tion, independently of any addition required by the railroads, so rapidly substituting Cumberland Coal for wood, at a saving of from 30 to 50 per cent. The demand from this source alone, it is believed, will, within a period of two years, be fully equal to that from any other.

I have watched the progress of the successful experiments on different roads with great interest; and the result, under my own observation, have impressed me with the belief that our coal must supercede wood, as a fuel for locomotives.

The bonded debt of $467,000, (originally $825,000) due 1st January last, was extended eight years from that date, at an average of 6 per cent. Considering the pecuniary embarrassments, and the scarcity of money during the year, a more successful negotiation has not come to my knowledge.

This $467,000, less the amount referred to, $112,000 leaves $355,000 which is now the entire debt of the Company.

The floating property of the Company, and the real estate at the cities of Baltimore, Alexandria and Cumberland, is unencumbered, and would, if sold, with assets on hand, leave the Company with its valuable lands, rail road and equipments, entirely free from debt.

Should it be required to increase our capacity during the next season, the building of thirty canal boats, purchase of two locomotives and additional hopper cars, would enable the Company, with its independent road, to deliver at tide water 3,000 tons per day. This can be accomplished without encroaching upon the present working capital, and is doubtless the true interest of this Company, for obvious reasons, and would result in the establishment of permanent remunerative prices for a fuel that is a necessity in the market, and which, as a generator of steam, and for various manufacturing purposes, is not surpassed, if equalled.

Possessed, as is this Company, of more than one-half of the entire "great vein" of Allegany County, as yet comparatively undeveloped, and facilities for mining and transportation, it should send to market this season 250,000 tons, and increase in the same ratio each succeeding year.

There was mined, sent to market and sold during the past season, (less than nine months,) 189,760 tons, which, after deducting all expenses, netted $101,189.28. The Chesapeake and Ohio canal continues to realize our expectations. The recent improvement referred to in last year's report, at the south branch of the Potomac, is found to more than serve all the purposes intended, and will insure at all times an ample supply of water.

In conclusion, gentlemen, I have to say, that the past season has been one of unusual embarrassment, and it has firmly established this Company, relieved it from many obstacles, and shown our competitors our ability to meet them fairly in the market with a fuel that is comparatively of but recent introduction, and which, the more it becomes known, the more highly it is appreciated. All of which is respectfully submitted.

A. McCaffrey
President

Statement of assets Cumberland Coal and Iron Company, May 1. 1856.

Assets, May 1st 1855		$ 156,294 05
Net earnings, May 1st, 1856.		101,189 28
Received for rents, tolls, and sales of personal property,		85,263 95
		$ 342,747 28
Paid for 35 bonds cancelled.	$ 33,250	
Paid renewal of 467 bonds, of $1,000 each from Jan. 1st 1856, to Jan. 1st. 1864	93,400	
One years interest on bonds,	28,020	
Rail road iron, renewal and extension tracks, &c,	40,411 67	
For land purchased of Easby and others,	8,098 67	203,180 33
Available assets in cash and bills receivable, May 1st, 1856,		$ 139,566 95

Exhibit D referred to in the annexed depositions taken before me.

John Bussell,
Commissioner for Maryland.

List of shares voted upon by proxy at the stockholders' meeting of the Cumberland Coal and Iron Company, held at the City of New York, June 1st 1857.

J. G. Garner,	Joseph Torrey,	Proxy,	300 shares
Corning & Co,	A. M. Sherman,	Proxy,	700 "
Jessel Scofield,	Joseph Torrey,	Proxy	700 "
Samuel Leeds,	Joseph Torrey,	Proxy	25 "
P. Vanpandt Lane,	Joseph Torrey,	Proxy	165 "
Charles T. Cellog,	Joseph Torrey,	Proxy	58 "
John P. Coffin,	Joseph Torrey,	Proxy	100 "
Robert Lane,	Joseph Torrey,	Proxy	30 "
A. Sarnarmdyck,	Wm & Jno O'Brien	Proxy	700 "
C. McCoan,	Wm & Jno O'Brien	Proxy	300 "
R. L. Suydam,	Wm & Jno O'Brien	Proxy	300 "
R. Pardon, Jr	Wm & Jno O'Brien	Proxy	500 "
D. M. Hughes,	Wm & Jno O'Brien	Proxy	200 "
John Riley,	Wm & Jno O'Brien,	Proxy	800 "
John Warren & Son,	Joseph Torrey,	Proxy	150 "
Jacob Little & Co,	Joseph Torrey,	Proxy	1990 "
H. Seymour & Co,	Joseph Torrey,	Proxy	700 "
A. M. Ferris & Bro,	Joseph Torrey,	Proxy	150 "
J. Brandon & Son,	Joseph Torrey,	Proxy	200 "
A. McCommochie & Co,	Joseph Torrey,	Proxy	750 "
L. S. Hoyt,	Joseph Torrey,	Proxy	200 "
E. H. Clark, Dodge & Co,	Joseph Torrey,	Proxy	1300 "
Travers & Jerome,	Joseph Torrey,	Proxy	850 "
Lockwood & Co,	Joseph Torrey,	Proxy	150 "
Gamin & Lockwood,	Joseph Torrey,	Proxy	550 "
R. R. Graves & Co,	Joseph Torrey,	Proxy	1100 "
R. R. Graves,	Joseph Torrey,	Proxy	600 "
Cammann & Co,	Joseph Torrey,	Proxy	1100 "
Schack & Scofield	Joseph Torrey	Proxy	1360 "
L. Patten & Co,	Joseph Torrey,	Proxy	500 "