.....	41,500 00
Dividends uncalled for Nos.	
1 to 12.....	1,613 56
Dividend No. 13 for six	
months, ending Dec. 31,	
1877.....	21,412 44
Balance at credit of loss and	
gain account.....	3,408 36

\$927,904 35

#### Assets.

Construction, including incomplete	
Maritime Provinces lines, Ham-	
ilton and North-Western, etc.....	\$831,157 22
Plant and stock on hand.....	62,329 61
Current accounts, including balanc-	
es due from railways, telegraph	
companies, agencies, etc.....	32,205 84
Bills receivable.....	1,719 51
Cash on hand.....	492 17

\$927,904 35

4. During the past year the Company has added 430 miles of poles and 678 miles of wire to its system, all of which has been accomplished in a most substantial and satisfactory manner. The total pole mileage is now 4,950; and the total wire mileage, 7,824.

The opening of an additional section of the Maritime Lines from Pictou to St. John, New Brunswick, was effected on the 1st November last, and the following places in Nova Scotia and New Brunswick are now provided with telegraphic facilities by the Dominion Company.

In Nova Scotia—Torbay, Cape Canso, Guysboro', New Glasgow, Pictou, Truro, Stewiacke, Shubenacadie, Waverly, Dartmouth, Halifax, Westville, River John, Tatamagouche, Wallace, Pugwash, and Amherst.

In New Brunswick—Sackville, Dorchester, Memramcook, Moncton, Petitcodiac, Penobscus, Sussex, and St. John.

A new line has also been constructed upon the Hamilton and North-Western Railway, and the following offices lately opened, viz:—Jarvis Station, Hagersville Station, Caledonia Station, Burlington Station, Milton Station, Georgetown Station, Salmonville, Cheltenham, Thornton, Pulgrave, Caledon East, Tottenham, Beeton, Beeton Station, Allanvale, Alliston, Alliston Station, Cookstown, and Barrie Station.

An arrangement has also been made for working the new telegraph line upon the Montreal, Ottawa and Western Railway, which has given the Company the following new offices: Hochelaga Station, St. Therese, Buckinham Station, Thurso Station, Calumet, Lachute, and Hull Station.

In twenty other places new offices have been opened, namely, at Chambly, Cold Stream, Chaudiere, Dorval, Frankville, Farmersville, Goodwood, Longueuil, Mansville, Swanton, St. Maurice Bridge, Shannonville, Sombra, Spencerville, Stonebridge, Victoria, Waterford, Walkerville, and at Toronto, American Hotel and corner of Front, Wellington, and Church streets, adding in all fifty-eight new offices to the Company's system.

5. The Directors in their last annual report referred to the guarantee of £30,000 sterling from the Direct United States Cable Company, for the security of working connections under the supplementary agreement, but since then, and on the 17th July, 1877, a new company under the same name was formed in London, for the purpose of succeeding to the assets and obligations of the former Company. The Directors of the new Company, in their report of the 16th of November, 1877, state, that since its formation they "have adopted and have continued to carry out the contracts and arrangements entered into and binding upon the old Company, with the *bona fide* intention that the re-construction shall not in its practical operation prejudice the interests of any one"; and they also express the hope that the differences which they say are "formal" between this Company and them, may be amicably and satisfactorily settled.

Your Directors can re-echo these friendly expressions, and are prepared to enter into such arrangements with the New Company as will

properly secure all the obligations of the old Company. In the meantime the Directors have carefully guarded and reserved their substantial claims against the assets of that Company.

6. Since the last annual report was issued a "Joint Purse Arrangement" has been made between our allies, the Atlantic and Pacific Company and the Western Union Company, but the Directors are happy to state that they at the same time received the written assurance of the President of the former Company that their arrangements with the Dominion Company would be faithfully carried out. The Directors, however, have since had occasion to remonstrate with the A. & P. Company, but they have been given to understand that such arrangements will be made as will result in the reparation and removal of any injury to this Company.

7. By an arrangement made with the Atlantic and Pacific Company whereby they undertook to extend their lines from Portland, Maine, to Vanceboro', at or near the boundary line between Maine and New Brunswick, the Directors were in expectation of being able to open up a through connection with their system of lines in New Brunswick and Nova Scotia, and so to avoid for the present the necessity of building a connecting line between Moncton and Quebec. The subsequent withdrawal, however, of the Atlantic and Pacific Company from this arrangement has led to the abandonment of the Company's proposed extension from St. John to Vanceboro'. And the Directors have, therefore, decided at once to complete their own through line between Moncton and Quebec, and for this purpose will submit a resolution to the proprietors to enable them to do so.

