REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

FOR THE YEAR ENDING SEPT. 30, 1876.

TUESDAY, DEC. 5, 1876.

BOSTON:
ALFRED MUDGE & SON, PRINTERS,
34 SCHOOL STREET.
1876.

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34 School Street.
1876.

DIRECTORS.

WILLIAM T. HART	BOSTON.
JAMES STURGIS	"
EDWARD W. KINSLEY	"
LEWIS HECHT	"
GEORGE W. BALDWIN	"
GEORGE M. RICE	WORCESTER.
JOHN F. SLATER	NORWICH, CONN.
FREDERICK J. KINGSBURY	WATERBURY, "
THOMAS DICKSON	NEW YORK.
LEGRAND B. CANNON	" "
R. SUYDAM GRANT	" "
CHARLES DANA	" "
JAMES ROOSEVELT	" "

There are two vacancies occasioned by the death of Hon. J. Y. Smith and the resignation of Royal C. Taft, Esq., both of Providence, R. I.

OFFICERS.

WILLIAM T. HART	*President.*
CHARLES P. CLARK	*General Manager.*
H. M. BRITTON	*Superintendent Main Line.*
E. H. TUCKER	*Supt. Woonsocket Div.*
GEORGE B. PHIPPEN	*Treasurer.*
S. W. HATHEWAY	*Secretary.*
G. H. WILLIAMS	*General Freight Agent.*
A. C. KENDALL	*General Ticket Agent.*

REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND RAILROAD COMPANY.

PRESENTED AT THE ANNUAL MEETING,
DECEMBER 5, 1876.

THE New York and New England Railroad Company has been in possession and operation of the railroads between Boston and Willimantic and Southbridge, and between Brookline and Woonsocket since July 27, 1875, and the Directors, finding that little is known by the stockholders or the community respecting the condition, prospects, and necessities of the very valuable property of which the corporation is now the owner, and desiring to furnish such general information as may enable those interested to form an opinion for themselves upon these subjects, respectfully submit the following report: —

The New York and New England Railroad Company has succeeded to the following railroads, formerly belonging to the Boston, Hartford and Erie Railroad Company.

From Boston to Willimantic and branches .	105.28 miles
From Brookline to Woonsocket . . .	33.75 "
	139.03 "
(All of which is completed and now operated by the company.)	
From Providence to Waterbury and branches (which is completed and operated by trustees, under a mortgage hereinafter named)	130.25 "
	269.28 "
From Waterbury to Fishkill (unfinished, but nearly graded)	76.25 "
	345.53 "
The debt upon this property consists of bonds secured by mortgage on the Hartford, Providence and Fishkill Railroad, upon which interest is regularly paid from its earnings, by the trustees in possession	$2,055,000 00
Bonds and notes issued by other absorbed roads, some of which are secured by mortgage, amounting, with accrued interest added, to about	928,000 00
	2,983,000 00
Notes and bonds issued by the New York and New England Railroad Company .	850,000 00
	$3,833,000 00

As an offset to this indebtedness, there is a very valuable equipment, paid for and in use upon the various roads, estimated to be worth	$1,225,000 00
And there has been actually expended in cash upon the unfinished portion of the road between Waterbury and Fishkill .	3,224,000 00
	$4,449,000 00

This company derives its title through the foreclosure of a mortgage to Robert H. Berdell and others, which bears date March 19, 1866, and was given by the Boston, Hartford and Erie Railroad Company to secure an issue of bonds to the amount of $20,000,000. These bonds were issued "for the purpose of providing for and retiring all existing mortgage debts and prior liens upon the line of the road, and for the purpose of completing and equipping the road." The mortgage debts which then constituted a prior lien upon the road consisted of bonds to the aggregate amount of $8,062,050.00, issued by various corporations which had become merged or united with the existing corporation of the Boston, Hartford and Erie Railroad Company. Most of these bonds have since been paid, leaving outstanding only $2,983.000 of principal and interest, as above shown.

In 1867 application was made to the legislature of the Commonwealth of Massachusetts for aid in the completion of the road by the loan to the corporation of scrip of the State, to be secured by the pledge of bonds issued under the Berdell mortgage; and by Statute 1867, c. 284, the treasurer of the commonwealth was authorized to issue such scrip in instalments to the amount of $3,000,000, provided that no instalment thereof should be delivered until the governor and council and attorney-general should be satisfied as

to the validity of the mortgage security, and that the debt secured by the underlying mortgages on that part of the road lying between the foot of Summer Street, in Boston, and the towns of Southbridge, in Massachusetts, and Willimantic, in Connecticut, had been reduced to less than $1,000,000. Provision was also made for the appointment by the governor and council of three commissioners, one of whom should be a competent civil engineer "to advise and inform the governor and council in reference to all matters and things they are called upon to ascertain or verify under the terms and provisions of this Act." The commissioners appointed by Gov. Bullock in pursuance of this statute were Hon. George Tyler Bigelow, formerly chief justice of the commonwealth, Hon. Emory Washburn, formerly governor of the State, and then Bussey Professor of Law in the Harvard Law School, and Samuel Ashburner, Esq., an eminent engineer.

These gentlemen joined in a detailed report to the governor and council of the result of their investigations in which they state that they "have endeavored to ascertain the history and present condition of the various railroad corporations or roads which form constituent parts of the present corporation and road of the present Boston and Hartford and Erie Railroad Company." They estimate the value of the road and rolling stock then completed and owned by the company, including the Hartford, Providence and Fishkill Road, above its mortgages "at the sum of at least $12,000,000, having reference to the present cost of such a road and equipment." The facts upon which their conclusions are based are stated at considerable length, and the final results of their inquiries are summed up as follows: "In conclusion, the commissioners respectfully report that they are satisfied,

"*First*, That the Boston, Hartford and Erie Railroad Company have a good title to the franchise and railroad,

as described above, between Boston and Fishkill and Providence and Fishkill.

"*Second*, That the company have removed all underlying mortgage debt, prior to the Berdell mortgage, upon that part of the road lying between Boston and Willimantic and Southbridge, except a sum less than $1,000,000, now outstanding thereon.

"*Third*, That the company have the means, if aided by a loan of the scrip of the State, as proposed, and if prudently and properly used and managed, by which to complete the road to Fishkill and provide a moderate equipment therefor; and

"*Fourth*, That if prosecuted with reasonable energy and good faith, the company may complete said road within the time prescribed in the Act providing for said commission."

This report was submitted to the governor July 31, 1868, was by him referred to the Hon. Charles Allen, then attorney-general of the State, and was afterwards referred to a committee of the council. This led to a careful and independent re-examination of the facts, and to supplemental reports confirming the conclusions of the commissioners. The matter was kept under constant consideration until Oct. 14, 1868, when Gov. Bullock (himself a lawyer of reputation), in a final communication to the council, recommended the granting of the proposed aid by the commonwealth, and closed as follows: "I have given to the subject long and patient investigation, an amount of time, care and thought by no means represented by the brief terms in which I have here stated my conclusions. I believe the documents hereto appended will sustain the result I have reached; and I have confidence that the progress and completion of this road and its future working operation will confirm my opinion of its importance in the commercial relations of the commonwealth."

In pursuance of this report and recommendation, and of subsequent legislation, the commonwealth of Massachusetts issued, from time to time, its scrip to the aggregate amount of $3,600,000, and received in exchange therefor, bonds to an equal amount issued under the Berdell mortgage. This scrip was sold to good advantage in London; and although the commissioners appointed by the governor and council had, in the mean time, been discharged from further duty, and there was no special oversight on the part of the State, there is no doubt that more than the amount realized from its sale was actually expended upon the unfinished portions of the road before the bankruptcy of the corporation. Other bonds, to a large amount, were used in retiring the indebtedness of the various absorbed roads to meet the condition of the State loan, and most of the residue were unfortunately and improvidently pledged for much less than their face value, and the right of the corporation to redeem them was subsequently cut off by sale.

In July, 1870, the corporation failed to pay the interest warrants attached to the Berdell bonds, and proceedings were thereupon instituted which led to the appointment of receivers by the concurrent decrees of Courts of Equity in the States of Massachusetts, Rhode Island, Connecticut and New York. The receivers took immediate possession, and obtained leave of Court to issue receivers' certificates to the amount of $400,000, for the purpose of completing an unfinished portion of the road, lying between Putnam and Willimantic. During the same year the corporation was adjudicated bankrupt, and assignees in bankruptcy were appointed, whose interest in the property has since been acquired by the New York and New England Railroad Company. These assignees never took formal possession of the mortgaged property, which was surrendered by the receivers, under the order of the several Courts having jurisdiction, to

the trustees under the Berdell mortgage, Sept. 13, 1871. In April, 1873, the principal of the bonds having in the mean time become due by the election of a majority of the bondholders, and the foreclosure having become complete by the terms of the mortgage and of the decrees of Court in the several States in which the property lay, the bondholders met at the call of the trustees, and organized the present corporation, under the name of the New York and New England Railroad Company, with a capital stock of $20,000,000, to be divided among the holders of the bonds, secured by said Berdell mortgage, at the rate of ten shares for every bond of $1,000 or £200 sterling, as the same should be surrendered and exchanged.

These proceedings of the bondholders, which were in strict conformity with the provisions of the mortgage, have been ratified and confirmed by special legislation in each of the States of Massachusetts, Rhode Island, Connecticut and New York, and the new corporation declared a body corporate, and authorized to receive a deed from the trustees under said mortgage of all the railroad, property, premises, estate and franchises held by them under said mortgage.

The corporation was also authorized by like legislation to mortgage its railroads, property and franchises in a sum not exceeding $10,000,000, payable in federal or sterling currency, "for the purpose of enabling it to take up and discharge any and all liens and incumbrances existing upon said railroads, and upon any portion thereof, and to perfect its title therein, to complete said railroads, to purchase and provide terminal facilities, and to properly equip and maintain said roads."

The importance of obtaining a perfect and absolute title to its property before seeking to negotiate the loan so authorized, has been kept in constant view; and every step taken by the trustees and the corporation since the default of the

old company has been directed and carefully considered by counsel.

As an additional precaution, it was thought advisable, before receiving a deed from the trustees and from the assignees in bankruptcy, that the title should be again submitted to Hon. Emory Washburn for his opinion. He had had no connection with the corporation since his duties as one of the commissioners on the part of the commonwealth had ceased; but his knowledge of the early history of the property, his position as professor in the Harvard Law School and as the leading authority in this country upon the subject of the law of real estate and mortgages, seemed to make the selection peculiarily appropriate. Gov. Washburn gave much time to the consideration of the various questions submitted to him; and his opinion, which contains an exhaustive analysis of the evidence upon which it is based, concludes with the statement "that, as soon as the trustees shall have made and delivered a proper deed of assignment of their interest as mortgagees, and the assignees in bankruptcy shall have made and delivered a proper deed of conveyance and release of their right in equity to redeem the mortgaged property, to the New York and New England Railroad Company, they, the company, will be and become the legal owners in severalty, by an absolute title, of whatsoever property and rights were described in and conveyed by the Berdell mortgage to the trustees therein named, together with whatever property, if any, may have been subsequently acquired by said mortgagees under and by virtue of said mortgage."

This opinion, taken in connection with the report of the commissioners obtained on behalf of the commonwealth in 1868, of whom Gov. Washburn was one, covers the whole history of the property; and it is believed that no title has ever been subjected to a more severe and impartial scrutiny.

The corporation has received a proper deed from the trustees under the Berdell mortgage of the property embraced therein and is now in peaceable possession. It has also received from the assignees in bankruptcy of the Boston, Hartford and Erie Railroad Company, a proper deed of conveyance and release of the equity of redemption in said mortgaged premises, and of such other rights therein as may have come to them by reason of such bankruptcy.

The commonwealth of Massachusetts has taken an active part in all the proceedings for the foreclosure of the Berdell mortgage and organization of the new corporation, and has become by the surrender of its bonds the holder of shares of the capital stock of the New York and New England Railroad Company to the amount of $3,600,000.

This brief history of the title and condition of the property has seemed to your Directors to be of special interest at this time, as this is the first report to the stockholders which gives the result of an entire year of corporate management, and establishes a starting point from which the annual progress of the corporation can be hereafter measured.

Since the bankruptcy of the Boston, Hartford and Erie Railroad Company, large sums of money have been expended by the receivers, the Berdell trustees, and the new corporation, in construction and renewals. Under the administration of the former company, the older portion of the road had been neglected, and repairs and renewals which ought to have been extended over a period of many years became an immediate burden upon the new management. Most of these expenditures have been necessarily charged to repairs, and the apparent net earnings of the property have been, of course, proportionally diminished. Since July, 1870, twenty-four miles of road between Putnam and Willimantic have been completed and ironed; almost every bridge upon the one hundred and thirty-nine miles of finished road operated

by the company has been rebuilt; extensive and convenient shops, of which the corporation was in pressing need, have been constructed and equipped; new passenger and freight stations have been erected to take the place of those destroyed in the great fire; attractive picnic grounds have been purchased and fitted with necessary conveniences at Highland Lake Grove; a short branch has been constructed to connect with slaughter houses recently established on the line of the road, from which we are receiving a steady and increasing business; many miles of track have been relaid with iron or steel, and the whole road is now rapidly approaching a thoroughly first-class condition.

These expenditures, (which so far as they have been made by the Trustees under the Berdell mortgage or by the corporation, are shown more fully in the annexed schedules), have been met in part by the earnings of the property, and in part by proceeds of receivers' certificates issued under order of Court and of contributions from the bondholders, all of which have been funded into the notes or bonds of this corporation, and represent an existing indebtedness of $850,000. Of this amount, the Commonwealth of Massachusetts, which has never failed to respond promptly and liberally to all calls upon the stockholders, has contributed $250,000. The rest was collected with great difficulty, and after many months of discouraging delay, from other owners of the property.

The corporation has now executed a mortgage upon its property for $10,000,000, and is desirous of negotiating its mortgage bonds to that amount. The proceeds of these bonds will discharge all existing liens and incumbrances, put the corporation in possession of the Hartford, Providence and Fishkill Division, complete the road to the Hudson River, make large extensions of the double track, and leave ample provision for terminal grounds and buildings, and for such additional rolling stock as its increased business will require.

The aggregate earnings of the several roads, of which this corporation will become the absolute owner upon the discharge of these liens and incumbrances, show a gratifying increase over the earnings for 1875, and already amount to about $2,000,000, of which more than one half is earned by the road now operated by this company. Being unfinished, these roads have at present no satisfactory Western outlet, and are operated as local roads, depending for business almost entirely upon the towns along their route. But the completion of seventy-six miles of unfinished road, lying between Waterbury, Connecticut, and Fishkill, on the Hudson River, upon which $3,224,000 has already been expended, will bring them into immediate connection with the great trunk lines of the Erie Railway and of the Pennsylvania Railway system.

Neither of these roads has a satisfactory entrance into New England, and both are waiting with friendly interest the completion of the New York and New England Railroad, which will give them easy access to all of the principal commercial and manufacturing cities of Connecticut, Rhode Island and Massachusetts, and avoid the present necessity of ferriage and truckage to and across the city of New York.

The importance of these connections to the New York and New England Railroad Company cannot be overestimated. New England supplies the continent with its manufactures, and receives in return, for consumption and export, the grain, beef and pork of the West, the iron, coal and oil of the Middle States, and the cotton and tobacco of the South. The interchange of these commodities constitutes a large part of the carrying trade of the country from which we have been hitherto debarred. A new route has been organized during the present season, which will, it is hoped, secure to us a reasonable share of this traffic, even in our present crippled condition. Two passenger trains with Pullman cars

attached are now run daily over the New York and New England Road to Hartford, the New York, New Haven and Hartford Road to the termination of its branch at Mott Haven, on Harlem river, the transfer steamer "Maryland" to Jersey City, and the Pennsylvania Road and its connections to Philadelphia and Washington. This is the only line running through cars, without change, between New England and Philadelphia, and its advantages, both for freight and passengers, are already receiving the generous recognition of the public. The large share of travel to and from the "Centennial" Exposition which it has received during the summer, has made its merits widely known, and has fully met the expectations of your directors.

Another important connection has been opened within a few months by the completion by another corporation of a railway extending from the New York and New England Railroad, at Willimantic, to the city of New Haven, via Middletown. This establishes a new all-rail route between the great cities of Boston and New York, which is substantially an air line, and shorter by twenty-three miles than the route by way of Springfield.

The Norwich and Worcester Railroad, a thoroughly well-built road, sixty-six miles in length, extending from Worcester, Mass., to Allyn's Point, Conn., with a very valuable equipment, and a controlling interest in a connecting line of steamboats between New London and the city of New York, was leased to the Boston, Hartford, and Erie Railroad Company in 1869, for the term of one hundred years, at a net annual rental which should pay a dividend of ten per cent upon its capital stock. The trustees under the Berdell mortgage did not feel justified in abandoning this lease when they took possession of the mortgaged property, and they therefore continued the operation of the road and payment of the rental under order of court. Since the foreclosure of the

mortgage, your directors have declined to recognize or accept the lease as binding upon the new corporation, unless certain suggested modifications shall be made, with respect to which negotiations are now pending, and in the meantime the road is operated under a provisional agreement terminable at short notice.

Both the Norwich and Worcester Division, and the Hartford, Providence and Fishkill Division maintain an independent organization, and their earnings do not enter into the accounts of the New York and New England Railroad Company. The gross annual earnings of the Hartford, Providence and Fishkill Road, during the last four years, have averaged about $1,000,000 as shown on page twenty-two of this report. The net earnings, which are much beyond what is required to pay the interest on its mortgage debt, are applied by the managing trustees to the improvement of the road. Your directors deem it of very great importance that possession of this road should be obtained as soon as possible. The payment of $2,055,000 will make our new mortgage a first lien on one hundred and thirty additional miles of finished road, will add largely to our equipment, and will double our gross receipts. That this result has not already been attained is not due to any lack of persistent effort on the part of your Directors, but is largely due to the short-sighted and discouraging policy pursued by many of the principal stockholders and holders of unexchanged Berdell bonds, who have hitherto failed to respond to any of the appeals made them to assist in the development of their property, and have apparently confined their interest in the enterprise to watching the quotations of the Berdell bonds in the New York and Boston market.

It is believed by your Directors that nothing but this lack of interest shown by the owners of the property and the unexampled depression of business and credit during the

last three years has prevented the negotiation of the proposed loan for $10,000,000. Few investments have ever been offered to the public which afford more ample security. The actual cost of the three hundred and forty-five miles of finished and unfinished road, upon which the mortgage will be a first lien, cannot well be estimated, but it is safe to say that it could not be reproduced to day for less than $20,000,000. Can there be a doubt that, if brought under one management and completed to the Hudson River, the present earnings of $2,000,000 would be sufficiently increased to ensure the punctual payment of the $700,000 required to pay interest on the proposed loan?

The average earnings of railroads in Massachusetts for the year 1875 are estimated by the Board of Railroad Commissioners, in their seventh annual report to the legislature, as $13,250.84 on each mile of main line and branch road operated. At this rate the earnings of the three hundred and forty-five miles of road owned by the New York and New England Railroad Company would amount to more than $4,500,000 per annum. That the earnings will exceed the average there can be little doubt, as the Boston and Albany Railroad, with no better connections for New York and Southwestern business, earns, according to the same authority, at the rate of $25,039.90 per mile.

Respectfully submitted,

By order of the Board,

WM. T. HART, *President.*

BOSTON, Nov. 28, 1876.

TREASURER'S REPORT.

EARNINGS AND EXPENSES OF THE ONE HUNDRED AND THIRTY-NINE MILES OF ROAD OPERATED BY THE NEW YORK & NEW ENGLAND RAILROAD COMPANY,

FOR THE YEAR ENDING SEPT. 30, 1876.

EARNINGS.

From Passengers	$436,637 53
" Freight	447,385 27
" Express	32,544 88
" Mails	11,742 81
" Passenger Car Service	12,357 26
" Rents	5,135 81
" Rents of Road (use of track)	20,400 00
" Miscellaneous Accounts (Grove, Gravel, etc.)	34,278 70
Total Income	$1,000,482.26

OPERATING EXPENSES.

For Taxes, Legal Expenses, General Salaries, Office Expenses, etc.	67,265 22	
" Insurance Premiums and Losses by Fire	10,023 05	
" Telegraph Expenses	1,934 09	
" Repairs of Road	117,550 59	
" New Iron Rails (481 $\frac{149}{2240}$ tons)	24,055 32	
" Re-rolling Iron Rails (273 $\frac{47}{2240}$ tons)	8,293 59	
" New Ties (57,111)	19,987 06	
" Repairs of Bridges	21,614 97	
" Repairs of Buildings and Fixtures	9,817 22	
" Repairs of Machinery and Tools	3,850 66	
" Repairs of Fences, Road Crossings, and Signs	3,610 88	
" Repairs of Locomotives	51,085 87	
" Fuel for Engines and Cars { 166 cords of wood $ 1,101 21 / 12,215 tons of coal 73,282 73 }	74,383 94	
" Water and Water Stations (3 new, costing $6,196.20)	13,110 99	
" Fuel for Stations and Shops	3,901 16	
" Oil and Waste	5,477 16	
" Switchmen, Watchmen, Flag and Signalmen	21,794 78	
" Repairs of Passenger, Mail, and Baggage Cars	35,446 30	
" Passenger Gratuities and Damages	11,497 22	
" Salaries and Incidentals, Passenger Department	115,617 24	
" Repairs of Freight Cars	20,935 93	
" Freight Gratuities and Damages	1,048 20	
" Salaries and Incidentals, Freight Department	86,480 50	
" Freight Car Service	8,687 98	
Total Operating Expenses		$737,469 92
Net Income above Operating Expenses		$263,012 34

Dr. PROFIT AND LOSS ACCOUNT, SEPTEMBER 30, 1876. *Cr.*

To Operating Expenses	$737,469 92	By Balance from 1875	$ 39,475 44
" Rent of Property at Boston Terminus .	69,857 50	" Earnings for 12 months ending	
" Interest on Company's Notes due in 1876, and		Sept. 30, 1876	1,000,482 26
discount on First Mortgage Bonds sold .	118,038 40		
" Interest on Notes payable	8,318 19		
" Norwich and Worcester Lease Account .	44,222 62		
" Balance to new account	62,051 07		
	$1,039,957 70		$1,039,957 70

Dr. GENERAL BALANCE SHEET, SEPTEMBER 30, 1876. *Cr.*

To Railroad Equipment and Property			By Capital Stock.		
As represented by B. H. & E. R. R. "Berdell Bonds"	$20,000,000 00		Amount actually issued. B. H. & E. R. R. "Berdell Bonds" entitling holders of same to stock in the New York & New England R. R. Co. . .	$ 5,685,000 00 14,315,000 00	$20,000,000 00
New Construction by the New York & New England R R. Co. . .	232,287 07		" First Mortgage 7 per cent Bonds due 1905		316,000 00
New Equipment added by the New York & New England R. R. Co. .	95,923 35		" Seven per cent notes of 1876 . .		535,500 00
Receivers' Certificates of Indebtedness and interest, and Trustee's Debt, paid by decree of Court to obtain possession .	638,022 90		" Notes payable		144,979 67
Amount paid Assignees in Bankruptcy, B. H. & E. R. R. Co., to secure possession and perfect title as per decree of Court,	100,000 00		" Receivers' Certificates of indebtedness and interest, outstanding . .		11,250 00
		$21,066,233 32	" Unclaimed Interest (over-due coupons on notes of 1876)		962 50
" Supplies and Material on hand . . .		32,643 59	" Balances due connecting roads . .		64,968 83
" Balances due from connecting roads and individuals		69,939 10	" Cash Receipts on October account .		123,463 51
" Coupons from First Mortgage Bonds (due Jan. 1, 1877—payment anticipated)		2,205 00	" Profit and Loss		62,051 07
" Cash		88,154 57			
		$21,259,175 58			$21,259,175 58

GEO. B. PHIPPEN, *Treasurer.*

21

Gross Debt = 1197124.5

Deduct accounts which represent cash assets 192942.2

Nett debt for 1876 1.004.182.3

192942.36 Deduct from gross debt

Nett Debt for 1875. = 890.934.39

" " " 1876. = 1004.182.25

Increase = 113.247.86

Increase Construction 1876. 30521.66

" Equipment " 44338.37 174860.03

" to assignees " 100.000.

EARNINGS OF THE ROAD

FROM SEPT. 30, 1870, TO SEPT. 30, 1876.

Eastern and Woonsocket Divisions.		*Hartford, Providence, and Fishkill Division.*	
Year ending Sept. 30, 1871,	$691,851 94	Year ending Dec. 31, 1871,	$939,344 05
" " " 30, 1872,	841,391 74	" " Sept. 30, 1872,	1,004,039 67
" " " 30, 1873,	857,114 00	" " " 30, 1873,	1,064,940 50
" " " 30, 1874,	915,290 23	" " " 30, 1874,	974,551 12
" " " 30, 1875,	915,880 13	" " " 30, 1875,	991,221 48
" " " 30, 1876,	1,000,482 26	" " " 30, 1876,	No official returns yet received.

SCHEDULE OF ROLLING STOCK

ON THE EASTERN AND WOONSOCKET DIVISIONS AND BRANCHES.

Number of Locomotives and Tenders	31
" " Passenger Cars	60
" " Mail and Baggage Cars	14
" " Eight Wheel Box Freight Cars	128
" " Four Wheel Box Freight Cars	17
" " Eight Wheel Platform Cars	133
" " Other Cars, — Coal, Gravel, etc.	160

Number of Locomotives equipped with Train Brakes	17
" " Cars equipped with Train Brakes	80
" " Passenger Cars with Miller Platform and Buffer	60
" " Other Cars " " " "	7

ON HARTFORD, PROVIDENCE, AND FISHKILL DIVISION.

(*As reported to Railroad Commissioners in* 1875.)

Number of Locomotives and Tenders	32
" " Passenger Cars	37
" " Merchandise Cars	318
" " Baggage Cars	15
" " Gravel and other Cars	71

SCHEDULES.

THE following schedules are those referred to on page 14 in the report of the directors, showing expenditures by the trustees under the "Berdell mortgage" of the Boston, Hartford, and Erie Railroad, and by the New York and New England Railroad Company, for construction, equipment, and renewals of bridges, rails, and ties.

The large expenditures which had been previously made by the receivers during their operation of the road do not appear in these tables. The debt incurred by them was assumed by the trustees under order of Court, and has since been assumed and provided for by the corporation.

A.

EXPENDED FOR CONSTRUCTION (EXCLUSIVE OF BRIDGES)

FROM AUGUST 1, 1871, TO SEPTEMBER 30, 1876.

1871	Passenger House at Putnam, 5 liens paid,	$1,154 69	
1872	New Passenger House at Boston	24,947 44	
1872	New Freight House at Boston	25,635 73	
1872	New Building for Offices at Boston	2,155 37	
1872	New Dump Platform	158 62	
1872–1873	Putnam and Willimantic Division	25,866 14	
1872–1876	Real Estate	16.520 61	
1872–1874	Sundry Engineering Expenses	230 00	
1873	Tank House at North Windham, 2 liens paid	931 18	
1873	New Depot at Worcester, one half the cost	4,950 00	
1873	New Coal Shed at Boston Wharf	3,778 04	
1874	New Station House at River Street	1,000 00	
1874–1875	Piper Building Improvement, for Offices,	5,238 43	
1875	Spur at Mill River Junction	5,732 37	
1875	New Steel Rails	68,964 24	
1875	New Car Shops at Norwood	97,646 24	
1875–1876	New Turntables	668 23	
1875	New Machinery, for Car and Machine Shops	6,244 98	
1876	Winslow's Branch	2,284 08	
1876	Highland Lake Grove Picnic Grounds and fittings	21,048 40	
			$315,154 79

DEDUCT

Amounts received from insurance companies for buildings burned	$17,654 83	
Amounts received from T. F. Richardson on account New Stations	4,250 00	
		21,904 83
Total		$293,249 96

B.

EXPENDED FOR EQUIPMENT

FROM AUGUST 1, 1871, to SEPTEMBER 30, 1876.

LOCOMOTIVES.

