

prosperity of the State. It is with pleasure that I inform you that the quarterly instalments of the State's annuity of \$90,000 have been promptly paid as they fell due ; and, as I have above stated, there is no reason whatever to fear that they will not continue to be promptly paid hereafter.

The Susquehanna and Tide Water Canal Companies are also, I am happy to inform you, in a highly prosperous condition. As the fiscal year of these companies did not terminate until the 31st December, I have not the means of communicating data of that reliable character, which the annual official statements of the actual operations for the year, will in a short time supply.

The gross receipts from freights for the year ending 31st December, 1854, amounted to the sum of \$180,349.78 and is an increase over those of the preceding year of \$2,065.43. The net income for the same period, over and above all expenditures was \$16,610.89. The regular increase in the revenues, I am informed, has been at the rate of about \$10,000 annually. This year the increase will, I understand, more than double that sum, owing to an increased activity in business and the further development of the resources of the country furnishing the trade of these works. It gives me pleasure to communicate the gratifying intelligence that these companies are regularly paying the interest upon their entire indebtedness, and we have no reason to apprehend that this state of things, so creditable to those engaged in their management, and gratifying to the public, will not continue.

You will find herewith the twenty-seventh annual report of the President and Directors of the Chesapeake and Ohio Canal Company to the Stockholders for the year 1855, which with the accompanying statements of the Clerk and Treasurer will furnish you in detail the condition of the Canal and the finances of the Company to June, 1855. I have also received a letter from the President in answer to one of inquiry addressed him, by which I am informed that little of interest has transpired affecting its business operations since the end of the period embraced by the report above mentioned. The navigation of the Canal has been maintained with great regularity and with an ample supply of water during the entire season, with the exception of a portion of the month of August when it was suspended by damage to a road culvert occasioned by heavy rain. The tolls from the first of January to the thirteenth of November, 1855, amounted to \$127,012.88, and it is estimated that for the month of December there will be \$10,000. The amount of rents, for the year, for water power, &c., &c., is \$5,000 making the aggregate receipts \$142,000, which as compared with those of the previous year, which were \$124,108.02, shews an increase for the last year of about \$17,904.86. The current expenses for the year 1855, (exclusive of interest, payable in coupon bonds for completion and repairs unpaid amounting during the year to \$114,000) it is conjectured will be nearly \$132,600. The tonnage transported for the year 1855 will exceed that