

ments of the capital then remaining unpaid, were demanded.— Without this resource the working of the road could not have been carried on.

There was at that period no system of accounts, and little of responsibility. The payments and disbursements were made through agencies, in which large sums of money were from time to time deposited, to be expended as the exigencies of the service demanded. The department of repairs of the road was both expensive and inadequate, consisting of an unnecessary amount of superintendance without the requisite skill, and under large outlays the road was annually becoming worse. All the repairs of machinery were made by others, under contracts at high prices, and so inadequately performed that every part of the machinery was daily becoming more unfit for use. The water stations too, afforded an insufficient supply, and some were in the greatest disorder. From these causes the department of transportation was unable to perform its most ordinary duties, and the Inclined Planes at Parr's Ridge not only contributed still farther to swell the expenses beyond the income, but prevented the possibility of accommodating the trade: thus keeping up an unwieldy amount of machinery and agencies, without the ability of doing sufficient business to afford an adequate remuneration. Public confidence, not only in the extension of the work westward, but in the working of the existing road, appeared to be entirely withdrawn. As the road and machinery were daily becoming more dilapidated, and the excess of expenditures beyond the income was annually increasing, a very short time would have sufficed to exhaust the remainder of the unpaid capital, and the stockholders having no farther interest to make advances beyond their capital in a losing concern, the work even to Harpers Ferry must from necessity have been abandoned.

A man who had embarked in such an enterprise, without an adequate knowledge of these difficulties, could not possibly have had any other motive for abiding by the wreck, but sympathy for the stockholders with whom he had become connected, and the hope and pride of clearing it away.

These motives proved of sufficient force, and the task, arduous and discouraging as it appeared, was undertaken and patiently prosecuted.

It was the wish of the undersigned that in the reforms which in this crisis were indispensably necessary, the *directors* should have a direct and active participation, and, to render the measures of reform entirely harmonious and free from any invidious claim of merit, that those of the old board should be as forward in the work, as their colleagues more recently elected.

The board was, therefore, asked to constitute a committee of inspection, consisting of both the old and new members, and that in conjunction with the president they should be authorised to mature a more perfect system of organization. The reports of this committee show how much they accomplished.