1871.					
August.	Locomotive,	"Costello"	No. 25	$8,843 86	
October.	"	"Talbot"	" 5	10,000 00	
1872.					
March.	"	"Tarquin"	" 33	10,950 00	
April.	"	"Pascoag'	" 32	10,100 00	
July.	"	"Hudson"	" 30	9,005 21	
August.	"	"Trustee"	" 31	12,488 00	
September.	"	"Gazelle"	" 23	13,000 00	
1873.					
October.	"	"Plumer"	" 29	15,811 00	
November.	"	"Kimball"	" 28	15,983 77	
1875.					
March.	"	"Dom Pedro"	" 6	8,000 00	
August.	"	"Centennial"	" 34	8,250 00	
1876.					
June.	"	"Peter Cooper"	" 26	8,000 00	
August.	"	"George Stephenson"	" 27	8,000 00	
		Total for 13 New Locomotives,			$138,431 84

PASSENGER CARS.

1871.	3 Passenger Cars, Nos. 3, 6, 9 (Built by Osgood Bradley)	$12,900 00	
1872.	2 " " " 37, 38 (Built at Company's shops)	10,500 00	
1873.	2 Passenger Cars, " 39, 40,	10,500 00	
1874.	1 " " Queen City (Drawing Room Car)	5,000 00	
1875.	6 Passenger Cars Nos. 41, 42, 43, 44, 45, 46, (Built at Company's shops)	21,473 93	
	1 Passenger Car, General Putnam, (Drawing Room Car)	7,656 00	
1876.	3 Passenger Cars, Nos. 47, 48, 49 (Built by the Wasson Manufacturing Co.)	13,810 29	
	Total for 18 New Passenger Cars		$81,840 22

BAGGAGE CARS.

1872.	1 Baggage Car, Baggage and Smoking Car I (Built at Company's shops) .	$3,400 00	
1873.	1 Baggage Car, Baggage and Smoking Car P (Built at Company's shops),	3,400 00	
1873.	2 Baggage Cars, A and S (Built at Company's shops)	2,800 00	
1873.	1 Baggage Car	1,600 00	
1873.	4 Baggage Cars, Fruit Cars U, V, W, X. (Built at Company's shops) . .	6,000 00	
1875.	1 Baggage Car, Mail Car . . .	2,000 00	
1876.	1 " " Milk Car (Built at Company's shops)	1,041 81	
	Total for 11 New Baggage Cars .		20,241 81

FREIGHT CARS.

1873.	10 Freight Cars, 8 wheel platform Cars,	$6,763 86	
1873.	10 Freight Cars, Patent Dump Cars .	10,043 95	
1875.	10 " " " " .	3,116 15	
1876.	4 " " Meat Cars . . .	3,020 14	
1876.	6 " " Express Cars . .	7,150 60	
	Total for 40 New Freight Cars,		30,094 70
	Total . . .		$270,608 57

C.

BRIDGES BUILT

FROM AUGUST 1, 1871, TO SEPTEMBER 30, 1876.

CHARGED TO PROPERTY ACCOUNT.

1872		
April.	Blackstone Bridge (stone viaduct)	$22,595 00
"	Trestle at Mechanicsville (filling same solid)	1,800 00
October.	North Bellingham Bridge (stone),	2,500 00
1873.		
November.	Caryville Arch (stone) . . .	2,674 00
1874.		
September.	River St. Bridge Abutment (stone)	3,540 98
1875.		
September.	Dorchester Av. Bridge and So. Boston Cut (stone) . . .	16,382 26
	Amount charged to Property Accounts for the above Bridges,	$49,492 24

CHARGED TO OPERATING EXPENSES.

1871.		
August.	Franklin Station (highway),	wood
"	Ironstone Station (stringer),	"
September.	Between River St. and Hyde Park (stringer),	"
"	Between River St. and Hyde Park (stringer),	"
"	Near Dudley St. (stringer),	"
October.	Walpole Station (lattice,)	"
"	" " "	"
November,	Norfolk Station (farm),	"
December.	South Boston Cut (pile),	"
1872.		
January.	Thompson, Conn. (street),	"
April.	Fort Point Channel (draw),	"
May.	Blackstone (lattice)	"
August.	Charles River Village (pile),	"
"	Bird Street (Howe truss),	"
September.	Bald Hill (street),	"
October.	Dedham Branch (stringer),	"
"	Dedham Branch (stringer),	"
"	Dedham Branch (farm),	"
"	Blackstone River (trestle),	"
November.	Mill River (street),	"
1873.		
March.	Blackstone (farm),	"
May.	Columbia Street (lattice),	"
"	Cottage Street (lattice),	"
"	Green Street (lattice),	"
June.	Marginal Track (pile),	"
"	Norfolk (street),	"
"	South Bay (draw),	"
July.	Franklin Street (Howe truss),	"
"	Woonsocket (street),	"
"	River Street (street),	"

August.	East Webster (street),	wood
"	Bellingham (stringer),	"
September.	West Walpole (street),	"
"	Boston Freight House Track (yard),	"
"	Chestnut Hill (street),	"
October.	Fort Point Channel (pile),	"
November.	Brighton Street (street),	"
"	Blackstone (street),	"
"	Southbridge (stringer),	"
"	Mt. Bowdoin (one truss),	"
1874.		
March.	Elmwood (stringer),	"
May.	Near Oakdale (stringer),	"
"	Harvard Street (street),	"
"	Newton Centre (street),	"
June.	Norwood (Howe truss),	"
"	South Bay (draw),	"
"	Between E. Thompson and Putnam (stringer),	"
"	" " " " "	"
"	" " " " "	"
"	" " " " "	"
"	" " " " "	"
"	Windham (stringer),	"
August.	Walpole (street),	"
September.	Tilton's (lattice),	"
October.	Fourth St., So. Boston (stringer),	"
"	Neponset River, Tilton's Station (lattice),	"
November.	Dorchester Avenue (1 sp. Howe truss),	"
"	Harvard St., Dorchester (1 sp. stringer),	"
"	Forest Hills Avenue (1 sp. stringer),	"
"	Medfield (3 sp. stringer),	"
December.	Mattapan (1 sp. lattice),	"
1875.		
February.	Charles River, Medway, pile bridge (caps and stringers replaced),	"
April.	City Mills, washout (45 sp. trestle),	"
May.	West Dudley (1 sp. trussed),	"
"	Sandersdale (1 sp. stringer),	"
July.	Sprague St., Dedham (1 sp. Howe truss),	"
September.	Fifth St., So. Boston (stringer),	"
"	Dorchester Avenue (1 sp. stringer),	"
"	Bellingham Station (2 sp. stringer),	"
"	East Thompson (1 sp. stringer),	"
"	Sandersdale (1 sp. stringer),	"
December.	Broadway, So. Boston (stringer),	"
1876.		
March.	Blackstone River Crossing (Howe truss),	"
"	North Bellingham (stringer),	"
May.	Blackstone (stringer),	"
"	Bellingham (pile, trestle, and stringer),	"
June.	Franklin (stringer),	"
"	" "	"
"	Blackstone River Crossing (trestle),	"
August.	Swett St (Howe truss),	"
September.	Newton Upper Falls (Howe truss),	"
"	Highlandville (stringer),	"

Amount charged to operating expenses for the above eighty-two bridges (including bridge repairs), $140,340. 71.

D.

AMOUNT AND COST OF NEW AND RE-ROLLED IRON RAILS LAID

FROM AUGUST 1, 1871, TO SEPTEMBER 30, 1876.

DATE.		NEW IRON. T.	NEW IRON. CWT.	NEW IRON. QRS.	NEW IRON. LBS.	RE-ROLLED T.	RE-ROLLED CWT.	RE-ROLLED QRS.	RE-ROLLED LBS.	Per Ton.	Cost New Iron.	Cost Re-rolling.	Credit by Excess of Old Iron.
1871.													
Oct.	Portland Rolling Mills,	250	4	2	26					$75 00	$18,767 73		
Dec.	" " "	59	14	2	16						4,479 91		
											$23,247 64		
	Less freight to Boston,										417 33		
1872.											$22,830 31		
Feb.	Bay State Iron Co.,					203	19	0	27	28 00		$5,710 94	
	Pd. in Old Iron, 28 t. 9 cwt. 0 qrs. 27 lbs. @ $44.00,												$1,252 33
June.	Bay State Iron Company,	81	16	1	25					85 00	$6,955 06		
"	" " " "					18	4	1	9	35 00		637 53	
Sept.	" " " "					419	5	0	15	35 00		14,674 00	
1873.													
Jan.	" " " "	200	2	0	16					85 00	17,009 11		
July.	" " " "	50	1	2	7					85 00	4,257 40		
Aug.	" " " "					592	2	1	18	35 00		20,724 22	
	Pd. in Old Iron, 66 t. 19 cwt. 0 qrs. 27 lbs. @ $52 50,												3,515 50
1872.													
April.	Washburn Iron Company,					120	16	3	14	36 00		4,350 37	
June.	" " "	41	8	3	11					87 00	3,605 46		
"	" " "					152	10	0	10	37 00		5,642 66	
1873.													
July.	" " "	12	16	2	22					86 00	1,103 79		
Oct.	" " "					28	3	3	10	36 00		1,014 91	
Oct.	" " "					132	1	1	20	34 00		4,490 43	
	Pd. in Old Iron, 4 t. 1 cwt. 0 qrs. 8 lbs. @ $40 00,												162 14
1874.													
Feb.	Washburn Iron Company,					126	12	0	26	34 00		4,304 81	
	Pd. in Old Iron, 35 t. 14 cwt. 0 qrs. 22 lbs. @ $40 00,												1,428 39
April.	Washburn Iron Company,					46	14	1	24	36 00		1,682 04	
"	" " "	20	0	2	24					74 00	1,482 64		
May.	" " "	53	17	1	18					71 00	3,824 81		
Dec.	Bay State Iron Company,					1000	0	3	1	30 00		30,001 15	
1875.													
Sept.	" " " "					211	14	0	12	29 00		6,139 46	
"	" " " "					288	9	0	22	29 00		8,335 51	
"	" " " "					35	1	3	9	29 00		1,017 66	
Nov.	" " " "	291	13	3	0					50 00	14,584 37		
Dec.	" " " "	23	0	3	26					50 00	1,152 46		
	Pd. in Old Iron, 46 t. 1 cwt. 3 qrs. 14lbs. @ $25 00,												1,152 46
	Bay State Iron Company,	5	2	1	4					50 00	255 70		
	Pd. in Old Iron 10 t. 4 cwt. 2 qrs. 8 lbs. @ $25 00,												255 70
1876.													
June.	Bay State Iron Company,					299	19	3	18	27 00		8,099 87	
July.	" " " "	189	7	2	9					47 00	8,900 80		
	New Iron Rails,	1279	7	3	8					Cost	$85,961 91		
	Re-rolled Iron Rails,					3675	15	3	11	Cost		$116,855 36	
	Pd. 191 t. 10 cwt. 0 qrs. 22 lbs. Old Iron in excess, on re-rolling account,												$7,766 52

RECAPITULATION.

	Tons	Cwt.	Qrs.	Lbs.			
New Iron Rails laid,	1,279	7	3	8	Cost	$85961 91	
Re-rolled Iron Rails laid,	3,675	15	3	11	Cost	116,855 36	
							$202,817 27
Less credit for 191 t. 10 cwt. 0 qrs. 22 lbs. excess of Old Iron on re-rolling account,							7,766 52
Total New and Re-rolled Iron laid,	4,955	3	2	19			$195,050 75

E.

AMOUNT AND COST OF STEEL RAILS

LAID FROM AUGUST 1, 1871, TO SEPTEMBER 30, 1876.

			Tons.	*cwt.*	*qrs.*	*lbs.*	*Cost.*	*Dollars.*
October,	1874.	Pennsylvania Steel Co. (60 lbs. pattern)	500	7	3	12	$90 per ton.	$45,035 36
"	"	" " " " " "	25	3	1	6	80 " "	2,013 21
May	1875.	" " " " " "	149	14	2	6	71 " "	10,630 66
		Fish plates, stop straps, splice bars, and bolts						4,209 59
		Freight, interest, and insurance						7,075 42
		Total	675	5	2	24	Cost	$68,964 24

F.

NUMBER AND COST OF NEW TIES

LAID FROM AUGUST 1, 1871, TO SEPTEMBER 30, 1876.

From Aug.	1, 1871, to Jan.	1, 1872,	6,103 ties cost	$2,868.41
" Jan.	1, 1872, to Jan.	1, 1874,	54,664 "	25,772.08
" Jan.	1, 1874, to Sept.	30, 1874,	69,352 "	31,851.35
" Sept.	30, 1874, to Sept.	30, 1875,	41,405 "	17,068 27
" Sept.	30, 1875, to Sept.	30, 1876,	57,111 "	19,987.06
Total,			228,635 ties cost	$97,547.17

SECOND ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE

ANNUAL MEETING,

Tuesday, December 4, 1877.

BOSTON:
ALFRED MUDGE & SON, PRINTERS,
34 SCHOOL STREET.
1877.

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DIRECTORS. 1897

WILLIAM T. HART	BOSTON.
JAMES STURGIS	"
EDWARD W. KINSLEY	"
LEWIS HECHT	"
GEORGE W. BALDWIN	"
GEORGE M. RICE	WORCESTER.
JOHN F. SLATER	NORWICH, CONN.
FREDERICK J. KINGSBURY	WATERBURY, "
THOMAS DICKSON	NEW YORK.
LEGRAND B. CANNON	" "
R. SUYDAM GRANT	" "
CHARLES DANA	" "
JAMES ROOSEVELT	" "
GORHAM P. POMROY	PROVIDENCE, R. I.
JESSE METCALF	" "

OFFICERS.

WILLIAM T. HART	*President.*
CHARLES P. CLARK	*General Manager.*
GEORGE B. PHIPPEN	*Treasurer.*
S. W. HATHEWAY	*Secretary.*
H. M. BRITTON	*Supt. Eastern Division.*
E. H. TUCKER	*Supt. Woonsocket Div.*
P. ST. M. ANDREWS	*Supt. Norwich and Worcester Division.*

SECOND ANNUAL REPORT

OF THE

BOARD OF DIRECTORS.

To the Stockholders of the New York and New England Railroad Company:

THE Directors of the New York and New England Railroad Company respectfully submit the following report of the earnings, expenditures, and transactions of the corporation, for the year ending Sept. 30, 1877.

The gross receipts of the road now operated by the company have been	$1.010,336.84
The operating expenses and taxes, including those on the unfinished portion of the road in Connecticut and New York, and the whole cost of steel rails purchased during the year, have been	770,684.70
Leaving net earnings for the year	239,652.14
Out of which has been paid for rent of depot grounds and terminal lands in Boston,	55,268.77
Leaving a balance applicable to interest and permanent improvements of	$184,383.37

The details of the receipts and payments are more fully shown in the schedules hereto annexed.

The gross receipts of the corporation show an unexpected increase over the returns of the previous year. This is especially gratifying because in 1876 the centennial travel over our Philadelphia line, and a contract with the city of Boston for raising the grade of our road across the Swett Street District, added to our income; and because the competition during the current year between the various steamboat lines to New York has caused a great reduction in rates for freight.

The expenses charged to the operation of the road are large, being caused by needed renewals and repairs, which have accumulated upon the present management, owing to the neglect of the old corporation to maintain the road and equipment in good condition.

When the road has become first-class in all its appointments, the annual cost of maintenance will be greatly reduced, and the ratio of its operating expenses to its earnings will then, it is believed, compare favorably with other roads running from Boston.

As to the amount charged to legal expenses, general salaries, office expenses, etc., it is proper to explain that, while the earnings which appear in our accounts are confined to the one hundred and thirty-nine miles of road now operated by the company, the general expenses necessarily cover a much wider range. Thus the general officers have the supervision of the very extensive traffic of the Norwich and Worcester, and Norwich and New York Transportation Companies; and the legal expenses include numerous suits brought by and against the trustees of the "Berdell mortgage," and the Receivers, and Assignees in bankruptcy of the old company, in the courts of Rhode Island, Connecticut, and New York, as well as Massachusetts, to determine numerous perplexing questions growing out of the foreclosure of the mortgage.

Many of the general expenses of a railroad company are

necessary to its operation, and do not depend upon its mileage or its earnings. When its various departments have been once organized and its salaried officers appointed, these charges remain permanent, although the business of the road may be doubled. This corporation is now thoroughly organized, and the general salaries and other expenses in Boston will not be materially increased when we obtain possession of the Hartford, Providence and Fishkill Road, and are able to extend our line to the Hudson River.

During the last year a new road has been constructed by an independent corporation, extending from our line at Franklin to the Providence and Worcester Railroad at Valley Falls. It was built by cash subscriptions from the citizens of Franklin and other points upon the line, without any pecuniary assistance or encouragement from us. But as the road afforded a convenient link of communication between our Eastern, and Hartford, Providence and Fishkill divisions, and was possessed of no equipment of its own, your directors entered into a contract for its operation, which took effect October 1. By extending our short trains, which formerly stopped at Franklin, over the new road to Valley Falls, and thence by the Providence and Worcester Road to the city of Providence, a new route has been opened to that city.

It is well known that the Commonwealth of Massachusetts is the largest single holder of stock in our corporation, being possessed of shares to the amount of $3,600,000. These shares represent Berdell bonds, which were exchanged by the Boston, Hartford and Erie Railroad Company for scrip of the State, and which were converted into stock of the present corporation after the foreclosure of the Berdell mortgage.

At the last session of the legislature, the Board of Railroad Commissioners was instructed to make careful exami-

nation and inquiry into the management, condition, business, and resources of the corporation, and to report the result. This duty was discharged by the board with great thoroughness and fairness, and their printed report, which was widely circulated at the time, contains much valuable information, and deserves, if it has not already received, the careful consideration of every stockholder.

This report was followed by the appointment of a joint committee of the two houses, to sit during the recess and report to the next legislature their recommendations as to the policy to be pursued by the State with respect to its large interest in the stock of this company. The committee so appointed have held frequent meetings, and have invited and received suggestions from the directors, and have given them careful and courteous consideration. Their report will probably be presented to the next legislature early in January; and whatever the result may be, your directors deem it fortunate that the question of further aid to be given by the State to this enterprise is to receive attention.

The chance of receiving such aid has always been one of the disturbing elements in the efforts made from time to time to persuade the individual holders of stock and Berdell bonds to subscribe to the new loan which is needed to fund our debt and complete our road; and the mere fact that a legislative committee has been appointed to consider the subject has prevented, during the last year, any substantial progress in the negotiation of our securities.

Public credit has been loaned so freely and so recklessly in the past in aid of railroad enterprises that a natural reaction has followed which makes it extremely difficult to obtain a favorable hearing for any new application for State aid, however meritorious. Your directors, therefore, will consider it no reflection upon the credit or condition of the property if the Commonwealth should decline to extend

from the public treasury any further pecuniary assistance to our enterprise, beyond what it may think for its own interest as a present stockholder.

In all their attempts to negotiate the new bonds, your directors have kept in constant view the importance of obtaining a fair price for what they believe to be a first-class security, and thus keeping the annual interest charge within reasonable limits. They believe that the earnings of the completed road will be more than sufficient to pay interest, if needed, on the whole $10,000,000 of loan authorized; but they are not willing to burden the stockholders with a fictitious debt by forcing the bonds upon the market at an unreasonable discount for the sake of a few months' gain in the time of the completion of the road.

The directors feel, however, that they cannot impress too strongly upon the stockholders the necessity of obtaining immediate possession of the Hartford, Providence and Fishkill division. With that property in our possession, and a clear title to two hundred and sixty-nine miles of finished and equipped road which would then belong to this corporation, our earnings would be doubled, our future credit would be assured, and the completion of the unfinished section of seventy-six miles, between Waterbury, Connecticut, and the Hudson River, upon which $3,224,000 has already been expended, could be prosecuted at our convenience.

The sale of $4,000,000 of our new bonds at par would discharge the Hartford, Providence and Fishkill mortgage, and all other debts which are now a lien upon our property. The gross earnings of the two roads in their present incomplete state, estimated by the returns of the last two years, a period of great depression in railroad operations, would be at least $2,000,000, and the annual interest charge only $280,000. The two companies are now paying interest on $3,000,000. The net earnings of the Hartford, Providence

and Fishkill Road are largely in excess of the amount needed to discharge the interest on its debt of $2,000,000; and our own accounts for the current year, after paying operating expenses, renewals, taxes, rents, discounts, and interest on $1,000,000, and making cash purchases of steel rails to the amount of $64,000, show a surplus, which we have put into new equipment and new construction, but which, in case of necessity, could have been applied to interest on an additional million of bonds.

After the two roads have been united a further expenditure of about $3,000,000 will complete the unfinished portion. and supply the new buildings and equipment which the increased traffic will require. The whole debt will then be $7,000,000, which is a light burden upon a road three hundred and forty-five miles in length, extending from the great cities of Boston and Providence to the Hudson River, and there connecting with the great trunk lines to the West and Southwest of the Erie and the Pennsylvania Railway systems.

The remaining $3,000,000 of the authorized issue of bonds can be reserved for future emergencies, or deposited with the trustee named in the mortgage, as additional security for the $7,000,000 actually sold.

These figures contemplate united and harmonious action on the part of the State and the other stockholders which will lead to the taking of our new securities at or near their face value. This would be the part of true wisdom, especially for the State, which, being the largest stockholder, controls the management of the company, and is specially interested in its future prosperity. The stock it holds represents scrip advanced to the old company, upon which the State must pay, as interest, until the year 1900, $180,000 per annum. This annual burden must be met by taxation, except so far as the amount may be diminished by dividends received from the net earnings of this corporation after payment of interest on its new securities.

That such dividends will be earned and paid in the future your directors confidently believe, but the time and amount will depend largely upon the rate at which its mortgage bonds can be negotiated. Whatever is lost by way of discount increases unnecessarily the principal of its mortgage debt, and absorbs permanently a share of the earnings which would otherwise be paid to the stockholders.

Your directors, as trustees for the Commonwealth, and the individual stockholders have felt it to be their duty to present these considerations, as urgently as they can, before final action is taken with respect to the new loan.

Respectfully submitted,

By order of the Board,

WM. T. HART,

President

Boston, Nov. 27, 1877.

TREASURER'S REPORT.

EARNINGS AND EXPENSES OF THE ROADS OPERATED BY THE NEW YORK AND NEW ENGLAND RAILROAD COMPANY,

(Eastern, Southbridge, and Woonsocket Divisions,—139 miles,)

FOR THE YEAR ENDING SEPT. 30, 1877.

INCOME.

From Passenger	$421,147 08	
" Freight	477,399 77	
" Express and Extra Baggage	38,052 73	
" Mails	14,511 61	
" Passenger Car Service	10,161 74	
" Rent of Road (use of track)	3,678 00	
" Rent of Property	8,056 48	
" Gravel Account	1,777 43	
		$974,784 84
From Norwich and Worcester Division		35,552 00
Total Income		$1,010,336 84

EXPENSES.

Maintenance of Way and Buildings and Movement Expenses.

For Repairs of Road	$115,062 89	
" Iron rails laid, deducting old rails taken up ($318\frac{182}{240}$ tons)	5,747 98	
" Steel rails laid —		
New steel rails ($1,445\frac{500}{240}$ tons)	$84,399 67	
Deduct old rails taken up — ($1,008\frac{950}{240}$ tons)	20,068 03	
	64,331 64	
" New Ties (50,805)	17,266 13	
" Repairs of Bridges	17,049 65	
" Repairs of Buildings	14,326 88	
" Repairs of Machinery and Tools	5,629 40	
" Repairs of Fences, Road Crossings, and Signs	4,320 92	
" Removing Ice and Snow	5,049 58	
" Repairs of Locomotives	49,043 57	
" Repairs of Snow Ploughs	245 77	
Amounts carried forward	$298,074 41	$1,010,336 84

Amounts brought forward .	$298,074 41	$1,010,336 84
For Fuel for Engines and Cars —		
176 cords of wood cost . . $970 45; 13,773 tons of coal cost . . 75,965 46	76,935 91	
" Water and Water Stations .	7,362 41	
" Fuel for Stations and Shops .	6,003 59	
" Oil and Waste	5,509 33	
" Switchmen, Watchmen, Flag and Signal Men	23,967 37	
Total		$417,853 02

Passenger Traffic Expenses.

For Repairs of Passenger, Mail and Baggage Cars . . .	$23,211 36	
" Passenger Damages and Gratuities	143 98	
" Salaries, Wages, and Incidentals of Passenger Trains . .	78,398 58	
" Salaries, Wages, and Incidentals of Passenger Stations . .	47,774 30	
" Passenger Car Service . .	5,203 89	
Total		$154,732 11

Freight Traffic Expenses.

For Repairs of Freight Cars . .	$20,839 93	
" New Freight Cars . . .	777 26	
" Freight Damages and Gratuities	1,788 23	
" Salaries, Wages, and Incidentals of Freight Trains . . .	43,212 15	
" Salaries, Wages, and Incidentals of Freight Stations . .	53,884 70	
" Freight Car Service . . .	11,379 42	
Total		$131,881 69
Amounts carried forward . . .		$704,466 82 $1,010,336 84

Amounts brought forward . . .	$701,466 82	$1,010,336 84

General Traffic Expenses.

For Insurance Premiums and Losses by Fire	$5,945 82		
" Telegraph Expenses . . .	4,451 82		
" Legal Expenses, General Salaries, Office Expenses, and all other Operating Expenses not included in any of the above items	44,481 22		
Total		$54,878 86	
Total Operating Expenses			$759,345 68
NET INCOME ABOVE OPERATING EXPENSES, ...			$250,991 16

Taxes		$11,339 02	
Interest			
Paid on First Mortgage Bonds	$24,220 00		
Paid on Seven per cent notes of 1876	31,321 66		
Paid on Sundry Loans . .	12,944 50		
		68,486 16	
Discount on Bonds		12,000 00	
Rent of Property at Boston terminus . .		55,268 77	
Sundry items charged to Profit and Loss account, as of no value		33,375 61	
			$180,469 56
Balance for the Year, or Surplus			$70,521 60
Balance at Commencement of the Year . . .			62,051 07
Total Surplus, Sept. 30, 1877			$132,572 67

Dr. PROFIT AND LOSS ACCOUNT, SEPTEMBER 30, 1877. *Cr.*

To Operating Expenses			$759,345 68	By Balance from 1876	$62,051 07
" Taxes			11,339 02	" Income account for twelve months ending	
" Rent of property at Boston terminus . .			55,268 77	September 30, 1877	1,010,336 84
" Interest					
On First Mortgage Bonds	$24,220 00				
On Seven per cent notes of 1876	31,321 66				
On Notes payable . .	12,944 50				
			68,486 16		
" Discount on bonds . .			12,000 00		
" Sundry items charged off as of no value			33,375 61		
" Balance to new account .			132,572 67		
			$1,072,387 91		$1,072.387 91

Dr. GENERAL BALANCE SHEET, SEPTEMBER 30, 1877. *Cr.*

To Railroad Equipment and Property			By Capital Stock.		
As represented by B. H. & E. R. R. "Berdell Bonds"	$20,000,000 00		Amount actually issued	$5,695,000 00	
Underlying Liens, paid to obtain possession and perfect title	755,654 13		B. H. & E. R. R. "Berdell Bonds," entitling holders of same to stock in the New York & New England R. R. Co.	14,305,000 00	
New Construction by the New York & New England R. R. Co.	266,005 83				$20,000,000 00
New Equipment added by the New York & New England R. R. Co.	104,523 40		"First Mortgage, 7 per cent Bonds, due 1905		376,000 00
		$21,126,183 36	"Seven per cent notes of 1876		423,000 00
"Supplies and Material on hand		54,012 43	"Notes Payable		172,440 62
"Balances due from connecting roads and individuals		25,106 25	"Bills Payable (for supplies)		23,081 02
"Cash		7,820 86	"Balances due connecting roads		23,932 26
			"Cash Receipts on October account		62,096 33
			"Profit and Loss		132,572 67
		$21,213,122 90			$21,213,122 90

GEO. B. PHIPPEN, *Treasurer.*

ROLLING STOCK

ON THE EASTERN AND WOONSOCKET DIVISIONS.

