

\$330,577 for the iron rails, no doubt is entertained that the subscription of \$3,000,000 by the city of Baltimore will be adequate to finish the road to Cumberland; and I have the honor to refer the House of Delegates to the last annual report of the company for a particular statement of the causes which disappointed the expectations of the Board as to the completion of the road to Hancock during the past year, and which will postpone that desirable event to the month of May next.

Second—There were no rail road orders issued in the years 1838 or in 1839. In 1840 orders were issued to the amount of \$694,400; and in 1841, of \$805,600, amounting in the whole to \$1,500,000, of these \$1,382,000, were of the denomination of one dollar and upwards, and \$118,000, issued upon the special application of the City Councils of Baltimore, of a less denomination than one dollar. Of the whole amount issued of all denominations \$13,712, have been funded; and the largest amount in circulation at any one time is \$1,486,288, which amount is now in circulation.

Third—None of these orders have been in any other manner redeemed than by the substitution, in lieu of those which have become defaced and mutilated, of new orders upon the application of the holders; and the defaced and mutilated orders have in all instances been destroyed by the commissioners, so that by this process of substitution, the issue and circulation of the orders have in no instance been increased.

Fourth—Of the State Bonds delivered to the company amounting to £720,000 or \$3,200,000, the sum of £5,250 were sold in February and March 1840, as heretofore reported to the Legislature; and those remaining unsold amount to £714,750, or 3,194,750 dollars. The company also hold \$151,461.70, of the six per cent. stock of the city of Baltimore, given to it in part payment of the city's subscription; and which under the contracts for grading the road and supplying materials is payable to the contractors at its par value, and is held to be applied to that purpose as the payments may fall due and be demanded, and upon this stock the company receives the interest.

The company have no debts or liabilities except the loan of \$1,000,000 incurred pursuant to the act of assembly for the construction of the Washington Branch, which will fall due in the year eighteen hundred and fifty-four; and for the redemption of this, the board have adopted a resolution to create a sinking fund out of the revenue of the company after the road shall be completed to Cumberland; also such as arise out of the contracts for the Graduation, Masonry and Bridging, for the supply of the materials for the road and machinery, and for the iron rails as already explained.

To meet these debts and liabilities, excepting the loan of \$1,000,000 above explained, the balance due upon the city's subscription, together with the aforementioned sum of \$330,577, of the