

and Port Mommouth, which will give travellers more speedy access to New York than by the way of South Amboy, and open up a large tract of country.

Eastern Kentucky Railroad.

The Ironton (Ohio) *Journal* learns that a portion of this road, between Hunnewell Furnace and Grayson, has been let, and is to be completed for ties and rails by the first of January next. Also that the contracts will soon be let for a branch road to the famous Lambert ore banks, and another down Tygart to the Ohio river, near Portsmouth. This road forms a link in the line which will connect Louisville with the western terminus of the Chesapeake and Ohio railroad, but it will be necessary to extend it fifteen or twenty miles eastward in order to complete the connection.

Toledo, Wabash and Western Railway.

The revenue and expenditures of the operating department of this road for the fiscal years ending December 31, 1868 and 1869, were as follows:

Revenue:	1868.	1869.
From passengers....	\$1,224,681 51	\$1,274,539 54
“ freight	2,542,742 91	2,681,235 93
“ mail	70,412 49	72,049 98
“ express	89,163 97	79,105 85
“ miscellaneous..	86,207 10	145,411 51
	<u>\$4,013,207 98</u>	<u>\$4,252,342 81</u>

Expenditures, viz:

Renewal of iron and superstructure....	\$287,064 04	\$538,617 31
Maintenance of roadway and structures	624,579 41	513,666 39
Maintenance of cars, engines, etc.....	489,389 66	449,733 93
General transportat'n expenses	1,488,586 68	1,549,386 95
	<u>\$2,889,619 79</u>	<u>\$3,051,404 58</u>

Leaving a net revenue of.....\$1,123,588 19 \$1,200,938 23

Compared with the previous year, the gross revenue of 1869 shows an increase of \$239,134 83; with an increase in expenditures of \$161,784 79—making the increase of net revenue, \$77,350 04.

The receipts from all sources during the year were:

RECEIPTS.

Gross revenue, as above.....	\$4,252,342 81
Capital stock issued.....	878,803 41
I. H. Knox and others, Trustees (stock)	304,054 36
Materials and supplies, less than 1868	23,393 86
Fuel, less than 1868.....	49,162 02
Cash, balance of 1868	108,077 43
From connecting roads (balance of 1868).....	51,704 95
Total.....	<u>\$5,667,538 84</u>

EXPENDITURES, &c.

Operating expenses, as above.....	\$3,051,404 58
Equipment.....	330,070 54
Construction	700,425 78
Interest—less unpaid coupons.....	1,134,990 53
Quincy and Palmyra railroad.....	22,223 95
Meredosia Bridge.....	6,348 29
Sinking fund.....	75,000 00
Bills payable.....	1,308 00
Coupons of previous years paid....	72,929 50
Profit and loss.....	92,920 06
Cash on deposit.....	55,320 59
Decatur and East St. Louis R. R. Co.	91,434 47
Due from connecting roads and individuals.....	33,162 55
Total, as above.....	<u>\$5,667,538 84</u>

As already stated, the earnings of the road for

the current year show an increase of \$239,134 83 over those of the preceding year, being the largest annual increase ever before realized. The gross earnings are \$4,252,342 81, and the operating expenses have been \$3,051,404 58, leaving a net balance of \$1,200,938 23. This balance was sufficient to pay the interest upon the entire bonded debt of the Company, as well as that of the preferred stock, but the overplus, after making such payments, was too small to justify the payment of any dividend upon the common stock.

From the annexed exhibits, it will be seen that we close our fiscal year with cash assets amounting to \$179,917 61, in addition to which we have materials and supplies amounting to \$164,806 78, making a total of \$344,724 39. The company, having no floating or other form of indebtedness, is therefore enabled to commence the incoming year with this large and available capital on hand.

The statistics of the traffic of the road indicate a movement of freight from all stations largely in excess of any previous year, and which, at remunerative rates, would have produced earnings far in advance of those actually realized. The growth or increase of the tonnage from year to year has been large and of the most gratifying and encouraging character. Unfortunately, however, the extreme competition and low rates which have prevailed, have not enabled us to show an increase in our revenues proportionate to the increase of tonnage. It is to be hoped that this evil may be remedied by the re-establishment of harmony and consequent restoration of remunerative rates between the various competing lines. When this is accomplished, our earnings will be made commensurate with the volume of our business, and then we may be confident of making satisfactory returns to our stockholders.

The rivalry and competition which has deprived the through traffic of much of its profitableness, has furnished the officers of the Company an incentive to supply the loss by a further and more complete development of our local traffic.