Number of Locomotives and Tenders	31
" " Passenger Cars	62
" " Mail and Baggage Cars	13
" " Eight-Wheel Box Freight Cars	127
" " Four-Wheel Box Freight Cars	17
" " Eight-Wheel Platform Cars	133
" " Other Cars (coal, gravel, etc.)	161

Number of Locomotives equipped with Train Brakes	16
" " Cars equipped with Train Brakes	78
" " Passenger Cars with Miller Platform and Buffer	62
" " Other Cars " " " "	7

ON THE HARTFORD, PROVIDENCE AND FISHKILL DIVISION.

(*As reported to Railroad Commissioners in* 1876.)

Number of Locomotives and Tenders	35
" " Passenger Cars	37
" " Merchandise Cars	344
" " Baggage Cars	17
" " Gravel and other Cars	72

Number of Locomotives equipped with Train Brakes	22
" " Cars equipped with Train Brakes	57
" " Passenger and Baggage Cars equipped with the Miller Platform and Buffer	54

EXPENDITURES CHARGED TO PROPERTY ACCOUNT DURING THE YEAR.

Double track extension and improvements at Franklin	$28,271 65	
Land and land damages	5,447 11	
Equipment (2 new passenger cars, Nos. 50 and 51, built at the company's shops) . . .	8,600 05	
Underlying liens bought to secure title . .	28,881 23	
		$71,200 04
Deduct		
Amount of B. H & E. R. R. Receivers' Certificates of indebtedness and interest, heretofore assumed as a debt of this company, since paid by said receivers from funds in their hands .		11,250 00
Net addition to property account for the year,		$59,950 04

BRIDGES BUILT WITHIN THE YEAR.

The cost of which has been charged to operating expenses.

ON THE EASTERN DIVISION.

1876.			
November,	Silver st., So. Boston, overhead stringer, 1 span,	wood.	28 feet.
December,	West of Ironstone, overhead, 1 span,	"	26 "
1877.			
February,	Goshen, Conn., Single Track R. R., 1 sp.,	"	11 "
March,	Private Way, Dorchester, Double Track R R., stringer,	"	15 "
April,	Mill River, Double Track R. R., stringer,	"	39 "
"	East of Blackstone, overhead 3 span,	"	40 "
"	" " " "	"	40 "
"	West of Thompson, Single Tr. R. R., stringer,	"	25 "
"	" " " " " "	"	23 "
May,	" " Farm Pass, " " "	"	12 "
June,	Quinebaug, " " "	"	12 "
July,	Franklin, overhead 1 span stringer,	"	28 "
"	West of Jackson's, Single Track R. R., stringer,	"	21 "
August,	Second st., So. Boston, overhead stringer 1 span,	"	28 "
"	Walpole, Side Track R. R., stringer,	"	15 "
September,	West of North Windham, Single Track, Howe Truss,	"	59 "

ON THE WOONSOCKET DIVISION.

1877.			
March,	Medfield, Single Track R. R., stringer,	"	17 "

AMOUNT AND COST OF NEW AND RE-ROLLED IRON RAILS LAID DURING THE YEAR.

DATE.		T.	CWT.	QRS.	LBS.	PER TON.	COST.	TOTALS.
	RE-ROLLED IRON RAILS LAID.							
1877.								
May.	Washburn Iron Company . . .	103	1	2	22	$23 00	$2,370 95	
Aug.	" " " . . .	103	18	3	10	22 00	2,286 72	
Sept.	" " " . . .	90	15	0	0	22 00	1,996 50	
"	Freight paid	..	..	..	..	..	419 10	
	Total	297	15	2	4		$7,073 27	
	NEW IRON RAILS LAID.							
Sept.	E. G. Sweatt	21	0	3	2	$35 00	746 83	
		318	16	1	6			$7,820 10
	Deduct							
March.	Old Iron taken up: 99 tons, 15 cwt., 0 qrs., 0 lbs., at $21, $2,094 75							
	Less bill for weighing 22 63							2,072 12
	Total New and Re-rolled Iron laid	318	16	1	6			$5,747 98

AMOUNT AND COST OF STEEL RAILS LAID DURING THE YEAR.

DATE.		T.	CWT.	QRS.	LBS.	PER TON.	COST.	TOTALS.
1876.								
Oct.	Pennsylvania Steel Company . .	1,021	14	2	16	$58 00	$59,260 46	
"	" " " . .	21	1	1	20	52 40	1,104 14	
1877.								
May.	" " " . .	201	11	3	4	50 00	10,079 46	
June.	" " " . .	200	16	2	12	50 00	10,041 52	
	Freight, interest and insurance paid	..	..	..	..	..	3,914 09	
		1,445	4	1	24			$84,399 67
	Deduct							
Feb.	Old Iron taken up: 502 T., 6 cwt., 0 qrs., 8 lbs. at $19.80 per ton . $9,945 62							
March.	506 T., 2 cwt., 1 qr., 18 lbs., at $20.00 per ton . 10,122 41							20,068 03
		1,445	4	1	24			$64,331 64

THIRD ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW-YORK AND NEW-ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 3, 1878.

BOSTON:
FRANKLIN PRESS: RAND, AVERY, & CO.,
117 FRANKLIN STREET.
1878.

THIRD ANNUAL REPORT

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RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 3, 1878.

BOSTON:
FRANKLIN PRESS: RAND, AVERY, & CO.,
117 FRANKLIN STREET.
1878.

DIRECTORS.

WILLIAM T. HART	Boston.
JAMES STURGIS	"
JOHN GOLDTHWAIT	"
LEWIS HECHT	"
GEORGE W. BALDWIN	"
SAMUEL H. CARLTON	"
JOSEPH K. BAKER	Dennis.
GEORGE M. RICE	Worcester.
GEORGE S. MOULTON	Windham, Conn.
FREDERICK J. KINGSBURY	Waterbury, "
LeGRAND B. CANNON	New York.
R. SUYDAM GRANT	" "
JAMES ROOSEVELT	" "
GORHAM P. POMROY	Providence, R.I.
JESSE METCALF	" "

OFFICERS.

WILLIAM T. HART	*President.*
CHARLES P. CLARK	*General Manager.*
GEORGE B. PHIPPEN	*Treasurer.*
S. W. HATHEWAY	*Secretary.*
H. M. BRITTON	*Supt. Eastern Division.*
E. H. TUCKER	*Supt. Woonsocket Division.*
P. St. M. ANDREWS	*Supt. Norwich and Worcester Division.*

New York & New England Railroad

(For the year ending Sept. 30, 1878)

THIRD ANNUAL REPORT

OF THE

DIRECTORS

of this Company (formerly the Boston Hartford & Erie) entaining the following

To the Stockholders of the New-York and New-England Railroad Company.

THE Directors of the New-York and New-England Railroad Company respectfully submit their Third Annual Report, showing the transactions of the corporation during the year ending Sept. 30, 1878.

The gross receipts of the roads operated by the company, not including the Norwich and Worcester Railroad, have been $1,025,935 34

The operating expenses, taxes, rentals paid to connecting roads and for use of depot grounds and terminal lands in Boston, and the cost of steel rails purchased during the year, and of several iron bridges, have been . . 870,230 68

Showing net earnings, applicable to interest and permanent improvements, amounting to $155,704 66

During the year 1877 the Norwich and Worcester Railroad, which is operated by this company under a temporary arrangement terminable at short notice, paid from its earnings a profit of $35,552 above its rental. This year its net earnings have been reduced partly by reason of the unfortunate and unnecessary competition between the steamboat

(over)

lines doing business between New York and Boston, and it has been operated at a loss to this company of about $6,000. It is hoped that wiser counsels will prevail hereafter, and that by mutual agreement a return will be made to more remunerative rates.

The corporation has been put to unusual expense during the last year by reason of the rapid increase of the freight traffic over the road, which had far outgrown the existing facilities of the company for its economical management. The want of sufficient rolling stock has compelled the payment of mileage for the use of freight-cars belonging to other roads to an amount exceeding $24,000; and the very cramped condition of the depot and yard accommodation at the Boston terminus has added largely to the expense of loading and discharging the freight received. The company has also been in urgent need of proper machinery and tools in its workshops, and [illegible] the necessary repairs upon its engines and cars have been conducted under great disadvantage.

The recent acquisition of the Hartford, Providence, and Fishkill Railroad, has put the company in possession of well-equipped shops in Hartford, and has added largely to its rolling stock; and the purchase of Drake's Wharf during the last year, and the lease of the Commonwealth's flats in South Boston, have supplied other pressing deficiencies, and will enable it to conduct its business hereafter with greatly increased economy both of time and money.

No one can appreciate the discouraging disadvantage under which the company has labored, without a comparison of the terminal facilities it has hitherto possessed with those of other roads doing business in Boston. The handling of freight at its destination constitutes a large part of the cost of the traffic; and when, from insufficient depot ac-

commodation, trains are compelled to wait their turn, or be unloaded from the track, delay and confusion are inevitable, and cars are kept idle which ought to be earning money upon the road.

The last year has been an eventful one in the history of the corporation; and its varying fortunes have been illustrated by a decline in the market-value of its stock to ten dollars a share, and its subsequent advance to thirty dollars a share, which is not far from the present quotation.

In the last report reference was made to a legislative committee appointed to sit during the recess, and report to the next session of the legislature their recommendations as to "what action it may be expedient for the State to take in relation to its investment in the stock and securities of the New-York and New-England Railroad Company." The committee so appointed invited suggestions from the corporation; and your Directors deemed it to be their duty to make, in response to such invitation, as thorough a presentation as they could of the value and necessities of the property, and of the manifest interest of the State, as the largest stockholder and creditor, to lend its aid to the completion of the road. To this end they submitted a proposition that the Commonwealth should issue its scrip to the amount of $6,000,000, bearing interest at the rate of five per cent per annum, and apply the proceeds to the payment of the Hartford, Providence, and Fishkill mortgage, and other debts of the corporation, and to the completion of its road to the Hudson River; and that the company should enter into an obligation to pay the principal of said scrip at maturity, and the annual interest thereon; and should further pay to the treasurer of the Commonwealth, in equal semi-annual payments, until Jan. 1, 1900, the sum of $180,000 per annum;

and should secure the fulfilment of such obligation by the deposit, with such treasurer, of $9,000,000 of its first-mortgage bonds, being substantially all of its authorized issue.

The effect of this scheme would have been to enable the corporation to complete its road, and free it from debt, for an annual interest charge of $480,000; and it would have relieved the Commonwealth from an annual charge of $180,000, which it is now compelled to pay by reason of its advance of $3,600,000 to the old Boston, Hartford, and Erie Railroad Company in exchange for Berdell bonds, which have been foreclosed, and converted into stock in the New-York and New-England Railroad Company.

A majority of the committee did not favor this proposition; but it was embodied in their report to the legislature at its last session, and was again considered by the Committee on Railroads, to whom the report was referred. After several protracted hearings, this committee reported a bill in substantial conformity with the proposition made by the Directors. The bill so reported was referred to the Committee on Finance, who gave the matter their independent consideration; and, upon their recommendation that the bill "ought not to pass," its further consideration was postponed in the House by a very decisive vote.

This result was not unexpected by your Directors, and was concurred in by many members of both houses, who were personally well disposed toward the road, but who felt "that the time has arrived when railroad projects should stand upon their own merits, and not lean on the State for support; and that the State should refuse aid in all such cases, whatever may be the outlook for financial success."

The proceedings before the legislature, which led to the consideration of the expediency of granting further aid to

the corporation by the State, were not originated by your Directors; but, as the chance of receiving such aid had seemed to prevent any successful negotiations for the purchase of our securities by the individual holders of stock and Berdell bonds, it was thought desirable to press the matter to a final conclusion. The duty was not an agreeable one; but the results which have followed the very decisive action of the legislature have shown the wisdom of settling forever this vexed question.

Within six months from the date of the adverse report of the Committee on Finance, a sufficient number of our mortgage bonds had been negotiated and sold, to enable the corporation to discharge the Hartford, Providence, and Fishkill debt, and obtain peaceable possession of that road. This quick result is largely due to the very efficient services of Messrs. F. F. Emery, John Goldthwait and S. A. Carlton, a committee appointed at a meeting of some of the large holders of stock and Berdell bonds, called together by the Directors, for consultation, soon after the adjournment of the legislature. Neither of these gentlemen had had any previous connection with the corporation; and, before interesting themselves in the matter of the loan, they made a careful and thorough examination into the condition and resources of the property. They became convinced of its great value, and that its future prosperity and credit would be assured as soon as possession could be obtained of the Hartford, Providence, and Fishkill Road. To accomplish this end they recommended the sale of $3,000,000 of our first-mortgage bonds; but so much doubt had been suggested before the legislature as to the power of the corporation to obtain a surrender of that road, even upon payment of its mortgage debt, that great difficulty was experienced in procuring the necessary subscriptions.

On the first day of October, ~~however~~, a sufficient amount had been secured, ~~and was in the treasury of the company;~~ and, in accordance with previous notice, payment of the Hartford, Providence, and Fishkill bonds, secured by mortgage of its road in Connecticut, was commenced in Hartford. On the 18th of the same month, the road was surrendered to this corporation, under decree of the United-States Court, by the trustees in possession.

These proceedings were watched with great interest by the community; and the immediate result was a rapid increase in the market-price of the capital stock and Berdell bonds, and a steady demand for the authorized issue of the New-York and New-England mortgage securities at something like their real value.

The corporation has been fortunate in securing the co-operation of Messrs. Kidder, Peabody, & Co., who, after much time spent, with the aid of experts in examining the property, accepted the financial agency of the company, and by whom all future issues of its bonds are to be approved before they can be certified by the trustee named in its mortgage.

On the 2d of November ~~your~~ Directors availed themselves of the improved credit of the company, by paying the over-due note held by the State treasurer, amounting to $250,000; and the Commonwealth ~~now stands in no other relation to the corporation than that of~~ is now merely a stockholder.

Although the report now submitted purports to give only the transactions of the company for the year ending Sept. 30, 1878, your Directors have deemed it proper to note the important results accomplished since that date, as they afford a new starting-point from which the stockholders can measure the progress of the corporation.

mortgage bonds

The road from Franklin to Valley Falls, of which mention was made in the last report, has been successfully operated by this corporation during the last year, and has received a fair proportion of the freight and passenger business between Boston and Providence. It will in the future become of still greater advantage by connecting the Hartford, Providence, and Fishkill Road with Boston.

A good deal of money has been spent during the last year, and charged to expenses, for much needed changes and improvements at or near the Boston terminus, made imperative by the increased business which must follow the acquisition of the Hartford, Providence, and Fishkill Road, and by the termination of a lease of land, round-house, and machine-shops, belonging to the Boston Wharf Company.

The purchase of Drake's Wharf has given us greatly extended yard accommodation on Federal Street, adjoining our passenger and freight depot; and a temporary arrangement has been effected with the land commissioners of the Commonwealth for the use of twenty-five acres of land belonging to the State, with convenient docks, which give us immediate communication with the ocean and coasting traffic, which has been so profitable to other railroads, but from which we have been hitherto debarred.

We have also purchased, at a small fraction of their cost, the land and buildings adjoining our track at Readville, with steam-engine, belting and other fixtures, formerly belonging to the New-England Iron Company, and admirably adapted to immediate use for machine-shops.

A convenient round-house is now in process of construction on land of the Boston Wharf Company, which we hold under a contract for future purchase; and the corporation will soon be in condition to conduct its business with the appointments of a first-class road.

Your Directors believe that these expenditures will be justified by future results, and they congratulate the stockholders on the substantial progress made by the corporation during a year which began under great discouragement.

They believe that the future of the enterprise is now assured, and that its improved credit will enable the company to resume work in the early spring upon the unfinished portion of its road. Respectfully submitted.

By order of the Board,

WM. T. HART, *President.*

BOSTON, Nov. 26, 1878.

(13)

TREASURER'S REPORT.

EARNINGS AND EXPENSES OF THE ROADS OPERATED BY THE NEW-YORK AND NEW-ENGLAND RAILROAD COMPANY,

(Eastern, Southbridge, Providence, and Woonsocket Divisions, — 152 miles,)

FOR THE YEAR ENDING SEPT. 30, 1878.

INCOME.

From Passenger	$428,932 88	
" Freight	505,809 19	
" Express and extra baggage	48,704 38	
" Mails	15,947 54	
" Passenger-car service	6,893 56	
" Rent of road (use of track)	9,581 00	
" Rent of property	10,066 80	
Total income		$1,025,935 34

EXPENSES.

Maintenance and Movement Expenses.

For Repairs of road	$115,571 06	
" Iron rails laid, deducting old rails taken up	3,626 69	
" Steel rails laid (1,000 $\frac{1000}{2240}$ tons)	48,678 04	
" New ties (84,205)	26,356 67	
" Repairs of bridges	22,087 68	
" Repairs of buildings	19,163 09	
" Repairs of machinery and tools	4,143 02	
" Repairs of fences, road-crossings and signs	5,778 73	
" Removing ice and snow	679 72	
" Repairs of locomotives	48,208 75	
" Fuel for engines and cars: — 16,312 tons of coal, cost	76,929 35	
" Water and water stations	7,883 41	
" Fuel for stations and shops	4,390 22	
" Oil and waste	5,565 25	
" Switchmen, watchmen, flag and signal men	25,280 73	
Total	$414,342 41	
Amounts carried forward	$414,342 41	$1,025,935 34

Amounts brought forward	$414,342 41	$1,025,935 34

Passenger Traffic Expenses.

For Repairs of passenger, mail, and baggage cars	$21,696 66	
" Passenger damages and gratuities	3,464 25	
" Salaries, wages, and incidentals of passenger-trains . . .	84,147 71	
" Salaries, wages, and incidentals of passenger-stations . .	46,597 85	
" Passenger-car service . .	3,174 36	
Total		159,080 83

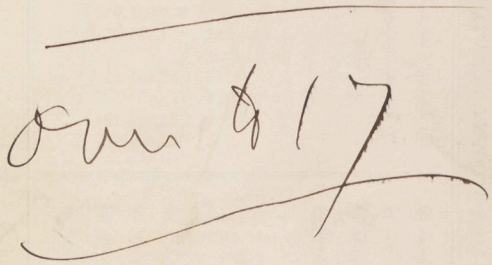
Freight Traffic Expenses.

For Repairs of freight-cars. . . .	$17,851 01	
" Freight damages and gratuities.	1,770 01	
" Salaries, wages, and incidentals of freight-trains . . .	53,457 21	
" Salaries, wages, and incidentals of freight-stations . . .	71,244 73	
" Freight-car service . . .	24,032 51	
Total		168,355 47

General Traffic Expenses.

For Insurance premiums and losses by fire	$3,951 68	
" Telegraph expenses . . .	4,938 68	
" Legal expenses, general salaries, office expenses, and all other operating expenses not included in any of the above items .	46,895 79	
Total		55,787 15
Total operating expenses		797,565 80
NET INCOME ABOVE OPERATING EXPENSES . . .		$228,369 48
Amount paid other companies as rent for use of road . .		22,781 63
NET INCOME ABOVE OPERATING EXPENSES AND RENT OF OTHER ROADS		$205,587 85
~~*Amount carried forward*~~		~~$205,587 85~~

~~*Amount brought forward* . . . . . .~~			~~$205,587 85~~
Taxes		$10,830 98	
Interest: —			
Paid on first mortgage bonds . .	$26,320 00		
Paid on seven per cent notes of 1876	29,435 00		
Paid on sundry loans . . .	26,000 00		
		81,755 00	
Discount on bonds		4,800 00	
Rent of property at Boston terminus . .		39,052 21	
			136,439 06
Balance for the year, or surplus			$69,148 76
Balance at commencement of the year . . .			132,572 67
Total surplus Sept. 30, 1878			$201,721 43



Dr. PROFIT AND LOSS ACCOUNT, SEPT. 30, 1878. *Cr.*

To Operating expenses			$797,565 86	By Balance from 1877	$132,572 67
" Rent of other roads			22,781 63	" Income account for twelve months ending Sept. 30, 1878	1,025,935 34
" Taxes			10,830 98		
" Rent of property at Boston terminus			39,052 21		
" Interest: —					
On first mortgage bonds	$26,320 00				
On seven per cent notes of 1876	29,435 00				
On notes payable	26,000 90				
			81,755 90		
" Discount on bonds			4,800 00		
" Balance to new account			201,721 43		
			$1,158,508 01		$1,158,508 01

Dr. GENERAL BALANCE-SHEET, SEPT. 30, 1878. *Cr.*

To Railroad Equipment and Property, as represented by B. H. and E. R.R. "Berdell Bonds"	$20,000,000 00		By Capital Stock:—		
" Underlying Liens, paid to obtain possession and perfect title	796,966 38		Amount actually issued	$5,817,000 00	
" New Construction by the New-York and New-England R.R. Co.	452,077 26		B. H. and E. R.R. "Berdell Bonds," entitling holders of same to stock in the New-York and New-England R.R. Co.	14,183,000 00	
" New Equipment added by the New-York and New-England R.R. Co.	170,456 42				$20,000,000 00
		$21,419,500 06	" First Mortgage seven per cent Bonds, due 1905		400,000 00
" Supplies and Material on hand		68,415 97	" Seven per cent notes of 1876		376,000 00
" Balances due from connecting roads and individuals		24,077 86	" Mortgage note		125,000 00
" Cash		29,803 87	" Notes payable		219,977 24
			" Accounts payable (for coal)		18,752 88
			" Balances due connecting roads		120,632 97
			" Cash receipts on October account		79,712 74
			" Profit and Loss		201,721 43
		$21,541,797 26			$21,541,797 26

GEO. B. PHIPPEN, *Treasurer.*

ROLLING STOCK.

ON THE EASTERN AND WOONSOCKET DIVISIONS.

Number of	Locomotives and tenders	36
"	" Passenger-cars	65
"	" Mail and baggage cars	13
"	" Eight-wheel box freight-cars	148
"	" Four-wheel box freight-cars	17
"	" Eight-wheel platform-cars	154
"	" Other cars (coal, gravel, etc.)	163

Number of	Locomotives equipped with train-brakes	20
"	" Cars equipped with train-brakes	76
"	" Passenger-cars with Miller Platform and Buffer	63
"	" Other cars with Miller Platform and Buffer	10

ON THE HARTFORD, PROVIDENCE, AND FISHKILL DIVISION.

Number of	Locomotives and tenders	35
"	" Passenger-cars	37
"	" Merchandise-cars	344
"	" Baggage-cars	17
"	" Gravel and other cars	72

Number of	Locomotives equipped with train-brakes	22
"	" Cars equipped with train-brakes	57
"	" Passenger and baggage cars equipped with the Miller Platform and Buffer	54

EXPENDITURES CHARGED TO PROPERTY ACCOUNT DURING THE YEAR.

Double track extension and improvements at Franklin	$7,499 82	
Real estate	7,115 88	
New stations	6,453 91	
Machine-shops and engine-house	14,813 61	
Wharf property at Boston terminus, and improvements on the same	150,188 21	
Underlying liens bought to secure title	41,312 25	
		$227,383 68
Equipment: —		
Five locomotives, Nos. 1, 35, 36, 37, 38	$33,372 00	
Four passenger-cars built at the company's shops, Nos. 52, 53, 56, 57	14,224 35	
Ten platform-cars	3,666 86	
Ten platform-cars built at the company's shops	3,407 91	
Twenty-five box-cars built at the company's shops,	11,261 90	
		65,933 02
Addition to property accounts for the year		$293,316 70

BRIDGES BUILT WITHIN THE YEAR

The cost of which has been charged to operating expenses.

ON THE EASTERN DIVISION.

1877.			
October,	East of City Mills, railroad stringer	wood,	12 feet.
November,	Cottage Street, Dorchester, railroad plate girder	iron,	41 "
"	Cedar Street, Oakdale, highway bowstring truss,	"	38 "
"	Oakdale, railroad stringer	wood,	13 "
"	East of Walpole, railroad stringer	"	14 "
1878.			
February,	East of Sandersdale, railroad lattice truss	"	27 "
June,	East of Highland Lake, railroad stringer	"	20 "
August,	Drake's Wharf, Boston, railroad pile trestle	"	300 "
September,	Bald Hill, Bellingham, railroad stringer	"	22 "

ON THE WOONSOCKET DIVISION.

1877.			
November,	East Blackstone, railroad stringer	"	358 "
1878.			
April,	Charles River Village, highway stringer	"	94 "

AMOUNT AND COST OF NEW AND RE-ROLLED IRON RAILS LAID DURING THE YEAR.

Date.			T.	Cwt.	Qrs.	Lbs.	Per Ton.	Cost.	Totals.
1878.	Re-rolled Iron Rails.								
May.	Washburn Iron Company . .		267	5	..	..	$22 00	$5,879 50	
Sept.	New iron rails laid		100	12	3	2	36 00	3,622 98	
	Freight paid		..	..	..	..	..	435 09	
									$9,937 57
	Deduct old iron sold: —								
	91 tons, 16 cwt., 8 lbs., at $20 per ton, . .	$1,836 05							
	46 tons, 7 cwt., 1 qr., at $18.50 per ton .	857 70							
	212 tons, 15 cwt., 1 qr., 22 lbs., at $17 per ton . . .	3,617 13							
			..	..	..	..	..	..	6,310 88
	Totals		367	17	3	2	..	..	$3,626 69

AMOUNT AND COST OF STEEL RAILS LAID DURING THE YEAR.

Date.		T.	Cwt.	Qrs.	Lbs.	Per Ton.	Cost.	Totals.
1877.								
Dec.	Pennsylvania Steel Company .	407	13	..	4	$46 00	$18,751 98	
1878.								
July.	Pennsylvania Steel Company .	593	3	3	20	46 00	27,287 04	
	Freight interest and insurance paid	..	..	..	..	..	2,639 02	
	Totals	1,000	16	3	24	..	..	$48,678 04

REPORT OF THE AUDITING COMMITTEE OF STOCKHOLDERS APPOINTED AT THE ANNUAL MEETING DEC. 4, 1877.

Boston, Nov. 26, 1878.

To the Stockholders of the New-York and New-England Railroad Company.

Gentlemen, — Your Committee, appointed at the last Annual Meeting of the stockholders to audit the accounts of the Company, beg leave to report that they have performed their duty, making monthly examinations of the books, vouchers, balance-sheet, and stock-ledger, for the year ending Sept. 30, 1878, and that they find them to be correct, that all moneys paid out are properly vouched for, and the receipts from all sources duly accounted for.

HENRY N. STONE,
JOHN GOLDTHWAIT,
Of the Committee.

New-York & New Engl.d
1879

FOURTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW-YORK AND NEW-ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 2, 1879.

BOSTON:
FRANKLIN PRESS: RAND, AVERY, & CO.,
117 FRANKLIN STREET.
1879.

FOURTH ANNUAL REPORT

TO THE

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RAILROAD COMPANY,

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TUESDAY, DEC. 2, 1879.

BOSTON:
FRANKLIN PRESS: RAND, AVERY, & CO.,
117 FRANKLIN STREET.
1879.

DIRECTORS,

ELECTED DECEMBER, 1878.

WILLIAM T. HART	Boston.
JAMES STURGIS	"
JOHN GOLDTHWAIT	"
LEWIS HECHT	"
SAMUEL A. CARLTON	"
THOMAS NICKERSON	"
JOSEPH K. BAKER	Dennis.
GEORGE M. RICE	Worcester.
GEORGE S. MOULTON	Windham, Conn.
FREDERICK J. KINGSBURY	Waterbury, "
LeGRAND B. CANNON	New York.
JAMES ROOSEVELT	" "
*R. SUYDAM GRANT	" "
GORHAM P. POMROY	Providence, R.I.
JESSE METCALF	" "

OFFICERS.

WILLIAM T. HART	*President.*
*CHARLES P. CLARK	*General Manager.*
GEORGE B. PHIPPEN	*Treasurer.*
S. W. HATHEWAY	*Secretary.*

* Resigned, and Gen. James H. Wilson elected Director and Vice-President with the powers of General Manager.

FOURTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS.

To the Stockholders of the New-York and New-England Railroad Company.

The Directors of the New-York and New-England Railroad Company, in presenting their Fourth Annual Report, congratulate the stockholders on the substantial progress made by the corporation during the past year in earnings and credit.

