

From the sale of tickets by the Secretary and Conductor the sum of \$28,793 99 was received, and \$3,636 26 was paid to the Secretary, acting as Treasurer, by the Conductor, amount of fare collected by him from way passengers, and the freight accounts yielded in cash \$6,891 13.

A settlement has not yet been effected with the Baltimore and Ohio Railroad Company, accounts on both sides remain unliquidated, but when the promised adjustment takes place this Company expects to realize a balance of several thousand of dollars.

The price of labor, and of iron, coal, wood and other supplies has so increased as to have materially augmented the cost of working the road, and the damage caused by the heavy rains in destroying culverts and washing the bed of the road, in addition to the sums already expended in repairs and reconstruction, will make further demands of serious amount necessary during the coming year to put and keep it in safe traveling condition.

The attention of the Board of Directors has been called to an alteration of the line of the road, with the view to head the three streams which cross it at Rogues' Harbor branch and at Jacobs' and Dorsey's runs, and if the means of the Company were sufficient to make this much to be desired improvement, the durability, safety and efficiency of the road would be placed on so permanent a basis as to dispel all apprehensions of similar occurrences for the future, and to justify whatever expenditure might be needed for the purpose.

A retrospect of the last five years, during which the present administration have managed the affairs of this Corporation, exhibits the following result: With scanty means in the treasury to begin with, and an alarming floating debt to encounter, with only two small worn out engines and another of larger size which had been seriously injured by fire, and 3 passenger and 8 platform cars, much used, with which to do the work, and the credit of the Company so much impaired as to make personal security necessary to effect any contract of much amount, the undertaking of its management was a fearful responsibility. But by perseverance, close attention to its interests, and a rigid economy, it has paid off all the debt of the Company above referred to, and by the application of the fund which the Act of 1841, ch. 168 provided, together with the sum of \$14,286 72 paid to the Treasurer of Maryland on the 13th day of March last by this Company, the whole of its liabilities under that Act, and the Act of 1846, ch. 234, amended by the Act of the last session of the General Assembly, ch. 268, will have been relieved, and in