Accordingly, especial care and attention has been bestowed upon this, in all its various branches, embracing not only the cereals and other staples of the country, but more particularly those valuable productions, such as coal, lumber, staves, lime, &c. The success attending our efforts in this direction assure us of the wisdom of concentrating a more faithful and earnest labor in cultivating the local and internal resources of our road, which, after all, constitute the real and most reliable basis of prosperity in all railway operations.

By an advantageous exchange of the common stock of this Company for that of the Wabash Elevator Company, we have acquired the control and ownership of the extensive elevators of that Company at Toledo. The possession of these elevators is of the greatest importance to us, and especially so on account of the large through business, which, by the terms of our contract, was subject to tribute in the form of elevator charges. The amount of this through traffic during the current year was 2,000,000 bushels, and is destined to increase rapidly with each recurring year. To subject this large business to such an onerous tax, would inevitably result in its diversion to competing lines and in depriving us of one of our most important sources of revenue. The benefits arising from the possession of this property (since the first of April last) show an actual saving to the Company of nearly \$50,000.

As regards our prospect for business for the incoming year, they cannot, all things being considered, be esteemed otherwise than encouraging. The country traversed by our line, is with each returning year becoming more densely populated and brought into a higher state of cultivation, and shows a marked progress in all the elements of material prosperity, thus affording us the unmistakable guarantee of a constant increase in the business of our road. However, our prospects at the present juncture are rendered more especially flattering by reason of the proposed extension of our line into new territory, and to points of greater commercial importance than hitherto reached.

Our Decatur and East St. Louis extension is rapidly advancing towards completion, the grading being nearly finished and the laying of the track being pushed forward with such dispatch, that we expect the road will be opened for business in the course of a few months. This new line passes through a country thickly settled, thoroughly cultivated, and regarded as the richest and most productive in the State of Illinois. St. Louis, its terminal point, is already well known as being one of the most important railway centres in the country. Its completion places us in possession of the shortest possible route for the transportation of the large amount of freight passing between the waters of Lake Erie and those of the Mississippi, and also in a position for the rapid transmission of all rail business between St. Louis and the great commercial cities of the East, not excelled by that of any other line. At East St. Louis, ample depot grounds, advantageously located as regards the business of the city, have already been procured, together with all other privileges necessary for the accommodation of our passenger and freight traffic. Arrangements have been made to put the line in thorough running condition and to supply it with an equipment that shall render it attractive and popular to both the travelling and business public. Its efficiency, however, will be further promoted by the completion of the railway bridge, now in the process of construction at St. Louis.

Mention was made in our last annual report of contracts concluded between this Company and the Hannibal and Naples R. R. Co., the Hannibal and Central Missouri R. R. Co., and the North Missouri R. R. Co., for the establishment of a direct and continuous through railway line from Toledo to Kansas City. That part of this proposed line, between Naples and Hannibal has already been finished, thus extending our road to the Mississippi River at the City of Hannibal. The only remaining unfinished division is that of the Hannibal and Central Missouri R. R. Co. lying between Hannibal and Moberly, being a little more than sixty miles in length. The construction work on this division is rapidly advancing towards completion, and it is expected to be ready for the passage of trains before the close of another year. Arrangements have already been made for the immediate construction of an iron bridge over the Mississippi River at Hannibal, and when built the continuity of the general line will be perfected. The completion of this great work insures to our road the local traffic from a rich and extensive country between the Illinois, Mississippi and Missouri rivers, besides furnishing us the shortest and most eligible route to Kansas City, a place already of great business importance and by reason of its railway connections, destined to become the distributing point of the traffic of the Southwest.

St. Louis and Kansas City, at the period of the inception of our Company, were regarded as the great natural objective points of our railway, and ever since that event we have looked forward to the extension of our line to those great railway centres as the accomplishment of a design of the greatest importance to us. We therefore look to the early completion of these undertakings with the highest degree of satisfaction and in the full conviction that we shall realize from them an accession to our traffic, both through and local, far beyond that which has hitherto been anticipated or realized.

The new line of railroad extending from Danville to Bloomington is now nearly finished. This road passes through a rich grain producing country, and we have therefore ample reason to expect from it a large amount of grain, which will naturally seek an eastern outlet through Toledo.

We likewise look forward with much interest to the opening of the new line of railroad from Fort Wayne to the Ohio River, which promises us very favorable connections and a large business.

It is expected that the bridge crossing the Mississippi River at Keokuk will be completed and ready for the passage of trains during the coming autumn, which will greatly facilitate all our busi-