The gross receipts of the roads operated by the company, not including the Norwich and Worcester Railroad, have been	$1,971,536 43
The operating expenses, taxes, rental paid to connecting roads and for use of depot grounds and terminal lands in Boston, and the cost of steel rails purchased during the year, and of several bridges, have been	1,506,583 16
Showing net earnings, applicable to interest and permanent improvements, amounting to . .	$464,953 27
This result involved the carrying *one mile* 36,654,669 tons of freight at an average revenue per ton-mile	0.0280
36,158,951 passengers at an average fare per mile of	0.0215

These figures include the earnings of the Hartford, Providence and Fishkill Railroad which has been acquired by this corporation during the past fiscal year. The two roads had been so long under independent management, that it required some months of joint operation before they could be brought into satisfactory and profitable business relations. The results of the year do not therefore constitute a sufficient test of the capabilities of the property.

The bonded debt has been increased by the payment of the mortgage bonds, interest and trust indebtedness, of the Hartford, Providence and Fishkill Railroad, amounting to $2,815,186.80, and by the payment of $749,863.85 of bonds and coupons secured by mortgages on the other divisions of your property, of which last-named obligations there yet remain out-standing about $60,000 with the accrued interest thereon.

In the last Report of the Directors the hope was expressed that the corporation would be able to resume work in the early spring upon the unfinished portion of the road, but the necessity of new surveys and the settlement of land damages, and other opposing circumstances, have prevented this being realized.

The plans for the extension of the road as far as Brewster's station, where it connects with the Harlem Railroad, are now matured, and the Directors confidently expect through trains from Providence and Boston will be running to that point before the first of next October, contracts for its completion having been made since the close of the fiscal year.

The credit of the corporation has been steadily improving; an issue of $1,250,000 of bonds which a year ago could hardly have been sold at .90 having been taken by bankers in Boston, after active competition, at 106.89. These bonds are to be issued as the work on the unfinished portion of the road progresses, and will supply the means for its completion to Brewster's, and for adding to equipment of the road.

We have continued to operate the Norwich and Worcester Railroad (under a temporary arrangement terminable at short notice), with some loss to this company, mostly attributable, we think, to the very low rates of freight and passenger business between New York and Boston.

It is to be hoped that the managers of all the lines between New York and Boston will, at an early day, agree upon some uniform and remunerative charge for doing the business, or upon a plan for pooling the same.

Negotiations for a modification of the Norwich and Worcester agreement are still pending, but no satisfactory result has yet been reached.

The road from Franklin to Valley Falls continues to be operated by this company, and proves to be of some use in connection with the Providence division.

Your locomotive machine-shops at Readville have been greatly improved by the addition of new machinery and tools, which were very much needed to bring it up to the present requirements of the road, the cost of new tools alone set up during the year being $12,000.

The round-house, reported in our last as in process of construction, has been completed with stalls for nineteen engines.

Your shops at Norwood, for the construction and repair of cars, were put up none too soon, nor are they too large for the company's present wants. Besides the regular repairs of cars, there have been built four new passenger and one hundred and twenty-six new box freight cars.

It has been found expedient to extend the double track one mile beyond Norwood, and, indeed, with the growth of the company's business, it is evident that the double track must soon extend at least to Franklin; and, in this connection, stockholders will note that of the item of $218,000 for repairs of road (the first one in the expense account, page 11), fully $35,000 is for double track at Norwood and Putnam, and for sidings at Boston, Wadsworth, Hampton, Willimantic, Andover and East Hartford, nearly all of which are really so much double track, and built for that use hereafter.

The expense of most of the improvements, with $40,000 for steel rails, and $14,000 for new iron (the actual amounts are $110,000 steel rails, $54,000 new iron, but they were largely paid for by old rails), have been charged to operating expenses, as have also repairs of bridges, including eight bridges, new and renewed, costing $49,000.

These eight bridges, are in addition to the item of $7,689.55 charged to property account, page 17.

What was said in the last report of the unusual expense to the corporation by reason of the great increase of freight traffic, stimulated by low rates and unhealthy competition, and compelling this corporation to pay heavy mileage balances and increased terminal expenses, has been true also the past year to a great extent. Nor has the relief expected from the lease of the Commonwealth flats in South Boston been fully realized, as we have been deprived by unexpected circumstances of the full use of that property, our tenure of which is so uncertain, that it has been considered expedient to secure the right to some fifty acres adjoining, now being filled for use.

The permanent adjustment of the whole matter of terminal facilities with the Commonwealth and other owners of suitable property in the vicinity of our present depots, is a matter of grave importance, and is now receiving careful consideration by the management. Without additional grounds and buildings, neither the local nor export business of the company at Boston can be materially increased, and the same is true at Providence, Hartford, and other points on the line. In short, the two great wants of the company now are terminal facilities and freight-cars.

To whatever cause we should attribute the advance in the market-price of the stocks and securities of the road, stockholders will remember that it lays at least one new burden directly on the corporation's treasury, — that is, it greatly increases taxation, from $10,000

last year to some $40,000 this year (not fully shown in our Report, because the tax and fiscal years do not coincide), and probably much more hereafter, as the Berdell bonds are converted into stock.

The corporation has lost the services of Mr. Charles P. Clark, its efficient General Manager, who had been long connected with the property, and whose zeal and energy and abundant resources aided much in its development. His resignation took effect Sept. 30; and he is now travelling with his family in Europe, enjoying the rest which he has earned by many years of faithful service.

The place made vacant by the retirement of Mr. Clark has been filled by the election of Gen. James H. Wilson as Director and as Vice-President, with the powers of General Manager.

Gen. Wilson's thorough technical training at West Point and elsewhere as an engineer, his successful army record, and his experience in building as well as operating railroads, seem to specially qualify him for his new position.

In conclusion your Directors take pleasure in testifying to the fidelity and zeal with which the employés and officers of the road in all the departments have performed the duties of their various stations.

Respectfully submitted,

By order of the Board.

WILLIAM T. HART, *President.*

Boston, Nov. 25, 1879.

INCOME AND EXPENSE ACCOUNT FOR THE YEAR ENDING SEPT. 30, 1879.

INCOME.

From Passenger	$788,216 95	
" Freight	1,058,722 34	
" Express and extra baggage	57,121 81	
" Mails	25,013 50	
" Passenger-car service	4,436 88	
" Rent of buildings and lands	38,024 95	
Total income		$1,971,536 43

EXPENSES.

Maintenance and Movement Expenses.

For Repairs of road	$218,225 73		
" Iron rails laid (1,652$\frac{217}{240}$ tons)	14,678 91		
" Steel rails laid (2,316$\frac{188}{240}$ tons)	40,357 41		
" New ties (110,616)	34,685 26		
" Repairs of bridges	49,802 62		
" Repairs of buildings	28,521 84		
" Repairs of machinery and tools,	10,685 64		
" Repairs of fences, road-crossings, and signs	6,457 64		
" Removing ice and snow	1,110 46		
" Repairs of locomotives	67,294 76		
" Fuel for engines and cars	149,988 73		
" Water and water-stations	14,954 43		
" Fuel for stations and shops	10,456 81		
" Oil and waste	7,870 33		
" Switchmen, watchmen, flag and signal men	54,115 40		
Total		$709,205 97	
Amounts carried forward		$709,205 97	$1,971,536 43

Amounts brought forward . . .		$709,205 97	$1,971,536 43

Passenger Traffic Expenses.

For Repairs of passenger, mail, and baggage cars . .	$50,915 37		
" Passenger damages and gratuities	16,449 50		
" Salaries, wages, and incidentals of passenger-trains	131,042 50		
" Salaries, wages, and incidentals of passenger-stations	101,324 60		
Total		299,731 97	

Freight Traffic Expenses.

For Repairs of freight-cars . .	$37,942 88		
" Freight damages and gratuities	3,326 93		
" Salaries, wages, and incidentals of freight-trains .	105,073 66		
" Salaries, wages, and incidentals of freight-stations.	155,637 74		
" Freight-car service . .	47,669 09		
Total		349,650 30	

General Traffic Expenses.

For Insurance premiums and losses by fire	$6,511 16		
" Telegraph expenses . .	11,766 44		
" Legal expenses, general salaries, office expenses, and all other operating expenses not included in any of the above items . . .	52,525 47		
Total		70,803 07	
Total operating expenses . . .			$1,429,391 31
NET INCOME ABOVE OPERATING EXPENSES . .			$542,145 12
Amount paid other companies as rent for use of road .			59,400 66
NET INCOME ABOVE OPERATING EXPENSES AND RENT OF OTHER ROADS			$482,744 46
Amount carried forward			$482,744 46

Amount brought forward			$482,744 46
Taxes		$17,791 19	
Interest: —			
Paid on first mortgage bonds,	$229,525 10		
Paid on sundry loans . .	32,405 09		
		261,930 19	
			279,721 38
Balance for the year, or surplus			$203,023 08
Balance at commencement of the year . . .			201,721 43
Total surplus Sept. 30, 1879			$404,744 51

Dr. PROFIT AND LOSS ACCOUNT, SEPT. 30, 1879. *Cr.*

To Operating expenses		$1,429,391 31	By Balance from 1878		$201,721 43
" Rent of other roads		59,400 66	" Income account for twelve months ending		
" Taxes		17,791 19	Sept. 30, 1879		1,971,536 43
" Interest: —					
On first mortgage bonds .	$229,525 10				
On notes payable . . .	32,405 09				
		261,930 19			
" Balance to new account		404,744 51			
		$2,173,257 86			$2,173,257 86

Dr. GENERAL BALANCE-SHEET, SEPT. 30, 1879. *Cr.*

To Railroad Equipment and Property, as represented by B. H. and E. R R. "Berdell Bonds"		$20,000,000 00		By Capital Stock: —	
Underlying Liens, paid to obtain possession and perfect title, and new Construction and new Equipment added by the New-York and New-England R.R. Co. . .		5,294,202 73		Amount actually issued .	$6,136,000 00
		$25,294,202 73		B. H. and E. R.R. "Berdell Bonds," entitling holders of same to stock in the New-York and New-England R.R. Co. . . .	13,864,000 00
" Supplies and material on hand . . .		105,164 09			$20,000,000 00
" Balances due from connecting roads and individuals		103,765 03		" First Mortgage 7 per cent Bonds, due 1905	4,708,000 00
" Cash		68,904 42		" Mortgage note	125,000 00
				" Notes payable	176,512 73
				" Interest unpaid	3,535 00
				" Balances due connecting roads . . .	53,506 72
				" Cash receipts on October account . .	100,737 31
				" Profit and Loss	404,744 51
		$25,572,036 27			$25,572,036 27

GEO. B. PHIPPEN, *Treasurer.*

ROLLING STOCK.

Number of	Locomotives and tenders	76
"	" Passenger-cars	110
"	" Mail and baggage cars	24
"	" Eight-wheel box freight-cars	455
"	" Four-wheel box freight-cars	17
"	" Eight-wheel platform-cars	352
"	" Other cars (coal, gravel, &c.)	257

Number of	Locomotives equipped with train-brakes	50
"	" Cars equipped with train-brakes	134
"	" Passenger-train cars with Miller Platform and Buffer	132

EXPENDITURES CHARGED TO PROPERTY ACCOUNT DURING THE YEAR.

Ridge Hill Branch extension . . .	$15,910 87	
Land and land damages	81,042 92	
New stations	7,624 93	
Machine-shops and engine-house . . .	32,487 53	
New bridges	7,689 55	
Wharf property at Boston terminus, and improvements on the same	56,785 69	
Payments to obtain possession of the Hartford, Providence, and Fishkill Railroad	2,815,186 80	
Underlying liens bought to secure title . .	749,863 85	
		$3,766,592 14
Equipment: —		
Six locomotives, Nos. 3, 11, 39, 40, 41, 42,	$40,500 00	
Four passenger-cars built at the company's shops, Nos. 58, 59, 60, 61 . . .	14,539 34	
One hundred and twenty-six box-cars built at the company's shops	48,311 71	
Forty-nine gravel-cars	4,759 48	
		108,110 53
Addition to property accounts for the year . .		$3,874,702 67

BRIDGES BUILT WITHIN THE YEAR.

(*The cost of which has been charged to operating expenses.*)

1878.

November, South Boston Flats, trestle, wood, new.
" Readville, girder, iron, renewed.
December, Newton Centre, highway, wood, renewed.

1879.

April, East Chester Park, Howe truss, wood, renewed.
May, Blackstone, Howe truss, wood, renewed.
June, Millville, Howe truss, wood, renewed.
July, Ridge Hill, highway, wood, new.
August, Dedham, highway, wood, renewed.
September, Islington, highway, wood, renewed.

AMOUNT AND COST OF NEW AND RE-ROLLED IRON RAILS LAID DURING THE YEAR.

DATE.		T.	Cwt.	Qrs.	Lbs.	Per Ton.	Cost.	Totals.
1878.	RE-ROLLED IRON RAILS.							
Oct.	Washburn Iron Company . .	535	9	1	4	$22 00	$11,780 22	
1879.								
Mar.	" " " . .	117	8	3	10	20 00	2,348 84	
	NEW IRON RAILS.							
July.	James P. Lowrey, atty. . .	1,000	..	..	18	34 25	34,250 27	
	Fish plates, bars, and bolts .	..	..	..	..	..	2,309 84	
	Freight, interest, and insurance paid	..	..	..	..	..	3,483 01	
								$54,172 18
	Deduct old iron sold:—							
	1,168 tons, 19 cwt., 2 qrs., 3 lbs., at $19.-31¾ per ton . . $22,581 29							
	178 tons, 6 cwt., at $34.25 per ton . 6,106 77							
	540 tons, 5 cwt., 26 lbs., at $20 per ton, 10,805 21							
		..	..	..	..	..	..	39,493 27
	Totals	1,652	19	1	4	..	..	$14,678 91

AMOUNT AND COST OF STEEL RAILS LAID DURING THE YEAR.

DATE.		T.	Cwt.	Qrs.	Lbs.	Per Ton.	Cost.	Totals.
1878.								
Nov.	Pennsylvania Steel Company .	144	8	..	24	$40 00	$5,776 43	
Dec.	Rensselaer Iron and Steel Company	502	5	..	..	45 00	22,601 25	
1879.								
May.	Pennsylvania Steel Company .	595	3	..	4	45 00	26,781 83	
Aug.	" " " .	404	9	1	4	45 00	18,200 89	
Sept.	Bethlehem Iron Company .	670	6	3	4	45 00	30,165 28	
	Fish plates, bars, and bolts .	..	..	..	..	..	2,004 76	
	Freight, interest, and insurance paid	..	..	..	..	..	4,826 97	
								$110,357 41
	Deduct old iron sold:—							
	2,500 tons, at $28 . . .	..	..	..	..	..	..	70,000 00
	Totals	2,316	12	1	8	..	..	$40,357 41

FIFTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 7, 1880.

BOSTON:
ALFRED MUDGE & SON, PRINTERS,
No. 34 SCHOOL STREET.
1880.

FIFTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 7, 1880.

BOSTON:
ALFRED MUDGE & SON, PRINTERS,
NO. 34 SCHOOL STREET.
1880.

DIRECTORS

OF THE

NEW YORK AND NEW ENGLAND RAILROAD CO.

FOR THE YEAR 1879-80.

WILLIAM T. HART	BOSTON, MASS.
JAMES H. WILSON	" "
JAMES STURGIS	" "
THOMAS NICKERSON	" "
JOHN GOLDTHWAIT	" "
SAMUEL A. CARLTON	" "
GEORGE P. CARTER	CAMBRIDGE, MASS.
HARRISON HARWOOD	NATICK, "
JOSEPH K. BAKER	DENNIS, "
JESSE METCALF	PROVIDENCE, R. I.
GORHAM P. POMROY	" "
FREDERIC J. KINGSBURY	WATERBURY, CONN.
GEORGE S. MOULTON	WINDHAM, "
LEGRAND B. CANNON	NEW YORK, N. Y.
R. SUYDAM GRANT	" "

OFFICERS.

WILLIAM T. HART	*President.*
JAMES H. WILSON	*Vice-President.*
GEORGE B. PHIPPEN	*Treasurer.*
JAMES W. PERKINS	*Secretary.*

FIFTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS.

To the Stockholders of the New York and New England Railroad Company:

THE Board of Directors respectfully submit their fifth annual report, showing the transactions of the corporation during the fiscal year ending Sept. 30, 1880.

LINES OPERATED BY THE COMPANY.

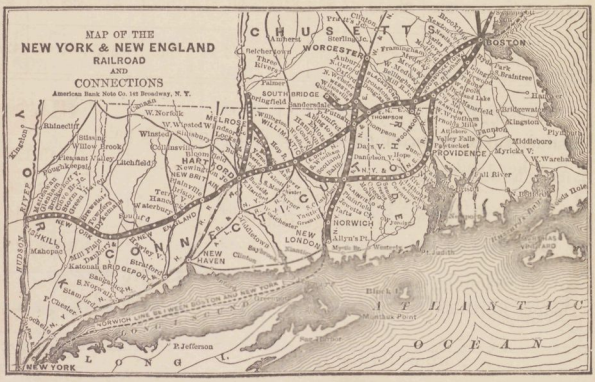
OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Waterbury	149.66	18.02		
Providence to Willimantic	58.50			
Brookline to Woonsocket	33.75			
East Thompson to Southbridge . . .	17.50			
Islington to Dedham	2.00			
Charles River to Ridge Hill	1.64			
Dorrance St. Track, Providence . . .	.82			
Total owned and operated by this Company	263.87	18.02	62.78	344.67

Leased by the Company.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point	66.4		13.9	
R. I. & M. R. R.				
Franklin to Valley Falls	13.6			
Rockville R. R.				
Vernon to Rockville	4.4			
Connecticut Central R. R.				
Springfield to East Hartford, and Melrose to West St.	34.25			
Total Leased Lines operated by the Company	52.25		2.31	134.86
Total Miles Road operated	382.52	18.02	78.99	479.53

In addition to the above the Company owns the road (nearly finished) from Waterbury to Hopewell Junction, 65 miles, and has a running arrangement over the Newburg, Dutchess and Connecticut Railroad, from Hopewell Junction to the Hudson River at Fishkill, 13 miles.

The Company also controls, through its lease of the Norwich and Worcester Railroad, the Norwich and New York Transportation Co.'s line of steamers, which run between Allyn's Point, New London, and New York, 116 miles.

THE LINES CONTROLLED BY THE COMPANY ARE THOSE SHOWN BY HEAVY LINES ON THE FOLLOWING MAP.



The earnings and expenses of the roads operated by the Company, not including the Norwich and Worcester Railroad, were as follows: —

Earnings.	Year Ending Sept. 30, 1880.	Year Ending Sept. 30, 1879.	Increase or Decrease.		
			I. or D.	Amount.	Per Cent.
Passenger	$893,516 51	$788,216 95	Inc.	$105,299 56	13 3
Freight	1,250,526 93	1,058 722 34	"	191,804 59	18.1
Mails	25,755 72	25,013 50	"	742 22	2.9
Express	61,279 16	57,121 81	"	4,157 35	7.2
Miscellaneous	93,862 20	42,461 83	"	51,400 37	121.0
Gross Earnings	$2,324,940 52	$1,971,536 43	Inc.	$353,404 09	17.92

Operating Expenses.	Year Ending Sept. 30, 1880.	Year Ending Sept. 30, 1879.	Increase or Decrease.		
			I. or D.	Amount.	Per Cent.
Conducting Transportation, pass'r	$224,251 89	$245,528 75	Dec.	$21,276 86	8.65
Conducting Transportation, freight	339,618 95	321,580 33	Inc.	18 038 62	5.60
Maintenance of Way	355,043 88	365,005 44	Dec.	9,961 56	2.73
Motive Power	464,573 99	361,028 43	Inc.	103,545 56	28.68
Maintenance of Cars	89,315 04	88,858 25	Inc.	456 79	0.51
General Expenses	80,151 60	47,390 11	Inc.	32,761 49	69.70
Total Operating Ex.	$1,552,955 35	$1,429,391 31	Inc.	$123,564 04	8.65
Net Earnings	$771,985 17	$542,145 12	Inc.	$229,840 05	42.43

Net earnings		$771,985 17
Deduct taxes, interest on floating debt, and rent paid other roads		143,128 42
Available net earnings		$628,856 75
Interest paid on First Mortgage Bonds		339,010 00
		$289,846 75
Add premium on bonds sold	$39,376 49	
Deduct worthless accounts	996 82	
		38,379 67
Surplus for the year		$328,226 42

From the foregoing statement, it will be seen that the gross earnings show an increase of $353,404.09, or 17.92 per cent; the operating expenses an increase of $123,564.04, or 8.65 per cent; and the net earnings an increase of $229,840.05, or 42.4 per cent. This gain was made with the same number of miles of road, during the first eight months of the fiscal year, as were operated the previous year, and with the addition of the Springfield division, or 31.7 miles, during the last four months.

It is worthy of observation that the gross earnings for the year just closed are 23 per cent larger than the aggregate earnings of the Hartford, Providence & Fishkill road and the New York and New England road under separate managements for the fiscal year ending Sept. 30, 1878, and this comparison is made with the same length of road for each year.

The following table, prepared by the auditor, is made on the same basis, and extends back to the date of the organization of our Company.

YEAR.	N. Y. & N. E. R. R.	H., P. & F. R. R.	TOTAL.
1872-3.....	$826,452	$1,064,940	$1,891,392
1873-4.....	892 863	974,551	1,867,414
1874-5.....	899,023	991,221	1,890,244
1875-6.....	963,325	950,744	1,914,069
1876-7.....	965,601	800,200	1,765,801
1877-8.....	1,006,287	838,138	1,844,425
1878-9.....	Consolidated.	Consolidated.	1,933,511
1879-80.....	"	"	2,324,940

The increase in operating expenses for the year just closed is due to increased freight-train mileage and tonnage, and also to the higher price of coal, of which 40,625 tons were consumed during the year at an average cost of $5.42 per ton, as against 33,888 tons consumed the previous year at an average cost of $4.43 per ton.

Our taxes have increased $37,053.24 over those of the previous year.

The bonded debt of the Company at the close of the fiscal year amounts to $6,468,000, having been increased during the year by the sale of $1,760,000 par value of first mortgage bonds. The first six millions of these bonds bear interest at seven per cent, and the seventh million at six per cent.

After the payment of coupons and taxes, the surplus earnings and the proceeds of the bonds have been expended for improvements, additional equipment of the road, for terminal grounds at Boston and the improvement thereof, and for the construction of the western extension from Waterbury to the Hudson River.

It will be remembered that when our Company was organized, it owned no terminal grounds at Boston, except those covered by the location of the road, and that we were therefore compelled to secure the grounds now used at the foot of Summer Street, by the purchase of Drake's and Piper's wharves.

To meet the wants of a growing business, the ground known as the 25-acre lot was leased from the Commonwealth on the thirty-first day of July, 1878, for a period of one year, and thereafter during the pleasure of the Commonwealth, at a rental of $6,000 per year, and two freight buildings were erected thereon, with proper tracks and paved streets, at a cost of $35,345.

Soon after the beginning of the present fiscal year, it became apparent that we should need this ground permanently, and accordingly negotiations were opened with the State authorities for its purchase. Having already bargained with the Boston and Albany Railroad Company for fifty acres of the flats adjoining the 25-acre lot, but not yet reclaimed, this purchase was completed at a cost of twenty cents per foot, or $341,225, and it was decided to buy still another piece from the Commonwealth, known as the 12-acre lot, lying between the 50-acre lot and our tracks, and necessary as a means of access to the lots just mentioned. All these grounds are shown on the map accompanying this report. In order to carry out this programme, and to secure for our Company such terminal facilities as it was now apparent our business would require, it was found necessary to appeal to the Legislature. After a thorough, careful hearing and discussion, the Legislature passed an Act which was approved April 24, 1880, authorizing our Company to purchase the 25-acre lot for $1,000,000, $25,000 payable in cash, before June 1, 1880 (which payment has been made), and $175,000 payable on or before May 1, 1881, and the balance payable in ten years, with interest semi-annually at four per cent per annum. The same Act also authorized us to purchase the 12-acre lot at $108,165, payable: $21,633 on or before July 1, 1880 (which payment has been made), and the balance in ten years, with interest at four per cent.

The purchase of these lands under the terms of the Act above mentioned was unanimously approved at a special meeting of the stockholders, held at the offices of the Company, in Boston, May 18, 1880. It is believed that the results already obtained and hereafter to be secured will fully vindicate the wisdom of this purchase, as it secures to the Company ample

grounds, not inferior to those of any other road in the country, for the accommodation of both local and export business.

As soon as these grounds were secured it was decided to supplement the improvements made on the premises while they were leased from the State (the value of which has been saved by the purchase of the grounds), by the construction of a freight house on Pier No. 1, 650 feet long by 210 feet wide, for the accommodation of ocean commerce, and a grain elevator of 500,000 bushels' capacity. Both of these buildings are now under construction, and will be pushed rapidly to completion.

The contractor for filling the land bought of the Boston and Albany Railroad Company is prosecuting his work with a fair degree of success, and a new contract has been made for filling that portion of the 50-acre lot not included in the above-mentioned contract, together with the 12-acre lot bought of the Commonwealth. When these grounds are filled, and the new docks, designed to occupy the water front of the 50-acre lot, are completed, our Company will have as good and commodious terminal facilities as can be found at any other city on the Atlantic seaboard.

The contract for completing the extension of our road from Waterbury, to Brewsters on the Harlem Railroad, was signed on the first day of December, 1879, and work has progressed steadily from that day to the present time, but owing largely to the natural difficulties to be overcome, it has not yet been completed. The contract for the extension from Brewsters to Hopewell Junction was let to the same contractors on the eighth day of May, and has been pushed with a fair degree of rapidity, but it is now quite certain that the western extension of our road, and the necessary connections, transfer and terminal arrangements at the Hud-

son River, cannot be completed till spring, though the section between Waterbury and Brewsters will probably be opened for traffic at an earlier date. We have paid on this work $1,319,384.82, including cost of steel rails, fastenings, and cross-ties. For details of this expenditure see Appendix.

At the date of the last annual report our road was greatly in need of additional equipment, and hence we have bought seven "Mogul" and three passenger engines; eight passenger and five baggage, mail, and express cars; six hundred and sixty-two box, one hundred and thirteen flat, and fifteen drop-side gondola cars at an aggregate cost of $507,895.57. Five hundred of these new box cars have been placed, by permission of the Pennsylvania Railroad Company, in the Star Union Line. Notwithstanding the additions already made to equipment, it will be necessary for us to buy or build as soon as possible at least one hundred twenty-ton drop-bottom gondola and one hundred and fifty side-dump coal cars, in order to meet the demands of our rapidly increasing coal trade. It will also be necessary for us to contract for about fifteen heavy freight engines, in order to furnish motive power sufficient to promptly handle the business from New York and the West now coming by the way of New York, and also such new business as may be obtained by the completion of the western extension of our road.

In the fiscal year ending Sept. 30, 1879, we paid for mileage of foreign freight cars on our road $47,669.09 in excess of what we received for use of our cars on foreign roads, while for the first ten months of the year just closed we paid on the same account only $38,974.03. For the months of August and September the mileage balances were for the first time in favor of our company, to the amount of $5,913.13, and the balance against us for the year is thereby reduced to

$33,060.90; it is believed that we shall have a handsome balance in our favor on this account for the current and succeeding years.

Every effort consistent with true economy has been made during the past year to improve the condition of the road-bed, bridges, buildings, and equipment, and this fact should be taken into consideration in comparing results with those obtained in former years.

During the year just closed $2,479\frac{776}{2240}$ tons of new steel rails, costing, with the necessary fastenings, $81,921.09, were bought and put into the track, as against $2,316\frac{1380}{2240}$ new steel rails, costing $40,357.41, and $1,652\frac{2170}{2240}$ tons new iron rails, costing $14,678.91, for the year previous; whilst 144,325 new cross-ties, costing $47,198.76, were put into the track this year, as against 110,616, costing $34,685.26, for the preceding year. The entire cost of these rails has been charged to repairs, and no part to betterments or improvements, as is common on many roads.