Respectfully submitted,

THOS. N. GIBBS,  
President.  
THOS. SWINYARD,  
Managing Director.

F. ROYER,  
Secretary.

Toronto, 13th Feb., 1878.

#### AUDITOR'S CERTIFICATE.

To the President and Directors of the Dominion Telegraph Company.

GENTLEMEN,—I have carefully examined the Books of Account of the Dominion Telegraph Company for the year ending December 31st, 1877, and have much satisfaction in certifying to their clearness, regularity and accuracy. Each entry has been fully vouched, and the several statements of revenue, profit and loss, and liabilities and assets, herewith submitted, have been examined with the ledger balances and certified as correct.

The balance of the cash book agrees with the banker's balance after deducting the outstanding cheques.

The stock register has also been examined, and the various transfers duly recorded and checked, and its balances agree with the stock list now presented.

J. SYDNEY CROCKER,  
Auditors.  
Toronto, 12 Feb., 1878.

#### MINUTES OF PROCEEDINGS.

The President, in moving the adoption of the report, said he thought the meeting would agree with him when he stated that the report was clear, concise and exhaustive. He thought it advisable, however, to make allusion to one or two points which were of interest to the company. In the first place, when the shareholders met about this time last year the Directors were under the impression that the proposed arrangement between the Direct United States Cable Company and the Anglo-American Company would have been found impracticable. It had, however, since been accomplished. This Company had in consequence found it necessary to employ eminent Counsel in England to protect its interests, and such measures had been taken in the premises as were calculated to effect this object. Referring to the "joint purse arrangement" between the Western Union and the Atlantic and Pacific Companies in the United States, he would state that the Company had asserted and would

maintain its rights, and insist on a strict adherence to the articles of agreement with that Company. He might say further that during the past year, he had, in company with the Vice President and the Managing Director, visited the Maritime Provinces and had passed through the territory over which the Company's lines extended. He was happy to state that, from what he had seen there, he had been led to conclude that no telegraph company on this Continent owned a better or more substantial telegraph line than this Company possessed in those Provinces. He was glad to be able to say that during this visit arrangements had been made with leading gentlemen in St. John and Halifax which would undoubtedly prove beneficial to the Company. Mr. J. S. MacLean, of Halifax, and Mr. G. H. Fairweather, of St. John, had been appointed Local Directors. He had found a general feeling existing in those Provinces that if the Company would complete its lines and open direct communication with Quebec, Montreal and Toronto—these being the places with which the chief business of the Provinces is transacted—they would be able to obtain a very large amount of business. He regretted to inform the meeting that the Atlantic and Pacific Company had not been enabled to carry out their arrangements with this Company to make the connection complete from the Maritime Provinces with the United States and the Dominion of Canada. Being able to accept local business only in the Maritime Provinces, as at present, the operations of the Company in that quarter had, of course, not been as beneficial as might be desired, but with the completion of the new line from Moncton to Quebec, he expected the Company would be prepared to compete for and obtain a fair share of the business that would be offered. With regard to the general management of the business, he believed that he expressed the opinions and views of the business community at large in saying that it had met the requirements of the public in a thoroughly efficient and satisfactory manner. In conclusion, he made a short reference to the new General Offices in which the present meeting was being held, and the extended operations carried on by the Company. The premises had been lately leased from the British America Assurance Company, and if any one doubted the propriety of the step which had been taken, he could assure them that the increased receipts of the Company fully warranted the change. After touching upon other points of detail concerning the progress of the Company, he moved the adoption of the report, which was seconded by the Vice-President and carried unanimously.

We are obliged for want of space to defer the conclusion of this report till next week. [Ed. J. of C.]

THE ACCIDENT INSURANCE CO.—The annual report of this company on another page will be read with the usual satisfaction. The number of policies issued in 1877 was 3,661, on which the premiums amounted to \$30,118, to which has to be added \$1,922 for interest, making the total revenue \$32,040. Out of this sum, after paying some 250 claims, amounting to about \$12,000, and all its necessarily heavy expenses, also the usual dividend of 8 per cent. to its stockholders, besides making full provision for all possible liabilities, and reserving \$6,000 of the funds in hand for unearned premiums, there is a net surplus of over \$5,000. Mr. Rawlings has more than one reason for believing that some lines of business can be prosperous notwithstanding the hard times.

—The following are commencing business:—Robert Cutter, trunk maker, Peterborough; Wesley Hayner, general store, Northfield; W. A. Leech, grocer, baker and confectioner, Gorrie; Agnew & Armstrong, agricultural implements, Gorrie; and the Thorsley Horse and Cattle Feed Co., Hamilton.