

advancing the capital necessary to extend the road to the Ottawa river, are admitted to priority in payment of interest on said Extension Bonds until 31st Dec. 1866.

11. From the balance of nett Revenue, \$9,025.06, the sum of \$1,347.75 has yet to be deducted and paid so soon as the account can be closed up. This amount being for interest on cash advances from 30th June to 31st Dec., on which Extension Bonds have not yet been issued.

12. Under the head of Expenditure, it may be stated that the strictest punctuality in payment of wages is observed. On the 20th and 21st of each month, the wages of the preceeding are paid in full, thereby creating greater confidence and tending to secure the services of superior employés. In the same manner "Supplies" are purchased on the most economical basis of cash payment, whereby are enjoyed the advantages of first class-credit and the cheapest market.

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### STATEMENT No. 3.

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BALANCE SHEET, SHOWING ENTIRE ASSETS AND LIABILITIES OF  
THE COMPANY, ON OLD ACCOUNTS, AS PER GENERAL  
LEDGER.

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13. Thus far, in submitting to your consideration the transactions of the past year compared with those of its predecessors, the enumeration has been one of measurable success. The statement to which your attention is now directed is, in the highest degree, unsatisfactory; but as the present management is in no way responsible for this, it is hoped that no one of the proprietary or creditors may commit the error of attaching to it the stigma of a failure