In addition to the above, $312\frac{1664}{2240}$ tons of steel rails have been used in extending the double tracks to Walpole.

Hitherto our Company has had no adequate passenger station at Boston, and this has worked very much against the proper development of the passenger business. As soon as the inbound freight business could be removed to the newly acquired grounds on the South Boston flats, plans were made and put into execution for the conversion into a passenger station of the house used up to that time for the accommodation of both freight and passenger business. This building has not yet been completed, but it is safe to say that for a sum not exceeding $15,000, we shall secure a comfortable passenger station of tasteful design, furnished with all proper conven-

iences, and sufficiently commodious to accommodate our passenger business for several years. The expenditures upon this station during the year were all charged to operating expenses. New stations have been erected at Mt. Bowdoin and Versailles, and the station at Highlandville has been extended and improved. Freight facilities at Providence have also been largely increased, while the platforms and buildings at all other stations have received current repairs, and been kept in good and improving condition.

The machine shops formerly located at Readville have been removed to Norwood Central, thus uniting them with the car shops, and bringing the entire machinery department more directly under the supervision of the superintendent of motive power and machinery.

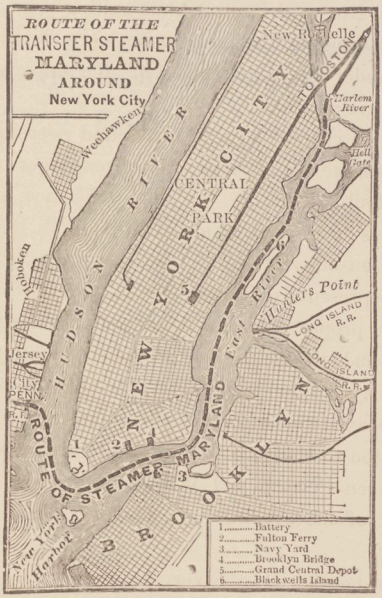
During the current year it was found necessary, in order to accommodate the large number of passenger trains, to extend the double track to Walpole, a distance of five miles, and this has been done at a cost of $44,242.13. With our increasing business, it will be necessary to extend this track during the present fiscal year seven miles farther, to Franklin.

For the proper accommodation and development of our business, and to meet the prejudice existing against a single-track road for passenger traffic, it is believed that it will be necessary at an early day to complete the double track from Boston to Hartford. This should of course be done at first between Putnam and Willimantic, where the masonry and most of the grading for a double track are now nearly complete.

The bridges at Hop River, Andover, and Summit have been renewed with iron, and at Hyde Park and Charles River with wood, in the most substantial manner. During the current year it is intended to continue the same policy in renewing such bridges as require it.

As the through passenger and freight business of this road with the South and West was carried around the city of New York, from Harlem River to Jersey City, on the New England Transfer Company'ssteamer " Maryland," it was deemed desirable to have an interest in that company, and legislative permission having been obtained, one half of the stock of the company was purchased last spring at a cost of $40,900.

The route of the steamers of the New England Transfer Company is shown on the following map.



The New England Transfer Company transferred around the city of New York, during the fiscal year ending Sept.

30, 1880, 20,324 loaded cars, east-bound, and 20,188 loaded cars, west-bound, a total for the year of 40,512 loaded cars. The total number of passengers transferred during the year was 11,198.

In order to meet the demands of growing business, the Company has recently bought a new tug-boat and two floats at a cost of about $50,000.

For details of operating expense, cost of improvements, and statistics of the New York and New England Railroad Company, reference is made to the tables and statements hereto attached.

Respectfully submitted,

By order of the Board of Directors,

WM. T. HART, *President.*

APPENDIX.

THE following tables give the details of the earnings and expenses of the Company during the fiscal year ending Sept. 30, 1880.

EARNINGS AND EXPENSES BY MONTHS FOR THE YEAR ENDING SEPT. 30, 1880.

	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1879	$200,500 75	$140,372 48	$60,128 27
November, "	173,711 75	126,235 46	47,476 29
December, "	178,879 71	124,929 19	53,950 52
January, 1880	164,231 58	124,079 34	40,152 24
February, "	149,907 77	112,904 16	37,003 61
March, "	183,845 43	114,362 81	69,482 62
April, "	179,688 73	120,665 73	59,023 00
May, "	183,700 22	146,446 54	37,253 68
June, "	219,890 86	139,294 39	80,596 47
July, "	205,056 04	134,934 51	70,121 53
August, "	249,885 23	139,143 97	110,741 26
September, "	235,642 45	129,586 77	106,055 68
Total	$2,324,940 52	$1,552,955 35	$771,985 17

RECAPITULATION OF GROSS EARNINGS AND OPERATING

Months.	Passenger Earnings.	Freight Earnings.
October, 1879	$69,962 63	$120,281 84
November, "	63,267 79	100,444 67
December, "	64,591 83	103,911 00
January, 1880	62 870 82	92,478 41
February, "	57,138 50	83,277 83
March, "	71,584 90	102,353 07
April, "	68,204 03	100,911 27
May, "	70,510 00	96,806 64
June, "	75,914 02	103,490 80
July, "	90,754 66	100,183 14
August, "	102,707 42	125,763 29
September, "	96,009 91	120,624 97
Total	$893,516 51	$1,250,526 93

OPERATING

Months.	Cond. Transportation, Passenger.	Cond. Transportation, Freight.
October, 1879	$18,669 02	$32,203 38
November, "	17,154 98	29,071 37
December, "	17,635 48	27,574 20
January, 1880	20,486 64	25,854 53
February, "	15,004 74	26,764 90
March, "	15.543 03	27,004 68
April, "	15,001 30	27,976 38
May, "	14,372 81	28,754 68
June, "	20.857 36	33,204 38
July, "	20.545 34	31,047 86
August, "	20.114 94	28,589 48
September, "	28,866 25	21,573 11
Total	$224,251 89	$339,618 95

EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1880.

Mail Earnings.	Express Earnings.	Miscellaneous Earnings.		Gross Earnings.
$2,084 09	$4,450 26	$3,721 93		$200,500 75
2,084 09	3,991 01	3,924 19		173,711 75
2,084 09	4,337 85	3,954 94		178,879 71
2,084 09	3,114 43	3,683 83		164,231 58
2,084 09	3,116 32	4,291 03		149,907 77
2,084 09	3,721 05	4,102 32		183,845 43
2,084 09	6,258 32	2,231 02		179,688 73
2,084 09	6,160 54	8,138 95		183,700 22
2,270 75	6,994 40	31,220 89		219,890 86
2,270 75	7,298 09	4,549 40		205,056 04
2,270 75	6,155 16	12,988 61		249,885 23
2,270 75	5,681 73	11,055 09		235,642 45
$25,755 72	$61,279 16	$93,862 20		$2,324,940 52

EXPENSES.

Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expenses.	Total Operating Expenses.
$37,628 18	$38,787 61	$8,152 80	$4,931 49	$140,372 48
28,182 80	35,980 41	7,292 22	8,553 68	126,235 46
28,702 41	37,308 79	7,916 09	5,792 22	124,929 19
26,566 36	36,411 66	6,852 34	7,907 81	124,079 34
22,820 39	33,674 02	5,663 85	8,976 26	112,904 16
22,373 67	38,462 96	6,445 76	4,532 71	114,362 81
26,991 76	38,052 02	6,120 78	6,523 49	120,665 73
40,475 37	40,186 75	12,622 11	10,034 82	146,446 54
31,262 95	39,371 49	9,637 16	4,961 05	139,294 39
32,367 70	38,361 81	5,760 42	6,851 38	134,934 51
37,003 07	43,772 21	5,192 97	4,471 30	139,143 97
20,669 22	44,204 26	7,658 54	6,615 39	129,586 77
$355,043 88	$464,573 99	$89,315 04	$80,151 60	$1,552,955 35

Dr. PROFIT AND LOSS ACCOUNT,

To Operating expenses		$1,552,955 35
" Rent of other roads		47,059 99
" Taxes		54,844 43
" Interest: —		
On first mortgage bonds	$339,010 00	
On notes payable	41,224 00	
		380,234 00
" Worthless accounts		996 82
Balance Sept. 30, 1880		732,970 93
		$2,769,061 52

DR. GENERAL BALANCE SHEET,

To railroad equipment and property, as represented by B., H. and E. R. R. "Berdell Bonds"	$20,000,000 00	
Underlying liens, paid to obtain possession and perfect title, and equipment and improvements on the constructed road	5,931,580 91	
Purchase of South Boston flats	1,449,390 00	
Extension of road west of Waterbury,	1,323,270 11	
Bonds of the Conn. Central R. R.	281,884 67	
Stock of the New England Transfer Co.	40,900 00	
		$29,027,025 69
Supplies and material on hand		302,901 55
Balances due from agents and conductors		154,401 00
Balances due from sundry roads and individuals		97,426 60
Cash		111,079 69
		$29,692,834 53

SEPTEMBER 30, 1880. *Cr.*

By Balance from last year	$404,744 51
" Gross earnings	2,324,940 52
" Premium on first mortgage bonds	39,376 49
	$2,769,061 52

SEPTEMBER 30, 1880. CR.

Balance due State of Massachusetts (25 and 12 acre lots)	1,061,532 00
Coupon Interest unpaid	3,022 62
Unpaid Vouchers and Pay Rolls	468,294 67
Balances due to sundry roads and individuals . .	193,561 83
Profit and Loss	32,970 93
	$29,692,834 53

Dr. PROFIT AND LOSS ACCOUNT,

To Operating expenses			$1,552,955 35
" Rent of other roads			47,059 99
" Taxes			54,844 43
" Interest: —			
On first mortgage bonds . .	$339,010 00		
On notes payable	41,224 00		
			380,234 00
" Worthless accounts			996 82
Balance Sept. 30, 1880			732,970 93
			$2,769,061 52

Dr. GENERAL BALANCE SHEET.

ERRATA.

On general balance sheet Profit and Loss should read $732,970.93 instead of $32,970.93.

Supplies and material on hand	302,901 55
Balances due from agents and conductors . . .	154,401 00
Balances due from sundry roads and individuals .	97,426 60
Cash	111,079 69
	$29,692,834 53

SEPTEMBER 30, 1880. *Cr.*

By Balance from last year	$404,744 51
" Gross earnings	2,324,940 52
" Premium on first mortgage bonds	39,376 49
	$2,769,061 52

SEPTEMBER 30, 1880. CR.

By Capital Stock:—		
Amount actually issued	$7,146,000 00	
B., H. & E. R. R. " Berdell Bonds," convertible into stock,	12,854,000 00	
		$20,000,000 00
First Mortgage Seven per cent bonds	$5,718,000 00	
First Mortgage Six per cent bonds	750,000 00	
		6,468,000 00
Mortgage Note		125,000 00
B. & A. R. R. Co. Note (50-acre lot)		300,000 00
Notes Payable		340,452 48
Balance due State of Massachusetts (25 and 12 acre lots)		1,061,532 00
Coupon Interest unpaid		3,022 62
Unpaid Vouchers and Pay Rolls		468,294 67
Balances due to sundry roads and individuals		193,561 83
Profit and Loss		32,970 93
		$29,692,834 53

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1880, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

APPORTIONMENT.	EARNINGS.					
	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellan's Earnings.	Total Earnings.
Pass. Earnings....	$893,516 51		$25,755 72	$61,279 16	$27,436 34	$1,007,987 73
Freight Earnings..		$1,250,526 93			66,425 86	1,316,952 79
Total.....	$893,516 51	$1,250,526 93	$25,755 72	$61,279 16	$93,862 20	$2,324,940 52

APPORTIONMENT.	OPERATING EXPENSES.					
	Transport'n Department	Maintenance of Way.	Motive Power.	Maintenan. of Cars.	General Expenses.	Total.
Pass. Expenses....	$224,251 89	$151,702 00	$253,785 23	$49,296 52	$35,137 01	$714,172 65
Freight Expenses..	339,618 95	203,341 88	210,788 76	40,018 52	45,014 59	838,782 70
Total.....	$563,870 84	$355,043 88	$464,573 99	$89,315 04	$80,151 60	$1,552,955 35

Gross Passenger Earnings.....	$1,007,987 73	
Gross Passenger Expenses.....	714,172 65	
Net Passenger Earnings.....		$293,815 08
Gross Freight Earnings.....	$1,316,952 79	
Gross Freight Expenses.....	838,782 70	
Net Freight Earnings.....		478,170 09
Total Net Earnings.....		$771,985 17

EXPENSES IN DETAIL.

FOR TRANSPORTATION OF PASSENGERS.

General Passenger Agent and Clerks	$7,328 97
Superintendence	4,765 84
Clerks	6,344 63
Stationery and Printing	7,425 31
Foreign Agencies	1,341 55
Advertising	10,127 80
Rent of Depot Grounds and Buildings	23,519 78
Repairs — Stations	18,611 83
Oil and Waste for Cars	1,617 03
Conductors, Baggagemen, and Brakemen	52,174 51
Mail Expense	1,156 13
Train Expense	4,072 10
Fuel and Light for Cars	4,411 71
Hire of Cars	2,938 87
Telegraph Expense	5,718 30
Loss and Damage to Baggage	277 25
Loss and Damage to Property	575 46
Personal Injuries	1,880 06
Station Agents	27,023 75
Switchmen and Yardmen	13,194 21
Cleaning and Inspecting Cars	13,854 12
Labor at Stations	7,509 19
Expenses of Stations	4,034 96
Fuel and Light for Stations	4,156 80
Wrecking	107 23
Stock killed	74 50
Total	$224,251 89

FOR TRANSPORTATION OF FREIGHT.

General Freight Agent and Clerks	$12,926 81
Superintendence	5,258 55
Clerks	42,235 07
Stationery and Printing	8,426 36
Foreign Agencies	132 69
Advertising	59 69
Rent of Depot Grounds and Buildings	12,270 28
Repairs — Stations	12,339 44
Oil and Waste for Cars	786 74
Conductors and Brakemen	50,934 75
Train Expense	5,168 03
Fuel and Light for Cars	976 05
Hire of Cars	33,060 90
Telegraph Expense	7,127 20
Loss and Damage to Freight	14,575 39
Loss and Damage to Property	4.332 11
Personal Injuries	2,402 22
Station Agents	26,975 25
Switchmen and Yardmen	23,216 55
Oiling and Inspecting Cars	5,457 86
Labor at Stations	49,270 18
Expenses of Stations	3,602 53
Fuel and Light for Stations	4,323 92
Wrecking	1,737 50
Watchmen	3,881 31
Pier 50 Floatage	8,101 57
Stock killed	40 00
Total	$339,618 95

FOR MAINTENANCE OF WAY.

Superintendence	$7,272 63
Clerks	468 30
Ballast and Surfacing	21,448 43
Labor Repairing Track	117,974 47
Frogs	2,129 79
Switches	1,915 55
Spikes	4,960 39
Splices and Bolts	12,678 91
Repairs — Hand Cars	1,095 16
Repairs of Tools	5,357 54
Watchmen	5,157 81
Railway Crossings	0 00
Oil, Fluid, and Tallow	129 98
Steel Rails ($2,479\frac{776}{2240}$ tons)	64,281 79
Iron "	0 00
Cross Ties (144,325 ties)	47,198 76
Switch "	3,915 28
Repairs, Bridges — Labor	15,497 94
" " Material	17,441 76
Culverts and Cattle Guards	1,826 06
Highway Crossings and Fences	22,930 08
Telegraph Repairs	268 28
Section and Watch Houses	64 07
Stationery and Printing	81 47
Repairs of Tenement Buildings	949 43
Total	$355,043 88

FOR MOTIVE POWER.

Superintendence	$3,321 25
Clerks	2,464 47
Stationery and Printing	234 43
Repairs E. H. and M. S.	6,002 49
" Passenger Locomotives	38,038 77
" Freight "	34,173 04
" Switch "	7,760 86
" Work "	2,569 48
Coal for Passenger "	104,540 82
" " Freight "	94,780 42
" " Switch "	17,659 16
" " Work "	2,967 06
" " Pay "	368 56
Wood for Passenger "	1,013 47
" Freight "	151 12
" Switch "	27 48
" Work "	25
Oil and Waste for Passenger Locomotives	4,448 64
" " Freight "	3,263 36
" " Switch "	955 40
" " Work "	160 15
" " Pay "	24 12
Cleaning Passenger "	6,667 22
" Freight "	4,270 39
" Switch "	1,407 64
" Work "	192 56
" Pay "	48 75
Repairs, Tools, and Machinery	7,370 14
Fuel and Light for E. H. & M. S.	4,807 28
Water Station Expense	8,421 16
Pumping	2,247 87
Passenger Engineers and Firemen	47,967 33
Freight " "	29,966 78
Switch " "	14,939 95
Work " "	2,531 93
Pay Trip " "	239 04
Sand for Engines	445 00
Watchmen	4,607 75
Rent of Ground for Round House	3,072 00
Rent of Engines	446 40
Total	$464,573 99

FOR MAINTENANCE OF CARS.

Superintendence	$1,795 03
Clerks	502 50
Stationery and Printing	64 95
Repairs — Car Shops and Sheds	503 38
" Passenger and Baggage Cars	44,951 25
" Sleeping Cars	0 00
" Freight Cars	36,389 13
" Gravel Cars	106 33
" Pay Car	213 27
Fuel and Light for the Car Shop	2,269 96
Repairs, Tools, and Machinery	1,904 86
Watchmen	614 38
Total	$89,315 04

FOR GENERAL EXPENSES.

Salaries and Expenses of General Officers	$23,361 86
Clerks at General Offices	9,728 96
Attendants at General Offices	1,300 21
Legal Expenses	24,034 60
Insurance	7,979 24
Stationery and Printing	4,187 70
Expenses at General Offices	4,574 54
Rent of " "	0 00
Fuel and Light " "	1,157 09
Repairs of " "	1,418 18
Pay Trip Expenses	349 00
Postage	1,327 16
Detective Service	695 65
Discount and Interest	37 41
Total	$80,151 60

SUMMARY OF EXPENSES.

For Transportation of Passengers	$224,251 89
" " of Freight	339,618 95
" Maintenance of Way	355,043 88
" Motive Power	464,573 99
" Maintenance of Cars	89,315 04
" General Expenses	80,151 60
Gross Operating Expenses	$1,552,955 35

COMPARISON WITH PREVIOUS YEAR OF EARNINGS, EXPENSES, AND BUSINESS.

	Year ending Sept. 30, 1880.	Year ending Sept. 30, 1879.
Miles of road operated (including Springfield Division = 34.25 for four months)	316.12	284.87
Gross earnings per mile of road	$7,927.10	$6,920.83
Operating expenses per mile of road	5,294.94	5,017.62
Net earnings per mile of road	2,632.16	1,903.21
Percentage of operating expenses to gross earnings	67%	73%
Revenue train miles run	1,575,977	1,549,192
Gross earnings per revenue train mile	$1.47	$1.27
Operating expenses per revenue train mile	0.986	0.934
Net earnings per revenue train mile	0.444	0.334
Expense of transportation per mile of road	1,919.23	1,997.71
" " " " revenue train mile	0.358	0.366
Maintenance of way per mile of road	1,211.75	1,281.30
" " " " revenue train mile	0.225	0.235
Motive power per mile of road	1,585.58	1,260.32
" " " revenue train mile	0.295	0.233
Maintenance of cars per car for passenger cars of all kinds	362.47	
Maintenance of cars per car for freight cars of all kinds	37.40	
Maintenance of cars per mile of road	304.83	311.93
" " " " revenue train mile	.056	.058
General expenses per mile of road	273.55	166.36
" " " revenue train mile	0.051	0.030
Passenger earnings per mile of road	3,188.62	
" expenses " " " "	2,259.18	
Net passenger earnings per mile of road	929.44	
Percentage of passenger expenses to passenger earnings	71%	
Revenue passenger train miles run	999,845	993,410
Passenger earnings per revenue passenger train mile	$1.008	
" expenses " " " " "	0.714	
Net passenger earnings per revenue passenger train mile	0.294	
Number passengers carried	3,121,057	2,633,937
" " " one mile	41,762,072	36,158,951
Earnings per passenger	$0.286	
" " " including mail, express, etc.	0.323	
" " " per mile	0.0214	
" " " " " including mail, express, etc.	0.0241	0.0243

Expenses per passenger	$0.229	
" " " per mile	0.0171	
Average distance travelled per passenger	13.4 mi.	13.7 mi.
Freight earnings per mile of road	$4,166.00	
" expenses " " " "	2,653.37	
Net freight earnings per mile of road	1,512.63	
Percentage of freight expenses to freight earnings	64%	
Revenue freight-train miles run	576,132	555,782
Freight earnings per revenue freight-train mile	$2.286	
" expenses " " " "	1.456	
Net freight earnings per revenue freight-train mile	0.823	
Number tons freight carried	968,549	871,187
" " " " one mile	43,678,700	36,654,669
Earnings per ton	$1.36	
" " " per mile	0.0301	0.0286
Expenses per ton	0.866	
" " " per mile	0.0192	
Average distance each ton carried, miles	45.1	
Number locomotives in service	87	77
Mileage of passenger locomotives	1,030,683	
Expense per mile of passenger locomotives	$21.36	
Mileage of freight locomotives	612,901	
Expense per mile of freight locomotives	$31.51	
Total mileage of all kinds of "	1,902,113	
Average expense per mile of all "	$24.41	
Number local passengers	2,215,183	
" through "	905,874	

COMPARISON OF EARNINGS AND EXPENSES OF MAIN LINE AND PROVIDENCE DIVISION.

BOSTON TO WATERBURY. — MAIN LINE.

Gross earnings per mile of road	$10,285.16
Operating expenses per mile of road	6,776.99
Net earnings per mile of road	3,508.17
Gross earnings per revenue train mile	1.60
Operating expenses per revenue train mile	1.05
Net earnings per revenue train mile	.55

PROVIDENCE TO WILLIMANTIC. — PROVIDENCE DIVISION.

Gross earnings per mile of road	$5,965.19
Operating expenses per mile of road	3,539.56
Net earnings per mile of road	2,425.63
Gross earnings per revenue train mile	1.54
Operating expenses per revenue train mile	.91
Net earnings per revenue train mile	.63

AMOUNT CHARGED TO WESTERN EXTENSION CONSTRUCTION ACCOUNT.

Track:		
Graduation	$443,134 76	
Grubbing and clearing	4,002 70	
Culverts and cattle-guards	550 80	
Ballasting	1,568 45	
Switches	3,721 37	
Miscellaneous labor	195 16	
		$453,173 24
Track — Ties:		
Cost of	$63,512 67	
Freight, inspection, etc.	2,950 26	
		66,462 93
Track — Rails and Fastenings:		
Cost of	$245,013 10	
Freight and handling	2,012 73	
		247,025 83
Track laying		2,582 50
Bridges:		
Labor	$7,114 50	
Piling	2,537 19	
Masonry	170,090 57	
Riprapping	929 00	
Trestle work and open culverts	20,297 25	
Superstructure — iron	9,710 34	
" wood	50,652 92	
		261,331 77
Fences:		
Labor	$1,218 51	
Material	17,732 64	
		18,951 15
Crossings:		
Material, etc.		2,500 66
Equipment:		
Locomotives	$47,717 50	
Box cars	57,643 65	
Hand and push cars	423 72	
		105,784 87
Water stations — Labor and material		250 00
Buildings — Labor and material		3,283 34
Engineering and surveying		17,816 78
Right of way		137,547 90
Legal expense		965 46
Superintendence		1,186 82
Miscellaneous		541 57
Total		$1,319,384 82

NEW CONSTRUCTION AND EQUIPMENT AND EXPENDITURES CHARGED TO PROPERTY DURING THE YEAR ENDING SEPTEMBER 30, 1880.

1. New stations and water tanks		$21,838 69	
2. New side tracks		13,984 89	
3. New culvert, City Mills		18,448 31	
4. Real estate:			
Ridge Hill extension	$2,326 50		
Approach to Newton Centre	1,891 22		
Land at Providence	1,750 00		
Ward note for land in So. Boston,	1,030 00		
Ten acres land in Norfolk, Mass.,	300 00		
Right of way	24,179 54	31,477 26	
5. New office and machinery at Norwood shops		12,404 88	
6. Extension of double track to Walpole		44,242 13	
7. New locomotives (5)		34,448 45	
8. New passenger and baggage cars (13)		39,581 32	
9. New freight cars (690)		328,080 93	
Total improvement and new equipment			$544,506 86
10. Extension of road west of Waterbury		$1,213,599 95	
11. Equipment for same:			
5 locomotives	$47,717 50		
100 box cars	58,067 37	105,784 87	
Total western extension			1,319,384 82
12. 50-acre lot, South Boston flats (ten-years note, bearing interest for five years from Feb. 7, 1879, at two per cent per annum, and for the last five years at rate of four per cent. Note for $300,000. Cash paid, $41,225)		$41,225 00	
13. Improvement of and filling same		46,595 16	
14. 25-acre lot, South Boston flats, cash paid		25,000 00	
$175,000 due May 1, 1881; $800,000 balance, due May 1, 1891, with interest semi-annually at 4 per cent per annum.			
15. Improvement on same		23,176 23	
16. 12-acre lot. — First cash payment		21,633 00	
Balance, $86,532, July 1, 1890, with interest semi-annually at rate of 4 per cent per annum.			
Improvement on same		1,910 29	
Total			159,539 68
17. New England Transfer Company stock		40,900 00	
18. Bonds of the Connecticut Central R. R. Co.		281,884 67	
19. Underlying liens bought		20,360 45	
Total			343,145 12

STATEMENTS OF PAY ROLL DISTRIBUTION

Month.	Conducting Transportat'n Passenger.	Conducting Transportat'n Freight.	Maintenance of Way.	Motive Power.
Oct. 1879.....	$11,964 29	$20,042 03	$22,725 86	$16,551 62
Nov. "	11,977 74	19,265 14	15,732 87	15,647 50
Dec. "	12,223 83	19,195 46	15,010 60	16,593 76
Jan. 1880.....	11,445 58	17,211 41	12,229 09	15,882 62
Feb. "	10,028 01	16,864 82	10,174 11	14,555 10
March, "	11,201 67	18,092 15	10,536 56	15,637 03
April, "	10,794 64	18,495 26	12,787 19	14,609 61
May, "	10,692 05	18,886 43	14,538 55	15,838 22
June, "	11,823 00	19,956 28	15,563 87	15,648 15
July, "	12,850 04	20,074 48	16,934 97	15,373 22
Aug. "	13,403 47	21,168 38	16,310 29	16,283 98
Sept. "	14,323 64	21,484 07	17,737 19	17,142 74
Total.....	$142,727 96	$230,735 91	$180,281 15	$189,763 55

FOR FISCAL YEAR ENDING SEPTEMBER 30, 1880.

Maintenance of Cars.	General Expenses.	Total Operating Expenses.	Construct'n.	Miscellaneous.	Total Rolls.
$4,563 13	$2,771 79	$78,618 72	$1,908 10	$613 90	$81,140 72
3,816 74	2,651 47	69,091 46	2,229 05	683 57	72,004 08
4,148 06	2,962 72	70,134 43	3,204 41	688 82	74,027 66
3,808 11	3,168 53	63,745 34	2,724 91	915 26	67,385 51
3,321 35	3,131 01	58,074 40	2,905 76	385 65	61,365 81
3,453 55	2,929 33	61,850 29	4,637 36	550 10	67,037 75
3,062 57	2,811 64	62,560 91	5,682 55	1,129 90	69,373 36
5,327 59	2,791 28	68,074 12	3,892 09	938 06	72,904 27
3,612 07	2,882 28	69,485 65	5,750 27	1,434 63	76,670 55
2,997 30	2,854 31	71,084 32	7,497 93	1,823 44	80,405.69
2,725 74	2,809 66	72,701 52	8,846 92	2,105 09	83,653 53
3,046 82	2,872 50	76,606 96	9,519 96	964 41	87,091 33
$43,883 03	$34,636 52	$822,028 12	$59,799 31	$12,232 83	$893,060 26

STATEMENT SHOWING NUMBER OF CROSS TIES AND TONS OF STEEL RAILS PUT IN TRACK DURING YEAR ENDING SEPTEMBER 30, 1880.

