

You were apprized at the last general meeting, that, by an agreement made in January of the present year, with the Wrightsville, York and Gettysburg Rail Road Co. it was stipulated that the Baltimore and Susquehanna Rail Road Company were to subscribe to the Capital Stock of the former Company the amount of the loans which had been previously made to it, and were to furnish also, for the completion of the rail road to Wrightsville, additional means, as loans to be repaid with interest in two years, and secured by a mortgage of the property of that Company; on the other hand, we have secured to us, the right to use that road with our own locomotives, until the completion of a rail road from York to Gettysburg; and after that period, if we cannot continue to exercise this privilege, the Wrightsville, York and Gettysburg Company will be bound to transport our cars between York and Wrightsville, so that the trade of Baltimore with the West can at all times be carried on without any unreasonable detention at York, and without the necessity of a change being there made in the cars with which it may be carried to the Susquehanna.

It was chiefly to enable us to comply with the terms of this agreement, that the aid last received from the city was proffered. The graduation of the road between York and Wrightsville having been long since almost entirely finished, the funds still required were principally wanted to procure the rails, of which the greater portion were already imported. By hypothecating with the Messrs. Ralstons of Philadelphia, a part of the city stock, we have obtained possession of them. The remainder will give the means of laying the track, and we have thus the gratification of now informing you that we have no reason to doubt that the road will be completed by the month of January, and our connexion with the Pennsylvania works will thus be perfected.

Whilst however the course thus pursued by the city has enabled us, (though at the enhanced cost to which the loss of several months necessarily gives rise,) to accomplish one of the objects for which it was the purpose of the Legislature to provide, our disappointment in the receipt of the expected funds from the state, has been and continues to be, the cause of much embarrassment and solicitude. To say nothing of the accumulating interest on the debts of the company, and the of the additional revenue which might with certainty have been calculated on, from the extension of the road to the river, our inability to meet the just demands of the creditors of the company, has given us much pain. It is, however, due to them to say, that in general much forbearance has been exercised by them; and that their knowledge that our failure to realize the hopes which they had reason to entertain, of a speedy settlement of their claims, arose from causes over which we had no control, has induced them, with but few exceptions, to refrain from urging upon us demands which they were aware we could not satisfy, and to await, with more patience than might have been anticipated, until the embarrassments under which we have laboured may be surmounted.

At the last session of the Legislature of Pennsylvania, an application was again made by many citizens of that state, for an act to in-

corporate a company to construct a rail road from York to Harrisburg, and a bill was introduced to that effect, but failed to become a law, though the strong support which it received gives renewed evidence of the desire of the inhabitants of the interior and western counties of Pennsylvania, to open for their boundless mineral and agricultural productions, all the avenues to the Atlantic markets, which lie within their reach. Should such a road be made, it will unquestionably increase the travel and the business on the Baltimore and Susquehanna Rail Road; as a continuous rail road from the city of Washington direct to Harrisburg, and the completion of those now constructing and in contemplation, north of that point, would soon become the main line of communication between the North and South.

An inspection of the map of the Union will at once show how little such a route would vary from a straight line drawn from Washington to the shores of Lake Ontario.

Since your regular annual meeting, our exertions have been used, to apply the means at our command to such objects as the obligations of the company, and the interests of the stockholders respectively demanded. Thus, in compliance with the city ordinances, the tracks within the city have been extended from the Bolton depot along Cathedral and Howard streets, to Franklin street, where a junction is formed with the branch heretofore made from the Baltimore and Ohio Rail Road to the same point; and also through the deep cut near the Water Company's upper reservoir to North street, at its intersection with Chase street, thence along North and Monument streets, crossing the Falls by a handsome and substantial Bridge, to Canal street, and thence along Canal, Wilkes and Exeter streets to the city property, and within a short distance of the water. The track in North street has also been extended south of Monument street to Saratoga street, the present place of arrival and departure of the passenger cars. The funds with which these tracks have been extended were derived from the city stocks specially appropriated by the city to their construction, by the ordinances, approved the 24th February and 1st November, 1838.

We have also laid a new track, with the heavy iron rail, from near Timonium, the vicinity of the Washington Factory, this being the extension of the permanent track before laid from York to Timonium, and leaving but about six miles between this city and York, constructed without the heavy rail. A portion of the stock advanced by the city under the ordinance of August last, was placed in the hands of the company to enable us to effect this improvement. The six miles of track above mentioned will have to be replaced by a substantial and permanent road, and this work would have been at this time in progress, if not already finished, had it not been for the circumstance that a sufficient quantity of rails to lay the whole Wrightsville road have not yet been imported, and we have deemed it proper to reserve in our possession so much of that belonging to this Company, and intended to have been used in completing our own road, as will ensure to us the means of having the Wrightsville road completed without further delay. In the mean time, and until iron can be either imported, or purchased in this