Month.	Cross Ties.		Steel Rails.*		Total Cost of Both.
	No.	Cost.	Tons.	Cost.	
October, 1879	11,700	$3,744 00	167	$4,592 50	$8 336 50
November, "	11,700	3,744 00	167	4,592 50	8,336 50
December, "	11,700	3,744 00	167	4,592 50	8,336 50
January, 1880	11,700	3,744 00	167	4,592 50	8,336 50
February, "	11,700	3,744 00	167	4,592 50	8,336 50
March, "	11,700	3,744 00	253	6,957 50	10,701 50
April, "	11,700	3,744 00	318	8,745 00	12,489 00
May, "	11,700	3,744 00	318	8,745 00	12,489 00
June, "	11,700	3,744 00	318	8,745 00	12,489 00
July, "	13,700	4,384 00	318	8,745 00	13,129 00
August, "	13,700	4,384 00	318	8,745 00	13,129 00
September, "	11,625	4,734 76	$198\frac{1464}{2240}$	9,363 21	4,628 45
Total,	144,325	$47,198 76	$2479\frac{776}{2240}$	$64,281 79	$111,480 55

* Steel rails were charged with difference between cost of new rails and selling price of old ones.

EXPENSE OF ENGINES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1880.

	Passenger Engines.	Freight Engines.	All Engines.
Cost per mile run, in cents:			
Repairs	.0366	.0565	.0434
Fuel	.1015	.1570	.1164
Engineers, Firemen, and Wipers	.0525	.0566	.0569
Supervision	.0014	.0031	.0017
General	.0216	.0419	.0257
Total	.2136	.3151	.2441

ROLLING STOCK OWNED BY THE COMPANY.

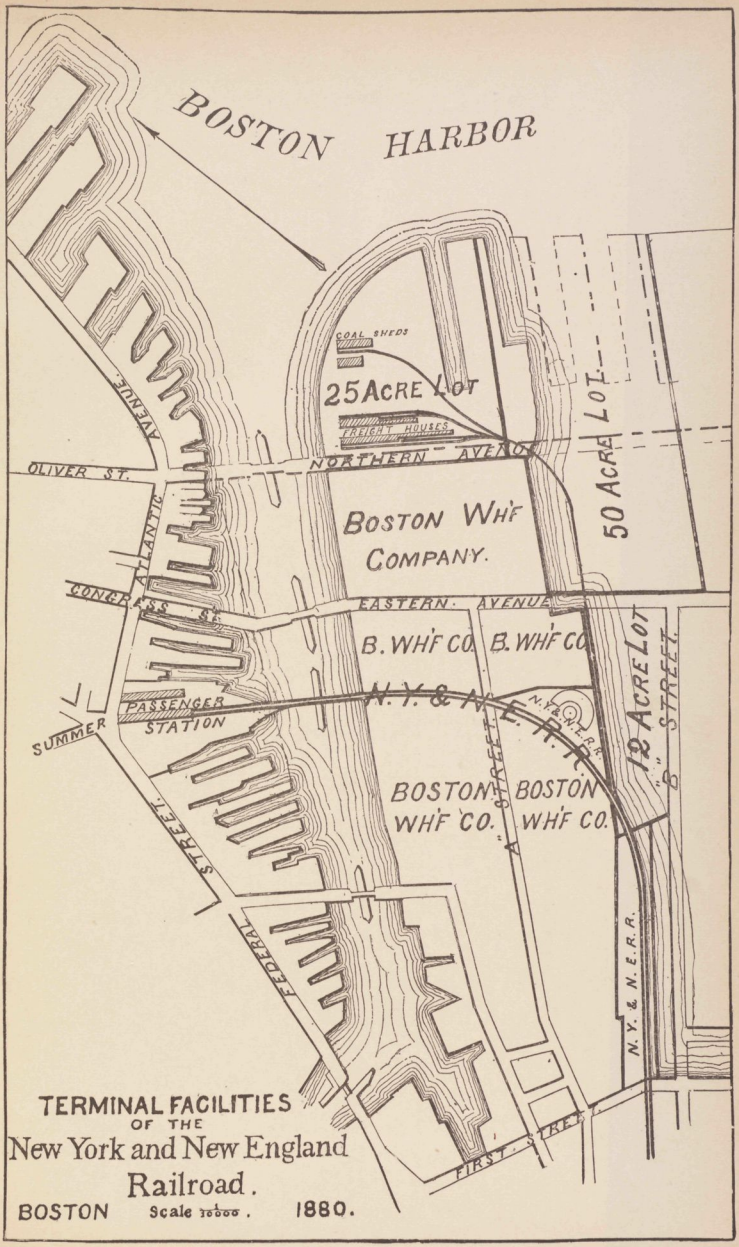
	Sept. 30, 1880.	Sept. 30, 1879.	Increase.		
			Bought.	Built.	Total.
Locomotives:					
Passenger	44	41	3	....	3
Freight	31	24	7	....	7
Switch	11	11			
Work	1	1			
Total	87	77	10	....	10
Passenger Cars:					
Coaches (inc. combination)	117	109	7	1	8
Baggage, Mail, and Express	30	25	....	5	5
Parlor or Sleeping	2	2			
Total	149	136	7	6	13
Freight Cars:					
8 Wheel Box	1,113	455	459	199	658
4 " "	21	17	....	4	4
8 " Flat	465	352	....	113	113
Others (coal, gravel, etc.)	272	257	....	15	15
Total	1,871	1,081	....	....	790

LIST OF LOCOMOTIVES OCTOBER 1, 1880.

No.	Weight.	Cylinders. Diam.	Cylinders. Stroke.	How Connected.	Driving Wheels. No.	Driving Wheels. Diam.	Name of Builder.	When Built.	Class.	When Overhauled.	Present Condition.	Remarks.	No.
1	71,950	17″	24′	Outside.	4	60″	Hinkley L. W.	May, 1878.	Passenger.		Fair.	Spare.	1
2		16″	24″	“	4	60″	Taunton L. W.	May, 1869.	“	Dec., 1879. Rep'd.	Good.	Hartford; passenger.	2
3		14″	22″	“	4	48′	R. I. L. W	Oct., 1878.	Switch.		Needs overhauling.	Boston.	3
4		14″	22″	“	4	48″	McKay & Aldus.	Nov., 1868.	“		Fair.	Boston.	4
5	63,000	16″	24″	“	4	60″	Schenectady L. W.	Oct., 1871.	Freight.	Oct., 1879.	“	Spare.	5
6	67,700	16″	24″	“	4	60″	Hinkley L. W.	March, 1875.	Passenger.		Good.	Hartford; passenger.	6
7		17″	24″	“	6	54″	Schenectady L. W.	Feb., 1869.	Freight.	June, 1880.	“	Gravel train; extension double track.	7
8		14″	22″	“	4	60″	A. Norris.		1867. Passenger.		Poor.	Leased to Lake Ontario Southern R. R.	8
9		14″	22″	“	4	60″	“ “	Sept., 1867.	“		“	Switching at Norwood.	9
10	64,340	16″	22″	“	4	60″	Schenectady L. W.	Feb., 1869.	“	Jan., 1880.	Fair.	Providence; passenger.	10
11	75,850	18″	24″	“	6	58″	R. I. L. W.	Jan., 1879.	Freight.	July, 1880. Rep'd.	“	Night freight.	11
12	64,800	16″	22″	“	4	66″	Taunton L. W.	Feb., 1869.	Passenger.		Needs overhauling.	Hartford; passenger.	12
13	60,600	16″	22″	“	4	66″	“ “	April, 1869.	“	Sept. & Oct., 1880.	In shop.	Spare.	13
14	55,790	15″	22″	“	4	60″	Hinkley L. W.	Aug., 1868.	“		Fair.	Norwood and Hyde Park; passenger.	14
15	59,650	15″	22″	“	4	48″	N. Y. & N. E. R. R. Co.	April, 1873.	Switch.		Needs repairs.	Old Fairbanks; rebuilt.	15
16		16″	24″	“	4	60″	Taunton L. W.	Nov., 1865.	Passenger.	May, 1880.	Good.	Spare.	16
17		16″	24″	“	4	60″	“ “	Nov., 1865.	“	April, 1880.	“	Providence; passenger.	17
18	64,750	16″	22″	“	4	60″	McKay & Aldus.		1866. “	Sept. & Oct., 1880.	In shop.	Hartford; passenger.	18
19		16″	24″	“	4	60″	“ “	March, 1867	“ or freight.		Needs repairs.	Spare; at Woonsocket.	19
20	60,750	16″	24″	“	4	60″	“ “	April, 1867.	Passenger.		In shop.	Providence; passenger.	20
21		16″	24″	“	4	60″	Taunton L. W.	July, 1867.	Freight.	Feb . 1880.	Fair.	Woonsocket Div.; freight.	21
22		15″	22″	“	4	60″	“ “	Aug., 1867.	Passenger.	March, 1880.	Needs tubes, etc.	Woonsocket Division; passenger.	22
23		15′	22′	“	4	60″	Hinkley L. W.	Sept., 1872.	“		Fair.	“ “ “	23
24		15″	22″	“	4	60″	“ “	Jan., 1868.	“		“	Norwood and Hyde Park. (Wrecked Nov. 13.)	24
25		15″	22′	“	4	60″	“ “	Jan., 1871.	“	Oct.. 1879.	“	Woonsocket Division; passenger.	25
26		17″	24″	“	4	60″	Schenectady L. W.	June, 1876.	“	June, 1880. Rep'd.	Good.	Spare.	26
27		17″	24″	“	4	60″	“ “	July, 1876.	Freight.		Fair.	“	27
28		17″	24″	“	4	54″	Hinkley L. W.	Dec., 1872.	“		Needs overhauling.	Way freight.	28
29		17″	24″	“	4	54″	“ “	May, 1873.	“		Fair.	“ “	29
30	44,800	14″	22″	“	4	48″	“ “	Jan., 1872.	Switch.		Good.	Boston.	30
31	69,630	16″	24″	“	6	54′	“ “	Feb., 1872.	Freight.	Oct.,1879. Partly.	“	Providence; freight and spare.	31
32		15″	24″	“	4	60″	Schenectady L. W.	March, 1872.	Passenger.		Fair.	Woonsocket Division; passenger.	32

33		16″	24″	“	4	60″	Hinkley L. W.	March, 1872.	“			Needs tubes and ties.	“ “ “	33
34	71,900	17″	24″	“	4	60″	“ “	Aug., 1875.	“	Nov., 1879.	Rep'd.	Fair.	Hartford; passenger.	34
35	58,100	15″	24″	“	4	60″	“ “	Oct., 1877.	“	March, 1880.		Good.	“ “	35
36	70,550	17″	24″	“	4	60″	“ “	Oct., 1877.	“	June, 1880.	Rep'd.	“	“ “	36
37	72,050	17″	24″	“	4	60 ′	Baldwin L. W.	July, 1878.	Freight.	Feb., 1880.	“	“	Steamboat; freight.	37
38	72,050	17″	24″	“	4	60″	“ “	July, 1878.	“			“	Putnam and Hartford.	38
39	75,850	18″	24″	“	6	58″	R. I. L. W.	June, 1879.	“			Fair.	Night freight.	39
40	75,850	18″	24″	“	6	58 ′	“ “	June, 1879.	“			“	“ “	40
41	75,850	18″	24″	“	6	58″	“ “	June, 1879.	“			“	“ “	41
42	75,850	18″	24″	“	6	58″	“ “	June, 1879.	“	Apr., 1880.	Rep'd.	“	“ “	42
43	45,900	18″	24″	Inside.	6	58″	Taunton L. W.	Dec., 1849.	Passenger.	Nov., 1879.		“ Needs repairing.	Rockville Branch; rebuilt Aug., 1867.	43
44	50,950	11″	14½″	“	4	42 ′	Chubbuck & Sons.	Sept., 1865.	Dummy.				Providence. [wood.	44
45	25,310	9″	20″	Outside.	2	54 ′	Wm. Mason & Co.		Passenger.				Owned by Rockville R. R.; at Nor-	45
46	57,900	15 ′	20″	“	4	60 ′	Taunton L. W.	July, 1852.	“	March, 1879.		Poor.	Providence Division; rebuilt July, 1870. (Wrecked Nov. 23.)	46
47	52,400	15″	20″	Inside.	4	60 ′	Wm. Mason.	Aug., 1854.	Freight & switch.	Jan., 1878.		Fair.	Putnam; rebuilt June, 1875.	47
48	52,400	15″	20″	“	4	60 ′	“ “	Sept., 1854	Passenger.	Feb., 1879.		“	Switching at Putnam. [July, 1873.	48
49	53,800	15″	20″	“	4	60″	“ “	Sept., 1854	“	March, 1879.		Poor.	Switching (spare) at Putnam; rebuilt	49
50	52,400	15″	20″	“	4	60″	“ “	Sept., 1854.	“	March, 1880.		Fair.	Spare; rebuilt Nov., 1875.	50
51	47,500	14″	22″	Outside.	4	60″	Breeze & Kneeland.	Oct., 1854.	Freight.	June, 1877.		Needs rebuilding.	Providence Division; rebuilt Oct., 1869.	51
52	43,400	11″	20″	“	4	60″	Schenectady L. W.		Work-train.	July, 1879.		Poor.	Western Extension; owned by Rockville R. R.	52
53	54,400	14½″	22″	“	4	60″	Wm. Mason.	Nov., 1854	Passenger.	Dec., 1878.		Fair.	Providence Division; spare.	53
54	51,600	14½″	22 ′	“	4	60″	“ “	Nov., 1854.	“			In shop.	“ “ rebuilt May, 1872.	54
55	53,300	14½″	22″	“	4	60″	“ “	June, 1855.	“	Nov., 1878.		Needs gen'l overhauling.	In shop; rebuilt Jan., 1874.	55
56	59,550	14½″	22″	“	4	60″	“ “	June, 1855.	“	Aug., 1878.		“ “ “	Providence Division.	56
57	57,400	16 ′	24″	“	4	60″	Taunton L. W.	Nov., 1865.	Freight & switch.	Aug., 1879.		Poor boiler.	Willimantic.	57
58	57,400	16″	24″	“	4	60″	“ “	May., 1866.	Freight.	Sept., 1879.		Good.	Providence Division.	58
59	57,400	16″	24″	“	4	60 ′	“ “	March, 1864.	Passenger.	Nov., 1878.		Needs overhauling.	Work-train; Western Extension.	59
60	57,700	15″	22″	“	4	60″	“ “	Aug., 1868.	“	June, 1879.		Good.	Eastern and Western Divisions.	60
61	61,200	17″	24″	“	4	60″	H. P. & F. R. R. Co.	Dec., 1868.	Freight.	Feb., 1880.		“	Providence Division.	61
62	66,600	17″	24″	“	4	60″	R. I. L. W.	July. 1869.	“	Nov., 1879.		Fair.	Springfield Branch.	62
63	60,250	16″	22″	“	4	60″	H. P. & F. R. R. Co.	July, 1869.	Passenger.	Oct., 1879.		Good.	Eastern Division.	63
64	58,820	16″	22″	“	4	60″	“ “ “	March, 1870.	“	April, 1880.		“	Western Division.	64
65	55,350	14″	22″	“	4	60″	“ “ “	April, 1871.	Freight.			In shop.		65
66	62,070	16″	22″	“	4	60″	“ “ “	Nov., 1871.	“	Oct., 1879.		Needs repairing.	Work-train; Eastern Division.	66
67	49,270	12″	24″	“	4	42″	Taunton L. W.	April, 1872.	Switch.	May, 1878.		Good.	Hartford.	67
68	59,550	16″	22″	“	4	60″	“ “	June, 1872.	Freight & Pass'r.	June, 1880.		“	Providence Division.	68
69	55,000	17″	24″	“	4	60″	“ “	Dec., 1872.	“ “	March, 1880.		“	Western Division.	69
70	55,540	16″	22″	“	4	60″	H. P. & F. R. R. Co.	April, 1873.	Passenger.	Sept., 1878.		Needs general repairing.	Eastern Division.	70
71	61,000	16″	22″	Inside	4	60″	Taunton L. W.	Sept., 1873.	“	April, 1880.		Fair.	Eastern Division.	71
72	49,270	12″	24″	Outside.	4	42″	“ “	Sept., 1873.	Switch.	May, 1879.		Good.	Hartford.	72
73	61,500	16″	24″	“	4	60″	“ “	July, 1874.	Passenger.	April, 1879.		“	Providence Division.	73
74	65,000	16″	22″	“	4	60 ′	H. P. & F. R. R. Co.	Nov., 1874.	“	May, 1879.		“	Providence Division.	74
75	49,270	12″	24″	“	4	42″	Taunton L. W.	March, 1876	Switch.	Jan., 1880.		“	Providence Division.	75
76	68,050	18″	24″	“	4	60″	“ “	May, 1876.	Freight.	June, 1879.		Needs repairing.	Eastern Division.	76

No.	Weight.	Cylinders. Diam.	Cylinders. Stroke.	How Connected.	Driving Wheels. No.	Driving Wheels. Diam.	Name of Builder.	When Built.	Class.	When Overhauled.	Present Condition.	REMARKS.	No.
77	67,700	17″	22″	Outside.	4	60″	H. P. & F. R. R. Co.	Nov., 1876.	Passenger.	Oct., 1879.	Fair.	Spare. [bridge.)	77
78		15	24	"	4	60″	Hinkley L. W.		"	July, 1880.	Good.	Rec'd with Conn. Cent. R. R. (South-	78
79	55,850	14	24″	"	4	60″	R. I. L. W.	1876.	"		Fair.	Rec'd with Conn. Cent. R. R. Western Extension.	79
80	58,450	15″	22″	"	4	60″	" "		"	July, 1880.	Good.	Rec'd with Conn. Cent. R. R. E. & W.	80
81	75,850	18	24″	"	6	55″	" "	Aug., 1880.	Freight.		"	Night freight.	81
82	75,850	18	24″	"	6	55″	" "	Aug., 1880.	"		"	" "	82
83	75,850	18″	24″	"	6	55″	" "	Sept., 1880.	"		"	" "	83
84	75,850	18″	24″	"	6	58″	" "	Sept., 1880.	"		"	" "	84
85	75,850	18″	24″	"	6	58″	" "	Sept., 1880.	"		"	Western Division; freight.	85
86	75,850	18″	24″	"	6	58″	Hinkley L. W.	Oct., 1880.	"		"	Night freight.	86
87	75,850	18	24″	"	6	58″	" "	Oct., 1880.	"		"	" " and local; spare.	87



TERMINAL FACILITIES
OF THE
New York and New England
Railroad.
BOSTON Scale 1/8000. 1880.

SIXTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 6, 1881.

BOSTON:
ALFRED MUDGE & SON, PRINTERS,
NO. 34 SCHOOL STREET.
1881.

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DIRECTORS

OF THE

NEW YORK AND NEW ENGLAND RAILROAD CO.

FOR THE YEAR 1880-81.

JAMES H. WILSON	Boston, Mass.
WILLIAM T. HART	" "
THOMAS NICKERSON	" "
*JONAS H. FRENCH	" "
JOHN GOLDTHWAIT	" "
*EUSTACE C. FITZ	" "
SAMUEL A. CARLTON	" "
STILLMAN B. ALLEN	" "
GEORGE P. CARTER	Cambridge, Mass.
JESSE METCALF	Providence, R. I.
GORHAM P. POMROY	" "
FREDERIC J. KINGSBURY	Waterbury, Conn.
MARSHALL JEWELL	Hartford, "
LeGRAND B. CANNON	New York, N. Y.
R. SUYDAM GRANT	" "

OFFICERS.

JAMES H. WILSON	*President.*
GEORGE B. PHIPPEN	*Treasurer.*
JAMES W. PERKINS	*Secretary.*

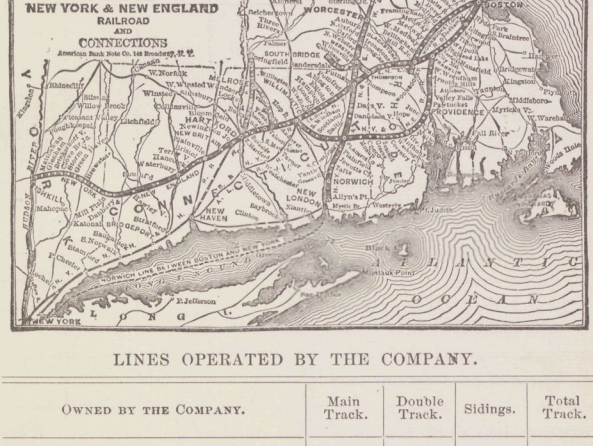
* Hon. Wm. O. Taylor and Hon. Jonas H. French were chosen directors in January last to fill vacancies caused by the resignation of Hon. James H. Sturgis and Hon. Joseph K. Baker. In April Mr. Taylor died, and Hon. Eustace C. Fitz was chosen to fill the vacancy in the Board.

MAP OF

RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE

NEW YORK & NEW ENGLAND RAILROAD CO.



LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction . . . . (Hopewell Junct. to Wicopee owned by N. D. & C. R. R. Company.)	215.04	20.50	52.55	
Wicopee to Newburgh on the Hudson	2.50		.90	
Providence to Willimantic	58.50		10 47	
Brookline to Woonsocket	33.75		6.37	
East Thompson to Southbridge . . .	17 50		2.21	
Islington to Dedham	2.00		.09	
Elmwood to Dedham	.91			
Charles River to Ridge Hill	1.64		.23	
Dorrance St. Track, Providence . .	.82		.03	
Freight Branch, Hartford	.50		.08	
Total owned and operated by this Company	333.16	20 50	72.93	426.59

Leased by the Company.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point	66.40		13.90	
R. I. & M. R. R.				
Franklin to Valley Falls	13.60			
Rockville Railroad.				
Vernon to Rockville	4.40			
Connecticut Central R. R.				
East Hartford to State Line of Mass.	20.20			
Melrose to West St., Rockville . .	7.30			
Springfield & New London R. R.				
State Line of Conn. to junction with Boston & Albany R. R., in Springfield	7.27			
Total Leased Lines operated by the Company	119.17			
Running Arrangements Over				
Newburg, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction	11.02			
Boston & Albany R. R.				
From Springfield and New London road into Springfield	1.73			
New London Northern R. R.				
Norwich to New London	13.50			
Total	26.25			
Controlled through Lease.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London, and New York	125.00			

Making the total number of miles of transportation lines controlled by the company, 603.58.

SIXTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS.

To the Stockholders of the New York and New England Railroad Company:

THE Board of Directors respectfully submit their sixth annual report, showing the transactions of the corporation during the fiscal year ending Sept. 30, 1881.

The earnings and expenses of the roads operated by the company (not including the Norwich and Worcester Railroad, the accounts of which are kept separately) were as follows: —

EARNINGS.	Year Ending Sept. 30, 1881.	Year Ending Sept. 30, 1880.	INCREASE OR DECREASE.		
			Increase or Decrease.	Amount.	Per Cent.
Passenger	$1,029,585 75	$893,516 51	Increase.	$136,069 24	15.2
Freight	1,420,758 30	1,250,526 93	"	170,231 37	13.6
Mails	32,502 63	25,755 72	"	6,746 91	26.2
Express	73,933 87	61,279 16	"	12,654 71	20.6
Miscellaneous	135,593 65	93,862 20	"	41,731 45	44.4
Gross Earnings	$2,692,374 20	$2,324,940 52	Increase.	$367,433 68	15.8

OPERATING EXPENSES.	Year Ending Sept. 30, 1881.	Year Ending Sept. 30, 1880.	INCREASE OR DECREASE.		
			Increase or Decrease.	Amount.	Per Cent.
Conducting Transportation Passengers	$271,735 34	$224,251 89	Increase.	$47,483 45	21.17
Conducting Transportation Freight	400,104 93	339,618 95	"	60,485 98	17.81
Maintenance of Way	351,782 61	355,043 88	Decrease.	3,261 27	0.92
Motive Power	626,760 49	464,573 99	Increase.	162,186 50	34.92
Maintenance of Cars	124,651 96	89,315 04	"	35,366 92	39.56
General Expenses	66,462 60	80,151 60	Decrease.	13,689 00	17.08
Total Operating Expenses	$1,841,497 93	$1,552,955 35	Increase.	$288,542 58	18.58
Net Earnings	$850,876 27	$771,985 17	Increase.	$78,891 10	10.22

Net Earnings		$850,876 27
Taxes	$72,317 17	.....
Insurance	12,228 21	.....
Interest on Floating Debt	52,518 52	.....
Rent of other Roads	74,296 23	.....
Worthless Accounts	382 20	211,742 33
Available Net Earnings	.....	$639,133 94
Add Premium on Bonds Sold	.....	113,994 15
		$753,128 09
Interest on First Mortgage Bonds, one Year to Sept. 30, 1881	.....	537,625 10
Surplus for the Year	.....	$215,502 99

EARNINGS.

It will be seen that the increase in the gross earnings of the property over the gross earnings for the previous year amounts to $367,433, or about sixteen per cent. This increase was earned upon substantially the same extent of road, the only addition being the extension from Waterbury to Brewster's, over which a few local trains were run in August and September.

The percentage of increase in the passenger and freight business was about the same.

The number of tons of local freight carried one mile was 13,020,939, the income from which was $581,060.61. The number of tons of through freight carried one mile was 51,541,746, and the income was $839,697.61. Showing that although the road carried nearly four times as much through freight one mile as it carried local freight one mile, the income from local freight was more than two thirds as much as the income from through freight. The average rate per ton per mile for local freight was 4.463 cents per mile, and for through freight 1.629 cents per mile. Through freight in the sense here used means freights to and from other roads.

The large percentage of increase in miscellaneous receipts was mostly due to gravel contracts with the city of Boston; and this increase is likely to continue, owing to the large

382
12228
12610

amount of filling being done by the Land and Harbor Commissioners on the South Boston Flats, and which will have to be done by private parties in the improvement of property on the South Bay, in the vicinity of East Chester Park and Swett Street.

The net earnings, as given, are those of a road under construction, from a large portion of which no income was derived, and were seriously affected by the increased cost of operating the road from the causes recited below, by the low rates on trunk-line business to and from New England, and the failure of the Delaware peach crop, from which a large income has heretofore been received. Notwithstanding these drawbacks, the net earnings of the property the past year amounted to $850,876.27, an increase of $78,891 over the earnings for the previous year, or a little over ten per cent.

This is a result which the stockholders may congratulate themselves upon, especially when it is remembered that the physical condition of every portion of the property has not only been maintained, but the road-bed, bridges, platforms, stations, and other buildings have been greatly improved and added to.

Out of the net earnings of the company as given above, the company had to pay its taxes, insurance, interest on floating debt, etc. If the payments on these accounts had been confined to the line of road operated by the company from which the earnings were derived, the actual payments by the company would have been materially reduced, and the net earnings correspondingly increased. The bonded and floating debt of the company, incurred to obtain possession of its property, for permanent improvements thereon, and for new equipment in use by the road at the end of the fiscal year, amounted to about $6,500,000.

The balance of the debt of the company was nearly all incurred for the extension of the road from Waterbury to the

Hudson River, for new equipment, and for terminal facilities at Boston, from which scarcely any revenue was derived during the past year owing to their incomplete condition.

The total taxes and insurance upon the completed portion of the company's road, rent of other roads, and interest upon the funded and floating debt incurred for obtaining possession and for permanent improvements and rolling stock upon the portion of the road operated the past year, amounted to about $450,000.

Deducting this from the amount of the net earnings as given above, $850,876.27, leaves as the amount which the company would have had available for the purpose of paying dividends upon its capital stock, $400,000, or about two per cent upon its entire capital.

EXPENSES.

The increase in operating expenses was mainly in the motive-power department, and is largely due to the increased train and car mileage, and consequent greater consumption of fuel, but also to the increase of wages and price of coal.

The increased cost of maintenance of cars was due to the increased mileage, to the larger number of freight cars owned by the company, and to the fact that the passenger cars of the company have been put in much better condition than ever before. The increase in the freight equipment of the company has enabled the company to pay from the income of its cars on foreign roads, the mileage of foreign freight cars upon its own road, and to have a surplus of $22,000 in its favor, as was predicted in the last annual report would be the case.

The very cold winter of 1880–81 increased the expenses of the company about $10,000 for removing ice and snow, and also increased the cost of fuel for engines and of fuel

and lights used in stations and on passenger cars nearly one hundred per cent over expenditures for corresponding items during the same period of the previous year.

The operating expenses of the road the coming year will be materially reduced by the company's transporting its own coal from the Hudson to Boston, Providence, Hartford, and the other points of distribution and consumption. The saving to the company from this source will probably amount to nearly one hundred thousand dollars.

The amount of taxes paid by the company depends largely upon the number of shares of stock outstanding, the market value of the same, the amount of bonded and floating debt, and the market value of the same. As all of these amounts have increased very much during the past year, the amount of taxes has also been greatly increased.

The amount of stock outstanding at the beginning of the year was 71,460 shares, and at the time when the books were closed for the issue and transfer of stock, on the 22d of November, the amount outstanding was 107,590 shares.

The cost of insurance has been largely increased by covering the new elevator and warehouses in Boston, and the new stations and bridges on the extension of the road from Waterbury to the Hudson River. All the property of the company is now fully covered by insurance, and the company has also insured its liability for damages by fires set by its locomotives.

The interest paid by the company the past year has been increased by the fact that interest has begun to fall due to the Commonwealth on the purchase money of the twenty-five-acre lot and the thirteen-acre lot of South Boston Flats.

The amount paid for rent of other roads was larger than last year, because of a larger deficit in the earnings of the Norwich and Worcester road, which failed to earn the dividend guaranteed by this company.

The large amount of transportation done for that portion of the road under construction and incidental to the repair of the road necessarily swelled the annual expenses, without any adequate return. As many as thirteen engines, and a corresponding number of cars, were at times engaged in the work of construction and repair.

SURPLUS.

The amount of surplus Sept. 30, 1880, as per report of last year was . . .	$732,970
In making up this account interest on bonds to July 1st only was charged, as had been the custom in previous years.	
Deduct interest from July 1 to Sept. 1, 1880, on bonds outstanding	115,065
Gives as surplus, Sept. 30, 1880 . .	$617,905
Add surplus for year ending Sept. 30, 1881,	215,503
Makes total surplus, Sept. 30, 1881 . .	$833,408

This surplus has been expended in permanent improvements upon the property of the company since this company took possession of it in 1875, as follows: —

New side tracks	$68,396 40
New bridges	46,885 95
Improvements at station, paving, grading, etc.	54,271 09
Steel rails	107,767 53
Improvements on terminal lands at Boston .	515,187 03
Stock in New England Transfer Company .	40,900 00
Total surplus	$833,408 00

BONDED DEBT.

The company has increased its mortgage debt during the year by the sale of $250,000 seven per cent bonds, and $2,250,000 six per cent bonds, making the amount of bonds outstanding at the close of the year: —

Seven per cent bonds	$5,968,000
Six per cent bonds	3;000,000
Total amount of bonded debt Sept. 30, 1881,	$8,968,000

This money has been expended in discharging underlying liens and for permanent improvements upon the property of the company, as follows: —

Discharging underlying liens	$4,466,207 14
Extension from Waterbury to Hudson River,	2,477,748 95
New equipment	1,358,816 39
Real estate and right of way on line of old road,	180,332 47
New stations, water tanks, turn-tables, etc.	89,566 76
Superstructure, new culverts, etc.	35,195 40
Machine shops, machinery and engine houses,	210,092 40
Double track extension to Franklin and at Hartford	150,040 49
Total	$8,968,000 00

FLOATING DEBT.

The floating debt of the company Sept. 30, 1880, was	$1,826,054 76
This amount has been increased during the year	154,486 31
Making the total floating debt, Sept. 30, 1881,	$1,980,541 07

This amount has been expended as follows: —

For terminal lands in Boston	$1,676,377 25
Bonds of Connecticut Central R. R.	283,642 37
Ridge Hill and Winslow's Branch	20,521 45
Total	$1,980,541 07

WESTERN EXTENSION.

The work of extending the road from Waterbury to the Hudson River has been continued during the year, and is now substantially completed. The portion from Waterbury to Brewster's, 40.7 miles, was opened on the 24th of July, and two passenger trains each way, daily, have been run for the accommodation of the local travel. Connection is made at Brewster's with the New York City and Northern Railroad and the Harlem Division of the New York Central and Hudson River Railroad, but no through trains have yet been run over either of these roads, the all-rail passenger and freight business of this company with New York City being done, as heretofore, over the New York, New Haven and Hartford Road, *via* Hartford.

West of Brewster's, the work of construction was very much delayed and the expenses very much increased by unexpected difficulties met with at Whaley's Pond and Fishkill. The water of this pond, where the railroad crosses it, was only a few feet in depth; but the mud was so deep that for a distance of four or five hundred feet, piles over one hundred feet long could not be made to reach a solid foundation. The length of the piles was, however, increased, until the friction on their sides was sufficient to support the running of trains, and in September unbroken connection of the rails of this company, between Boston and the Hudson River, was for the first time secured. The road-bed through Whaley's Pond afterwards settled and swerved out of line to such an extent that it was deemed best not to open the line for business until the pile bridging had been filled with gravel, and this work is now progressing with a good prospect of early completion.

At Fishkill about ninety acres of land, mostly flats, have been purchased for terminal grounds, and the work of filling has been steadily going on for some time; but it has proved more difficult and expensive than anticipated, owing to the soft and compressible nature of the mud upon which the filling had to be made. An area of about ten acres, however, is filled to grade, and wharves, engine houses, and other permanent improvements thereon will soon be ready for use.

The New York, Lake Erie and Western Railroad Company has also nearly completed its landing on the Newburg side of the river, and by the time of the annual meeting, the actual interchange of through Western business with that road will probably have begun.

The road-bed, bridges, station buildings, and track superstructure on the extension are first-class in every particular.

This company expended to Sept. 30, upon the extension of its road west of Waterbury, $2,477,748.95; and this is in addition to the three millions spent by the Boston, Hartford and Erie Railroad Company upon this portion of the property. From this expenditure of nearly six millions of dollars no income has yet been derived; but now, about thirty years after the line was projected, and fifteen years after work upon it had actually been begun, the road may be regarded as completed, and its value will soon be practically demonstrated.

The expenditures of the company upon the extension have been larger than it was expected they would be, owing to the natural obstacles met with at Whaley's Pond and elsewhere on the line, to the construction of an over-head instead of a grade crossing of the Harlem Railroad at Towner's Station, to the expensive nature of the work at Fishkill, and to

the increased cost of labor and material. The cost of the extension, to Sept. 30, 1881, has been divided as follows: —

For land and land damage		$208,527 62
Engineering		46,917 70
Graduation		715,029 28
Bridging and masonry		398,708 70
Superstructure	Steel rails and rail fastenings	559,046 31
	Cross ties, sidings, ballasting, etc.	302,004 94
Stations and station furniture		50,802 57
Fences, gates, and signs		38,273 56
Engine houses, turn-tables, water tanks, etc.		30,605 50
Dock and landing bridge at Fishkill		127,832 77
Total as above		$2,477,748 95

TERMINAL GROUNDS IN BOSTON.

Work upon the terminal grounds of the company at Boston, to prepare them for a large Western and export business, as well as for the local business of the road, has been rapidly pushed forward; but the additional freight and ware houses constructed have not furnished more accommodation than the growing business upon the old road of the company demanded, leaving much yet to be done if the new connections with the Erie and Pennsylvania systems should develop the large amount of business expected. To meet this want, the company is constructing a grain elevator of 500,000-bushel capacity, which will be completed and ready for use by January next. It is also completing the filling of the fifty-acre tract of land bought from the Boston and Albany Railroad Company, and the

thirteen-acre tract bought from the Commonwealth of Massachusetts. About seventeen acres have already been filled to grade, and will soon be utilized for freight purposes.

The construction of a new pier on the fifty-acre tract, to be called Pier No. 3, about one thousand feet long and two hundred wide, has been begun, and will be completed before the close of another year. A large and profitable business has already been secured by contract for this pier and the buildings to be erected thereon.

Dock No. 2, as partially constructed by the Boston and Albany Railroad Company, is being lengthened to eight hundred and fifty feet, because of the fact that its original length was too long to berth one steamer and not long enough for two. Pier No. 2 will not be constructed at present.

On the twenty-five acre lot purchased from the State, a large freight shed, which covers 121,000 square feet, was finished in May, and has proved a valuable auxiliary to the business of the company by attracting a line of transatlantic steamers, and offering superior facilities to transient steamers and sailing vessels in receiving and discharging their cargoes. Work has been begun on another warehouse of about the same size as the above, to be located on the opposite side of Dock No. 1. A new freight house, six hundred and thirty feet long and fifty-two feet wide, adjacent to the two large freight houses already in use, is also being constructed and will soon be finished.

When these contemplated terminal improvements are completed this company will offer to the public facilities second to none in this country.

The expense of the company for the year for these improvements upon the terminal grounds at South Boston amounted to $374,931.92, and the total cost of all improvements upon this property to Sept. 30, 1881, is $492,962.11, divided as follows: —

For Filling, grading, and paving . .	$166,590 40
New pier and dock	27,711 87
Tracks	12,104 12
Freight houses and coal sheds . .	48,719 29
Warehouses	112,087 57
Grain elevator	125,748 86
	$492,962 11

It is estimated that the cost of completing the improvements under way and contemplated upon the terminal grounds in Boston will be about one million dollars.

The above expenditures are in addition to the cost to the company of the terminal lands themselves, which were as follows: —

For Drake's Wharf	$131,000 00
50-acre lot	330,000 00
25-acre lot	1,000,000 00
12-acre lot	108,165 00
Engine-house lot	95,500 00

HARTFORD AND PROVIDENCE.

The freight business of the company at Hartford is so large that additional facilities for transacting it were imperatively demanded, and to meet this demand a new freight yard, with an area of about five acres, conveniently located near the business centre of the city, has been graded, and buildings erected thereon. These improvements will be ready for use by December of this year. A new freight yard has also been laid out at East Hartford, where the company owns sixteen acres available for this purpose, and a new transfer house, coal bin, and turn-table have been located there. These improvements were rendered necessary in order to facilitate the making up of trains to properly dis-

tribute the freight received from other roads at Hartford to points on the main line and branches of the company.

The facilities of this company for handling its business at Providence are entirely inadequate, and the company has been unable to meet the demands upon it satisfactorily either to itself or its patrons. It has frequently been the case that several hundred car-loads of freight have been left upon sidings from ten to twenty miles out of the city, and instead of being brought in and discharged immediately, they could only receive attention as fast as a few cars could be unloaded and sent away to make room for others. There is a considerable area of ground adjacent to our own land in Providence available for terminal uses, and measures must be immediately taken to secure such portion of it as this company requires.

The suit brought by dissatisfied stockholders of the old Hartford, Providence and Fishkill Railroad, to test the title of this company to that part of its road in Rhode Island, has been finally determined by the Supreme Court of that State in favor of the New York and New England Railroad Company. This gives the company a legal standing in the State, and it can now take the necessary steps to supply its wants. The whole matter of railroad accommodations, and the rearrangement of the terminal grounds in Providence, is being considered by the government of that city, and by the railroads interested; and the present agitation will undoubtedly result in this company's securing all the facilities it requires for doing its business promptly and well. Providence is the second city in New England in population and valuation; and as the New York and New England Railroad now offers to it the most direct means of communication with the West and Southwest, it is very desirable that the city and railroad company should work together to promote their mutual interests.

PERMANENT IMPROVEMENTS.

That this company labors under some disadvantage in having a single track road is not to be denied, as stated in the last annual report; but this difficulty is being partially overcome by the extension of the double track and lengthening the sidings at the most effective points.

The experience of the past few months has shown that the extension of the double track, at least as far as Hartford, will be an absolute necessity before the close of another year. The present freight traffic of the road could only be properly accommodated by withdrawing some of the through night-passenger trains, and neither the freight nor passenger business of the company can be done with that promptitude and despatch necessary to meet the competition of rival lines without double-tracking the road. This subject is earnestly commended to the attention of the stockholders.

The extension of the double track from Winslow Station to Walpole, three and one tenth miles, was completed and put in operation in November last. Contracts for further extension of the double track from Walpole to Franklin, eight and five tenths miles, and for about half a mile in Willimantic, were let in April last, and work under them will be completed early this winter. At Hartford one and one tenth miles of double track have been completed, and the remainder of the distance to Burnside, three and one tenth miles, will be ready for use by the first of January, 1882. The long wooden trestle over the meadow land east of the Connecticut River has been filled for a double track, and thus rendered safer for the passage of trains.

About five and a half miles of sidings have been put in at various points of the line during the fiscal year just closed.

New freight stations have been erected at East Thompson, Abington, and Baltic, and new passenger stations at East

Douglass, Washington, Andover, and Plainfield. A new paint shop and a new blacksmith shop, rendered necessary by the increased equipment of the company, are being added to the other shops of the company at Norwood Central.

During the year, 2,985 tons of steel rails were laid, and 160,049 ties put into the main track. In the main track of the company, between Boston and the Hudson River, there are now about 226 miles of steel rails, including those in double track, leaving only about twenty-three miles of iron rails to be replaced with steel. The necessary steel rails for this and for current repairs of branches have been contracted for. On the Providence Division there are about twelve miles of steel rails and forty-six miles of iron rails.

The details of the expenses of the company for the above improvements, and for all others made by the company during the year, as well as the details of the receipts of the company, will be found among the tabulated statements at the close of this report.

EQUIPMENT.

The company has made large additions to its rolling stock during the past year, but the demands of the increased business of the road will require still further purchases during the coming year. The equipment added during the past year is as follows: 16 locomotives, 18 passenger cars, 228 box freight cars, 150 flat cars, 254 coal cars, 14 caboose cars, 1 directors' car; making a total equipment of the company, Sept. 30, 1881: locomotives, 103; passenger cars, 135; baggage, mail, and express cars, 30; box freight cars, 1,210; flat cars, 616; coal cars, 506; caboose cars, 27; parlor cars, 2; directors' car, 1; miscellaneous cars, 22: total cars, 2,549.

Contracts have been made for eight hundred twenty-ton coal cars, which will be necessary for the proper ac-

commodation of the coal trade; and for the fast freight lines to run over the road, six hundred additional box cars have also been contracted for. With this equipment completed, it is believed that the company will have sufficient rolling stock to do all the business immediately pressing upon it. It will be necessary, however, to add about twenty engines during the coming year, ten of which have been provided for.

RAPID TRANSIT.

The only radical change in the present tariff was made on the 1st of April last, when the ticket rate between Boston and Dorchester, about five and a half miles out, and intermediate stations, was reduced to five tickets for twenty-five cents, season tickets between these stations being at the same time withdrawn. The result for the remaining six months of the fiscal year has demonstrated the wisdom of the action of the management, as the receipts of this business were sixty per cent greater than the receipts of the corresponding six months of the previous year. The passenger train mileage was increased nearly fifty per cent, yet the receipts per train mile run were increased about ten per cent, showing that the suburban residents received much better facilities for communication with the city proper, with an addition to the net revenues of the company.

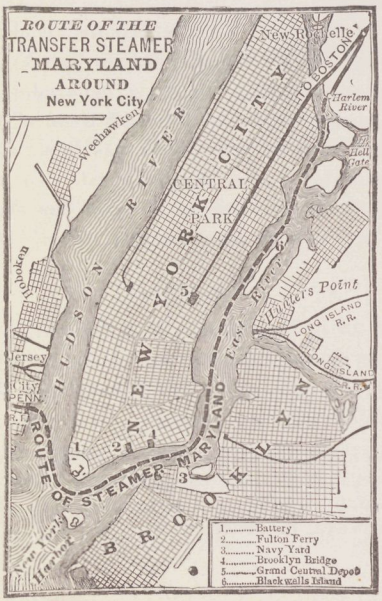
WESTERN CONNECTIONS.

The friendly relations between this company and the New York, New Haven and Hartford Railroad Company have been maintained during the year, and the through Western business from the Pennsylvania system by that road and the steamers of the New England Transfer Company has steadily increased. In July last the Baltimore and Ohio road also turned all of its New England business over

the above route. It has therefore been found necessary to increase the equipment of the New England Transfer Company by purchase of one new tug and three new floats, at an expense of $59,645.94. This expense is borne equally by the New York, New Haven and Hartford road and by this company; the two companies being equal stockholders in the Transfer Company.

During the year the Transfer Company transported from Harlem River to Jersey City, 25,599 loaded cars, and 10,038 passengers. From Jersey City to Harlem River 33,920 loaded cars, and 9,037 passengers. Total loaded cars transported in year ending Sept. 30, 1881, 59,519; total 1880, 40,512, increase of 45 per cent; total passengers transported 1881, 19,075; total 1880, 11,198, increase of 70 per cent.

The route of the steamers of the New England Transfer Company is shown on the following map: —



The New York and New England Railroad Company has under construction and nearly completed a new transfer boat, which it is proposed to exchange with the New England Transfer Company for the steamer "Maryland," and to remove the latter to Newburg, there to be used in transporting the business of the road across the Hudson River. The new steamer should have been delivered in September, but it will not be ready for service until the middle of December.

The New York, Lake Erie and Western Railroad Company are acting in harmony with the New York and New England Railroad Company in preparing for an extensive through business, and arrangements have been made for immediate interchange of traffic with this company at the river as soon as the proper connections are made. The Erie and Pacific Despatch, Wabash and Erie Despatch, and the Commercial Fast Freight Lines will run over this route, and a large business with local points on the Erie road is also expected.

The present water rates on coal from New York to Boston and Providence are such that it is believed this company can compete successfully for the coal trade of those cities, and all intermediate points on its line, and a large business from this source is anticipated. To meet this, it has been deemed necessary to contract for eight hundred additional coal cars as above stated.

PRESIDENT.

Mr. Hart, in pursuance of a long-cherished wish, retired from the presidency of the company in January last, and in accepting his resignation the directors of the company passed the following vote: —

"*Voted*, That in accepting the resignation of William T. Hart as president of this company, the members of this board desire to record their appreciation of his long and valuable services in behalf of the property. As trustee

under the Berdell mortgage, Mr. Hart, in 1871, took possession of a road in a dilapidated condition, without means and without credit, and attacked on every side, but with his well-known pertinacity he not only successfully resisted all encroachments and assaults, but so effectually contended for the rights of the bondholders that at the close of his trust he was enabled to surrender to this company its property in a greatly improved condition.

"*Voted*, That by his prudence, firmness, and foresight, as president, he has established the credit of this company on a solid basis, secured for it the control of a system of railroads extending from Boston to the Hudson River, reaching all the important centres of population in Massachusetts, Rhode Island, and Connecticut, improved its physical condition, increased its rolling stock, and so extended its facilities for business that we may justly claim for it an importance, present and prospective, second to that of no railroad in New England.

"*Voted*, That in assenting to his retirement at this time, and thus permitting the fulfilment of a long-cherished and often-repeated desire on his part, his associates in the management congratulate him upon his release from the exacting duties of the position which he has so wisely and so loyally filled for an entirely inadequate compensation, and wish for him the enjoyment of that ease and leisure in the management of his private affairs which he has so long postponed at our request."

Gen. James H. Wilson was elected president to fill the vacancy caused by the resignation of Mr. Hart.

PROSPECTS.

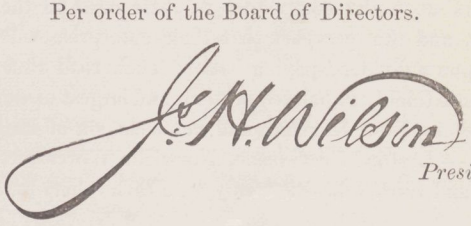
In closing this report, the directors congratulate the stockholders upon the completion of their road to the Hudson River, and the prospect that their enterprise will soon be put upon a dividend-paying basis. Their road runs through the most thickly populated sections and largest manufacturing centres in New England, and connects six of its principal cities, — Boston, Providence, Norwich, Worcester, Springfield, and Hartford, — not only with each other, but with the

West and Southwest. The location of the road is such that its local business, which is steadily increasing, cannot be materially interfered with by new or rival lines, and the completion of the road to the River will naturally give to it a larger number of feeders.

The through Western business of the road will be done over the present routes, *via* the Pennsylvania and Baltimore and Ohio roads, and over the Erie road; also, by means of connections soon to be made, over the Lehigh and Hudson River road, running from Belvidere on the Delaware River to Greycourt and Newburg; over the Jersey Central road, which is building a connection to the Erie; and over the Delaware, Lackawanna and Western, which will obtain a connection with the New York and New England Railroad, either by a road of its own, or by one of those above mentioned. Within the next year, connection will also be made by the New York and New England road with the New York, West Shore and Buffalo, and with the New York, Ontario and Western Road. It is confidently believed that the facilities which will be afforded by these old and new connections will give to the New York and New England Railroad all the business which it can properly accommodate during the coming year, and that the time is not distant when the income from the transportation of coal will alone be sufficient to pay a dividend upon the capital stock of the company.

Respectfully submitted,

Per order of the Board of Directors.



President.

APPENDIX.

THE following tables show the results in detail of the operations of the New York and New England Railroad during the fiscal year ending September 30, 1881.

EARNINGS AND EXPENSES, BY MONTHS, FOR THE YEAR ENDING SEPT. 30, 1881.

	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1880	$215,491 66	$144,577 87	$70,913 79
November	210,856 68	145,772 04	65,084 64
December	198,108 33	158,939 31	39,169 02
January, 1881	189,749 64	153,477 30	36,272 34
February	173,614 77	141,709 06	31,905 71
March	212,018 82	161,877 54	50,141 28
April	216,913 10	153,420 71	63,492 39
May	217,185 87	160,693 61	56,492 26
June	231,517 79	154,463 58	77,054 21
July	246,820 57	148,913 26	97,907 31
August	280,523 78	162,737 29	117,786 49
September	299,573 19	154,916 36	144,656 83
Total	$2,692,374 20	$1,841,497 93	$850,876 27

DR. GENERAL BALANCE SHEET,

To Railroad equipment and property, as represented by B., H. and E. R. R. "Berdell Bonds"	$20,000,000 00		
" Underlying liens paid to obtain possession and perfect title, and equipment and improvements on constructed road	7,530,268 67		
" Purchase of South Boston Flats .	1,449,390 00		
" Extension of road west of Waterbury	2,477,748 95		
" Bonds of Conn. Central R. R. . .	283,642 37		
" Stock of New England Transfer Co.,	40,900 00		
		$31,781,949	99
" Supplies and materials on hand		266,078	13
" Balance due from agents and conductors . . .		172,881	17
" Balances due from companies and individuals .		335,584	89
" Cash		83,723	44
		$32,640,217	62

DR. PROFIT AND LOSS ACCOUNT,

To Operating expenses		$1,841,497	93
" Insurance		12,228	21
" Rent of other roads		74,296	23
" Taxes		72,317	17
" Interest: —			
First mortgage bonds, July 1 to Sept. 30, 1880	$115,065 00		
First mortgage bonds, Oct. 1, 1880, to Sept. 30, 1881	537,625 10		
	$652,690 10		
On notes payable	52,518 52		
		705,208	62
" Worthless accounts		382	20
" Balance Sept. 30, 1881		833,408	92
		$3,539,339	28

SEPTEMBER 30, 1881. CR.

By Capital Stock: —		
" Amount actually issued . . .	$8,746,000 00	
" B. H. & E. R. R. " Berdell Bonds," convertible into stock . . .	11,254,000 00	
		$20,000,000 00
" First Mortgage 7 per cent bonds .	$5,968,000 00	
" " 6 " " .	3,000,000 00	
		8,968,000 00
" Mortgage Note		125,000 00
" B. & A. R. R. Co. Note (50-acre lot) . . .		300,000 00
" Notes payable		589,000 00
" Balance due State of Massachusetts (25 & 12 acre lots)		886,532 00
" Coupons overdue, not yet presented		4,215 00
" Accrued interest on bonded debt — July 1 to Sept. 30, 1881		149,440 00
" Unpaid vouchers and pay rolls		655,151 80
" Balances due to companies and individuals . .		129,469 90
" Profit and Loss		833,408 92
		$32,640,217 62

1,904,747

SEPTEMBER 30, 1881.

By balance from last year	$732,970 93
" Gross earnings	2,692,374 20
" Premium on first mortgage bonds	113,994 15
	$3,539,339 28

RECAPITULATION OF GROSS EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1881.

Months.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellan's Earnings.	Gross Earnings.
Oct., 1880	85,437 57	116,059 75	2,270 75	5,756 56	5,967 03	215,491 66
Nov., "	78,956 32	115,268 59	2,270 75	7,084 61	7,276 41	210,856 68
Dec., "	73,402 58	112,217 69	2,270 75	5,994 58	4,222 73	198,108 33
Jan., 1881	63,650 29	100,509 80	2,270 75	6,514 77	16,804 03	189,749 64
Feb., "	62,871 91	94,897 48	2,270 75	6,917 48	6,657 15	173,614 77
March, "	75,166 31	120,420 88	2,270 75	5,164 57	8,996 31	212,018 82
April, "	81,424 84	115,883 80	2,095 23	5,793 88	11,715 35	216,913 10
May, "	83,173 30	116,750 37	2,248 81	6,136 83	8,876 56	217,185 87
June, "	81,035 91	130,648 18	2,248 81	7,101 36	10,483 53	231,517 79
July, "	103,279 66	127,270 19	5,694 76	6,334 48	4,241 48	246,820 57
Aug., "	127,292 29	134,660 75	2,513 88	5,550 31	10,506 55	280,523 78
Sept., "	113,894 77	136,170 82	4,076 64	5,584 44	39,846 52	299,573 19
TOTAL.	1,029,585 75	1,420,758 30	32,502 63	73,933 87	135,593 65	2,692,374 20

OPERATING EXPENSES.

Months.	Con. Trans. Passenger.	Con. Trans. Freight.	M'tenance of Way.	Motive Power.	M'tenance of Cars.	General Expenses.	Total Oper. Expenses.
Oct., 1880	26,106 39	31,662 62	29,005 89	44,259 27	9,091 15	4,452 55	144,577 87
Nov., "	21,832 37	30,557 37	27,033 21	48,009 50	8,331 79	10,007 80	145,772 04
Dec., "	23,923 44	34,392 73	24,539 71	55,950 55	13,030 31	7,102 57	158,939 51
Jan., 1881	21,513 75	33,765 62	23,772 50	54,949 40	14,038 81	5,437 22	153,477 30
Feb., "	20,013 24	34,064 32	24,998 74	48,581 85	10,944 66	3,106 25	141,709 06
March, "	25,677 96	37,137 71	25,565 58	56,258 65	11,710 69	5,526 95	161,877 54
April, "	20,277 89	30,050 19	31,717 62	55,287 20	11,227 58	4,860 23	153,420 71
May, "	20,870 49	33,846 00	34,409 44	57,407 43	10,077 89	4,082 36	160,693 61
June, "	23,053 12	31,645 57	33,197 05	51,581 70	10,252 13	4,734 01	154,463 58
July, "	22,487 15	34,185 45	30,355 07	47,971 40	7,732 27	6,181 92	148,913 26
Aug., "	21,065 69	38,467 04	36,282 22	52,491 53	8,872 45	5,558 36	162,737 29
Sept., "	24,913 85	30,330 31	30,905 58	54,012 01	9,342 23	5,412 38	154,916 36
TOTAL.	271,735 34	400,104 93	351,782 61	626,760 49	124,651 96	66,462 60	1,841,497 93

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1881, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellaneous Earnings.	Total Earnings.
Pass. Earnings..	$1,029,585 75		$32,502 63	$73,933 87	$26,963 05	$1,162,985 30
Fr't Earnings ...		$1,420,758 30			108,630 60	1,529,388 90
Total.....	$1,029,585 75	$1,420,758 30	$32,502 63	$73,933 87	$135,593 65	$2,692,374 20

Apportionment.	OPERATING EXPENSES.					
	Transport'n Department.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expenses.	Total.
Pass. Expenses .	$271,735 34	$156,191 48	$328,519 05	$55,377 92	$28,711 84	$840,535 63
Fr't Expenses...	400,104 93	195,591 13	298,241 44	69,274 04	37,750 76	1,000,962 30
Total.....	$671,840 27	$351,782 61	$626,760 49	$124,651 96	$66,462 60	$1,841,497 93

Gross Passenger Earnings	$1,162,985 30	
Gross Passenger Expenses	840,535 63	
Net Passenger Earnings		$322,449 67
Gross Freight Earnings	$1,529,388 90	
Gross Freight Expenses	1,000,962 30	
Net Freight Earnings		$528,426 60
Total Net Earnings		$850,876 27

STATEMENT OF EARNINGS AND EXPENDITURES, IN DETAIL,

EARNINGS.			
Freight		$1,420,758 30	
Passengers		1,029,585 75	
Mail		32,502 63	
Express		73,933 87	
Miscellaneous		135,593 65	$2,692,374 20
OPERATING EXPENSES.			
Conducting Transportation — Pass'r.			
General Passenger Agt. and Clerks	$9,268 03		
Superintendence	4,034 35		
Clerks	6,608 06		
Stationery and Printing	8,468 75		
Foreign Agencies	1,754 31		
Advertising	14,309 68		
Rent of Depot Grounds and Bldgs	25,139 28		
Repairs of Stations	6,341 26		
Oil and Waste for Cars	2,475 46		
Conductors, Bagg'men and Br'kmen	63,089 14		
Mail Expense	1,221 21		
Train Expense	3,466 65		
Fuel and Light for Cars	8,853 14		
Hire of Cars	7,239 42		
Telegraph Expense	7,924 27		
Loss and Damage to Baggage	199 50		
Loss and Damage to Property	5,723 77		
Personal Injuries	7,513 18		
Station Agents	28,593 76		
Switchmen and Yardmen	14,171 76		
Cleaning and Inspecting Cars	18,223 81		
Labor at Stations	10,256 03		
Expense at Stations	6,085 00		
Fuel and Lights for Stations	9,138 53		
Wrecking	1,229 81		
Stock Killed	400 00		
Watchmen	7 18	271,735 34	
Conducting Trans. — Freight.			
General Freight Agt. and Clerks,	17,361 10		
Superintendence	5,608 67		
Clerks	58,234 87		
Stationery and Printing	7,054 48		
Foreign Agencies	883 19		
Advertising	404 95		
Carried forward	9,47 26	$271,735 34	$2,692,374 20

FOR THE YEAR ENDING SEPTEMBER 30, 1881.

Brought forward	$89,547 26	$271 735 34	$2,692,374 20
Rent of Depot Grounds and Bldgs.	9,603 21		
Repairs of Stations	3,873 50		
Oil and Waste for Cars	1.098 43		
Conductors and Brakemen	69,857 62		
Train Expense	6,483 84		
Fuel and Light for Cars	1,940 31		
Hire of Cars	5,758 82		
Telegraph Expense	10,860 17		
Loss and Damage to Freight . . .	11,739 43		
Loss and Damage to Property . . .	5,142 74		
Personal Injuries	11,927 21		
Station Agents	30,228 11		
Switchmen and Yardmen	39,330 81		
Oiling and Inspecting Cars	7,422 48		
Labor at Stations	69,507 85		
Expense at Stations	8,906 09		
Fuel and Lights for Stations . . .	6,013 94		
Wrecking	6,974 65		
Watchmen	3,838 46		
Stock Killed	50 00	400,104 93	
Maintenance of Way.			
Superintendence	8,088 22		
Clerks	658 86		
Ballasting and Surfacing	26,413 52		
Labor Repairing Track	125,373 56		
Frogs	4,636 02		
Switches	4,370 42		
Spikes	2,674 67		
Splices and Bolts	10,426 04		
Repairs, Hand-Cars	1,198 31		
Tools and Repairs of	6,790 79		
Watchmen	6,228 76		
Railroad Crossings	281 87		
Oil, Fluid, and Tallow	166 66		
Steel Rails	48,912 49		
Iron Rails	1,487 46		
Cross Ties	47,758 96		
Switch Ties	2,842 34		
Repairs of Bridges — Labor	13,404 55		
Repairs of Bridges — Material . . .	11,186 37		
Culverts and Cattle Guards	1,368 76		
Highway Crossings and Fences . .	15,821 98		
Telegraph Repairs	22 66		
Section and Watch Houses	192 53		
Stationery and Printing	117 50		
Repairs of Tenement Buildings . .	1,699 97		
Removing Snow and Ice	9,659 34	351,782 61	
Carried forward	$9,906 31	$1,023,622 88	$2,692,374 20

STATEMENT OF EARNINGS

Brought forward	. . . . .	$1,023,622 88	$2,692,374 20
Motive Power.			
Superintendence	$3,938 75		
Clerks	2,996 87		
Stationery and Printing	395 19		
Reps. to Eng. Houses & Mach. Shops	2,575 50		
Repairs to Passenger Locomotives	62,954 55		
Repairs to Freight "	40,906 55		
Repairs to Switch "	7,015 39		
Repairs to Work "	1,373 59		
Coal for Passenger "	147,736 24		
Coal for Freight "	131,221 43		
Coal for Switch "	23,740 89		
Coal for Work "	5,476 58		
Coal for Pay "	378 69		
Wood for Passenger "	426 23		
Wood for Freight "	217 37		
Wood for Switch "	29 85		
Wood for Work "	93 22		
Oil and Waste for Pass'r "	5,837 20		
Oil and Waste for Freight "	4,607 55		
Oil and Waste for Switch "	1,282 16		
Oil and Waste for Work "	255 86		
Oil and Waste for Pay "	28 40		
Cleaning Passenger "	6,496 39		
Cleaning Freight "	3,818 99		
Cleaning Switch "	1,605 55		
Cleaning Work "	219 63		
Cleaning Pay "	31 91		
Repairs of Tools and Machinery . .	7,983 59		
Fuel and Lights for E. H. & M. S. .	8,745 02		
Water Station Expense	13,406 80		
Pumping	4,440 81		
Passenger Engineers and Firemen .	57,993 90		
Freight " " .	43,247 57		
Switch " " .	19,479 57		
Work " " .	3,775 42		
Pay Trip " " .	310 50		
Sand for Engines	708 01		
Watchmen	6,597 57		
Rent of Grounds for Round House	3,072 00		
Rent of Engines	1,339 20		
		626,760 49	
Carried forward	. . . . .	$1,650,383 37	$2,692,374 20

AND EXPENSES. — *Continued.*

Brought forward	. . . . .	$1,650,383 37	$2,692,374 20
Maintenance of Cars.			
Superintendence	$2,706 78		
Clerks	1,393 83		
Stationery and Printing	186 10		
Repairs, Car Shops and Sheds . . .	1,537 35		
Repairs to Pass'ger & Baggage Cars	45,337 45		
Repairs to Freight Cars	63,771 98		
Repairs to Pay Car	657 71		
Fuel and Lights for Car Shops . . .	4,854 37		
Watchmen	479 78		
Repairs, Tools and Machinery . . .	3,726 61	124,651 96	
General Expenses.			
Salaries and exp'ses of Gen'l Officers	25,559 64		
Clerks at General Offices	10,347 60		
Attendants at "	1,283 40		
Legal Expenses	15,855 97		
Stationery and Printing	3,330 38		
Expenses at General Offices	3,582 93		
Rent of General Offices	775 00		
Fuel and Light for General Offices .	1,399 05		
Repairs of General Offices	951 67		
Pay Trip Expenses	740 58		
Postage	1,807 34		
Detective Service	661 85		
Discount and Interest	167 19	66.462 60	
			1,841,497 93
Earnings after Deducting Operating Expenses	. . . . .		850,876 27
Taxes		72,317 17	
Insurance		12,228 21	
Interest on Floating Debt		52.518 52	
Rent of other Roads		74,296 23	
Worthless Accounts		382 20	
			211,742 33
Available Net Earnings			639,133 94
Add Premium on Bonds Sold			113,994 15
			753,128 09
Interest on First Mortgage Bonds, 1 year to Sept. 30, 1881,			537,625 10
Surplus for the Year			$215,502 99

COMPARISON WITH PREVIOUS YEAR OF EARNINGS, EXPENSES, AND BUSINESS.

	Year ending Sept. 30, 1881.	Year ending Sept. 30, 1880.
Miles of road operated (average for the year)	325.56	293.29
Gross earnings per mile of road	$8,269.98	$7,927.10
Operating expenses per mile of road	5,656.40	5,294.94
Net earnings per mile of road	2,613.58	2,632.16
Percentage of operating expenses to gross earnings	68%	67%
Revenue train miles run	1,895,582	1,575,977
Gross earnings per revenue train mile	$ 1.42	$ 1.47
Operating expenses per revenue train mile	.972	.986
Net earnings per revenue train mile	.448	.444
Expense of transportation per mile of road	2,063.64	1,919.23
" " " revenue train mile	.354	.358
Maintenance of way per mile of road	1,080.55	1,211.75
" " " revenue train mile	.186	.225
Motive power per mile of road	1,925.18	1,585.58
" " " revenue train mile	.331	.295
Maintenance of cars per car for passenger cars of all kinds	329.63	330.85
Maintenance of cars per car for freight cars of all kinds	29.10	23.08
Maintenance of cars per mile of road	382.88	304.83
" " " revenue train mile	.066	.056
General expenses per mile of road	204.15	273.55
" " " revenue train mile	.035	.051
Passenger earnings per mile of road	3,572.26	3,188.62
" expenses " " "	2,581.82	2,259.18
Net passenger earnings per mile of road	990.44	929.44
Percentage of passenger expenses to passenger earnings	72%	71%
Revenue passenger train miles run	1,225,194	999,845
Passenger earnings per revenue passenger train mile	$ .95	$1.008
" expenses " " " " "	.687	.714
Net passenger earnings per revenue passenger train mile	.263	.294
Number passengers carried	3,492,560	3,121,057
" " " one mile	45,702,022	41,762,072
Earnings per passenger	$ .295	$ .286
" " " including mail, express, etc.	.333	.323
" " " per mile	.0225	.0214
" " " " including mail, express, etc.	.0254	.0241
Expenses per passenger	$ .24	$ .229
" " " per mile	.0184	.0171

Average distance travelled per passenger	13.1 mi.	13.4 mi.
Freight earnings per mile of road	$4,697.72	$4,166.00
" expenses " "	3,074.58	2,653.37
Net freight earnings per mile of road	1,623.14	1,512.63
Percentage of freight expenses to freight earnings	65%	64%
Revenue freight-train miles run	670,388	576,132
Freight earnings per revenue freight-train mile	$ 2.281	$ 2.286
" expenses " " " "	1.493	1.456
Net freight earnings per revenue freight-train mile	.788	.823
Number tons freight carried	1,176,795	968,549
" " " " one mile	64,562,865	43,678,700
Earnings per ton	$ 1.21	$ 1.29
" " per mile	.022	.0286
" " including miscellaneous	1.30	1.36
" " per mile including miscellaneous	.0237	.0301
Expenses per ton	.85	.866
" " per mile	.0155	.0192
Average distance each ton carried, miles	54.87	45.1
Number locomotives in service	103	87
Mileage of passenger locomotives	1,282,402	1,030,683
Expense per mile of passenger locomotives	$ .2425	$ .2136
Mileage of freight locomotives	768,387	612,901
Expense per mile of freight locomotives	$ .3262	$ .3151
Total mileage of all kinds of "	2,425,977	1,902,113
Average expense per mile of all "	$ .2584	$ .2441
Number local passengers	2,500,936	2,215,183
" through "	991,624	905,874

COMPARISON OF EARNINGS AND EXPENSES OF MAIN LINE AND PROVIDENCE DIVISION.

BOSTON TO WATERBURY. — MAIN LINE.

	Year ending Sept. 30, 1881.	Year ending Sept. 30, 1880.
Gross earnings per mile of road	$13,116.31	$10,285.16
Operating expenses per mile of road	8,632.43	6,776.99
Net earnings per mile of road	4,483.88	3,508.17
Gross earnings per revenue train mile	1.55	1.60
Operating expenses per revenue train mile	1.02	1.05
Net earnings per revenue train mile	.53	.55

PROVIDENCE TO WILLIMANTIC. — PROVIDENCE DIVISION.

Gross earnings per mile of road	$5,753.86	$5,965.19
Operating expenses per mile of road	3,805.78	3,539.56
Net earnings per mile of road	1,948.08	2,425.63
Gross earnings per revenue train mile	1.33	1.54
Operating expenses per revenue train mile	.88	.91
Net earnings per revenue train mile	.45	.63

AMOUNT EXPENDED FOR CONSTRUCTION OF WESTERN EXTENSION DURING THE YEAR.

ACCOUNTS.		AMOUNT.
TRACK:		
Graduation	$267,380 26	
Grubbing and clearing	511 56	
Culverts and cattle guards	2,841 66	
Ballasting	116,893 83	
Switches	15,003 31	
Hand and push cars	915 72	
Miscellaneous labor	2,185 92	
		$405,732 26
CROSS-TIES:		
Cost of	$66,653 87	
Freight and inspection	3,958 00	
Labor laying	6,295 07	
		76,906 94
RAILS AND FASTENINGS:		
Cost of	$244,490 06	
Freight and handling	21,298 29	
Labor laying	5,086 51	
		270,874 86
SIDINGS:		
Labor	$11,893 93	
Rails	31,090 79	
Other material	185 58	
		43,170 30
TRACK LAYING		7,472 33
FENCES:		
Labor	$1,633 94	
Material	15,416 01	
		17,049 95
BRIDGES:		
Labor	$1,873 43	
Piling	529 11	
Masonry	65,757 26	
Riprapping	220 00	
Trestle work and open culverts	34,576 88	
Superstructure, iron	10,488 84	
" wood	20,538 95	
		133,984 47
Carried forward		$955,191 11

Brought forward		$955,191 11
CROSSINGS:		
Grading	$488 86	
Gates and signs	920 68	
Materials, etc.	1,351 78	
		2,761 32
Water stations, labor and material		22,984 00
Buildings, labor and material		46,536 74
Engineering and surveying		23,866 65
Right of way		66,449 94
Legal expenses		3,024 04
Superintendence		1,392 73
Taxes		553 59
Station furniture and fixtures		982 49
Engine houses and turn-tables		7,371 50
Landing bridge, Fishkill		5,278 20
Fishkill docks		122,554 57
Miscellaneous		893 11
Total		$1.259,839 99

STATEMENT OF NEW CONSTRUCTION AND EQUIPMENT AND YEAR ENDING

ACCOUNTS.			AMOUNT.
NEW BUILDINGS:			
Renewal and Improvements of Stations	$48,242 42		
Engine Houses	26,744 35		
Machine and Repair Shops — Additions to	3,790 83		
Section and Watch Houses	710 87		
Water Tanks	4,027 89		
		$83.516 36	
New Sidings		48,679 14	
New Safety Gates and Stop Signals		1,997 11	
Steel Rails, — Difference in Value between Steel Rails (used to replace Iron Rails) and Iron Rails, 2,984 $\frac{1247}{2240}$ tons		38,803 29	
Bridges, — Replacing Wooden Bridges with Iron and Stone for purpose of Double Track Extension		35,515 42	
New Machinery for Shops		15,959 98	
REAL ESTATE:			
Boston Engine House Lot	98,789 00		
Gravel Land, Islington	5,479 36		
Land at Brookline	12,526 00		
" " Norfolk	136 06		
" " Dedham	1,152 40		
" " Plainville	878 00		
" " Boston	1,750 00		
Gravel Pit, Uxbridge	342 60		
" " Highland Lake	150 00		
Gravel Land, So. Windsor	241 42		
" " Needham	75 00		
Right of Way	4,863 17		
		126,383 01	
EQUIPMENT:			
New Steam Shovels		13,745 73	
New Locomotives	196 649 93		
New Passenger and Baggage Cars	89,079 14		
Directors and Officers' Coach	9,133 91		
New Freight Cars	263,744 66		
		558,607 64	
Riprapping E. Hartford Embankment		364 83	
Miscellaneous Improvements at Stations — paving, grading, etc.		9,467 46	
			$933,039 97
Extension Double Track			105,798 36
Carried forward			$1,038,838 33

EXPENDITURES CHARGED TO PROPERTY DURING THE SEPTEMBER 30, 1881.

ACCOUNTS.			AMOUNT.
Brought forward			$1,038,838 33
SOUTH BOSTON FLATS:			
Fifty-acre Lot, Improvements to same —			
Grain Elevator	$125,748 86		
Warehouses	28,132 79		
Filling and Grading	46,901 80		
New Piers and Docks	24,076 14		
Miscellaneous	4,792 88		
		$229,652 47	
Twenty-five-acre Lot —			
Cash paid	$178,355 25		
Improvements			
Warehouses	83,354 70		
Filling and Grading	34,229 51		
New Piers and Docks	3,635 73		
Tracks	7,104 12		
Miscellaneous	2,392 23		
		309,071 54	
Twelve-acre Lot, Improvements to same: —			
Filling		14,563 16	
			553 287 17
Extension of Road west of Waterbury			1,259,839 99
Underlying Liens bought		$72,579 66	
Highland Lake Grove, additions to Improvements		926 70	
Bonds of Conn. Central R. R.		1,757 70	
			75,264 06
Total			$2,927,229 55

LIST OF LOCOMOTIVES, SEPTEMBER 30, 1881.

No.	Weight.	Cylinders. Diam.	Cylinders. Stroke.	How Connected.	Driving Wheels. No.	Driving Wheels. Diam.	Name of Builder.	When Built.	Class.
1	71,950	17″	24″	Outside	4	60″	Hinkley L. W.	May, 1878	Passenger.
2		16″	24″	"	4	60″	Taunton L. W.	May, 1869	"
3		14″	22″	"	4	48″	R. I. L. W.	Oct., 1878	Switch.
4		14″	22″	"	4	48″	McKay & Aldus.	Nov., 1868	"
5	63,000	16″	24″	"	4	60″	Schenectady L. W.	Oct., 1871	Freight.
6	67,700	16″	24″	"	4	60″	Hinkley L. W.	March, 1875	Passenger.
7		17″	24″	"	6	54″	Schenectady L. W.	Feb., 1869	Freight.
8		13″	22″	"	4	45″	Hinkley L. Co.	Dec., 1860	Switch.
9		14″	22″	"	4	60″	" "	Sept., 1867	"
10	64,340	16″	22″	"	4	60″	Schenectady L. W.	Feb., 1869	Passenger.
11	75,850	18″	24″	"	6	58″	R. I. L. W.	Jan., 1879	Freight.
12	64,800	16″	22″	"	4	66″	Taunton L. W.	Feb., 1869	Passenger.
13	60,600	16″	22″	"	4	66″	" "	April, 1869	"
14	55,790	15″	22″	"	4	60″	Hinkley L. W.	Aug., 1868	"
15	59,650	15″	22″	"	4	48″	N. Y. & N. E. R. R. Co.	April, 1873	Switch.
16		16″	24″	"	4	60″	Taunton L. W.	Nov., 1865	Passenger.
17		16″	24″	"	4	60″	" "	Nov., 1865	"
18	64,750	16″	22″	"	4	60″	McKay & Aldus.	1866	"
19		16″	24″	"	4	60″	" "	March, 1867	" or freight.
20	60,750	16″	24″	"	4	60″	" "	April, 1867	"
21		16″	24″	"	4	60″	Taunton L. W.	July, 1867	Freight.
22		15″	22″	"	4	60″	" "	Aug., 1867	Passenger.
23		15″	22″	"	4	60″	Hinkley L. W.	Sept., 1872	"
24		15″	22″	"	4	60″	" "	Jan., 1868	"
25		15″	22″	"	4	60″	" "	Jan., 1871	"
26		17″	24″	"	4	60″	Schenectady L. W.	June, 1876	"
27		17″	24″	"	4	60″	" "	July, 1876	Freight.
28		17″	24″	"	4	54″	Hinkley L. W.	Dec., 1872	Passenger.
29		17″	24″	"	4	54″	" "	May, 1873	"
30	44,800	14″	22″	"	4	48″	" "	Jan., 1872	Switch.
31	69,630	16″	24″	"	6	54″	" "	Feb., 1872	Freight.
32		15″	24″	"	4	66″	Schenectady L. W.	March, 1872	Passenger.
33		16″	24″	"	4	60″	Hinkley L. W.	March, 1872	"
34	71,900	17″	24″	"	4	60″	" "	Aug., 1875	"
35	58,100	15″	24″	"	4	60″	" "	Oct., 1877	"
36	70,550	17″	24″	"	4	60″	" "	Oct., 1877	"
37	72,050	17″	24″	"	4	60″	Baldwin L. W.	July, 1878	Freight.
38	72,050	17″	24″	"	4	60″	" "	July, 1878	"
39	75,850	18″	24″	"	6	58″	R. I. L. W.	June, 1879	"
40	75,850	18″	24″	"	6	58″	" "	June, 1879	"
41	75,850	18″	24″	"	6	58″	" "	June, 1879	"
42	75,850	18″	24″	"	6	58″	" "	June, 1879	"
43	45,900	18″	24″	Inside	6	58″	Taunton L. W.	Dec., 1849	Passenger.
44	50,950	11″	14½″	"	4	42″	Chubbuck & Sons.	Sept., 1865	Dummy.
45	25,310	9″	20″	Outside	2	54″	Wm. Mason & Co.		Passenger.
46	57,900	15″	20″	"	4	60″	Taunton L. W.	July, 1852	"
47	52,400	15″	20″	Inside	4	60″	Wm. Mason.	Aug., 1854	Freight and switch.
48	52,400	15″	20″	"	4	60″	" "	Sept., 1854	Passenger.
49	53,800	15″	20″	"	4	60″	" "	Sept., 1854	"
50	52,400	15″	20″	"	4	60″	" "	Sept., 1854	"
51		17″	24″	Outside	4	60″	Hinkley L. Co.	Dec., 1880	"
52	43,400	11″	20″	"	4	60″	Schenectady L. W.		Switch.
53	54,400	14½″	22″	"	4	60″	Wm. Mason.	Nov., 1854	Passenger.
54	51,600	14½″	22″	"	4	60″	" "	Nov., 1854	"
55	53,300	14½″	22″	"	4	60″	" "	June, 1855	"
56	59,300	14½″	22″	"	4	60″	" "	June, 1855	"
57	57,400	16″	24″	"	4	60″	Taunton L. W.	Nov., 1865	Freight and switch.
58	57,400	16″	24″	"	4	60″	" "	May, 1866	Freight.
59	57,400	16″	24″	"	4	60″	" "	March, 1864	Passenger.
60	57,700	15″	22″	"	4	60″	" "	Aug., 1868	"
61	61,200	17″	24″	"	4	60″	H. P. & F. R. R. Co.	Dec., 1868	Freight.
62	66,600	17″	24″	"	4	60″	R. I. L. W.	July, 1869	"
63	60,250	16″	22″	"	4	60″	H. P. & F. R. R. Co.	July, 1869	Passenger.
64	58,820	16″	22″	"	4	60″	" " "	March, 1870	"

LIST OF LOCOMOTIVES, SEPTEMBER 30, 1881 — *Continued.*

No.	Weight.	Cylinders. Diam.	Cylinders. Stroke.	How Connected.	Driving Wheels. No.	Driving Wheels. Diam.	Name of Builder.	When Built.	Class.
65	55,350	14″	22″	Outside	4	60″	H. P. & F. R. R. Co.	April, 1871	Passenger.
66	62,070	16″	22″	"	4	60″	" " "	Nov., 1871	Freight.
67	49,270	12″	24″	"	4	42″	Taunton L. W.	April, 1872	Switch.
68	59,550	16″	22″	"	4	60″	" "	June, 1872	Freight & Pass'er.
69	65,000	17″	24″	"	4	60″	" "	Dec., 1872	" "
70	65,540	16″	22″	"	4	60″	H. P. & F. R. R. Co.	April, 1873	Passenger.
71	61,000	16″	22″	Inside	4	60″	Taunton L. W.	Sept., 1873	"
72	49,270	12″	24″	Outside	4	42″	" "	Sept., 1873	Switch.
73	61,500	16″	24″	"	4	60″	" "	July, 1874	Passenger.
74	65,000	16″	22″	"	4	60″	H. P. & F. R. R. Co.	Nov., 1874	"
75	49,270	12″	24″	"	4	42″	Taunton L. W.	March, 1876	Switch.
76	68,050	18″	24″	"	4	60″	" "	May, 1876	Passenger.
77	67,700	17″	22″	"	4	60″	H. P. & F. R. R. Co.	Nov., 1876	"
78		15″	24″	"	4	60″	Hinkley L. W.		"
79	55,850	14″	24″	"	4	60″	R. I. L. W.	1876	"
80	58,450	15″	22″	"	4	60″	" "		"
81	75,850	18″	24″	"	6	58″	" "	Aug., 1880	Freight.
82	75,850	18″	24″	"	6	58″	" "	Aug., 1880	"
83	75,850	18″	24″	"	6	58″	" "	Sept., 1880	"
84	75,850	18″	24″	"	6	58″	" "	Sept., 1880	"
85	75,850	18″	24″	"	6	58″	" "	Sept., 1880	"
86	75,850	18″	24″	"	6	58″	Hinkley L. W.	Oct., 1880	"
87	75,850	18″	24″	"	6	58″	" "	Oct., 1880	"
88	75,850	18″	24″	"	6	58″	R. I. L. W.	April, 1881	"
89	75,850	18″	24″	"	6	58″	" "	April, 1881	"
90	75,850	18″	24″	"	6	58″	" "	April, 1881	"
91	75,850	18″	24″	"	6	58″	" "	April, 1881	"
92	75,850	18″	24″	"	6	58″	" "	April, 1881	"
93	75,850	18″	24″	"	6	58″	" "	April, 1881	"
94	110,000	22″	22″	"	8	50″	Hinkley L. Co.	June, 1881	"
95	110,000	22″	22″	"	8	50″	" "	June, 1881	"
96	110,000	22″	22″	"	8	50″	" "	June, 1881	"
97	110,000	22″	22″	"	8	50″	" "	Aug., 1881	"
98	110,000	22″	22″	"	8	50″	" "	Aug., 1881	"
99	110,000	22″	22″	"	8	50″	" "	Aug., 1881	"
100	110,000	22″	22″	"	8	50″	" "	Sept., 1881	"
101	110,000	22″	22″	"	8	50″	" "	Sept., 1881	"
102	66,610	18″	22″	"	4	69″	" "	Sept., 1881	Passenger.
103	66,690	18″	22″	"	4	69″	" "	Sept., 1881	"

EXPENSE OF LOCOMOTIVES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1881.

	Pass. Locomotives.	Freight Locomotives.	All Locomotives.
Cost per mile run, in cents:			
Repairs	.0491	.0532	.0462
Fuel	.1155	.1711	.1276
Oil and waste	.0046	.0060	.0050
Water expense	.0073	.0110	.0074
Engineers, firemen, and wipers	.0503	.0612	.0565
Supervision	.0016	.0024	.0016
General expense	.0141	.0213	.0141
Total	.2425	.3262	.2584

ROLLING STOCK OWNED BY THE COMPANY.

	Sept. 30, 1881.	Sept. 30, 1880.	Increase.		
			Bought.	Built.	Total.
Locomotives:					
Passenger	50	44	6	....	6
Freight	40	31	9	....	9
Switch	13	12	1	....	1
Total	103	87	16	....	16
Passenger Cars:					
Coaches (inc. combination)	135	117	....	18	18
Baggage, Mail, and Express	30	30	....	....	....
Parlor and Sleeping	3	2	1	....	1
Total	168	149	1	18	19
Freight Cars:					
8-Wheel Box	1,199	971	91	137	228
4 " "	11	11	....	....	....
8 " Flat	616	466	100	50	150
8 " Coal, 20-Ton	100	....	....	100	100
4 " " 10-Ton Dump	1	....	....	1	1
4 " " 6-Ton "	150	....	100	50	150
4 " " 4-Ton "	255	252	....	3	3
8 " Caboose	3	3	....	....	....
4 " "	24	10	....	14	14
Miscellaneous	22	21	....	1	1
Total	2,381	1,734	291	356	647

SEVENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 5, 1882.

BOSTON:
FRANKLIN PRESS: RAND, AVERY, & COMPANY.
1882.

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1882.

DIRECTORS

OF THE

NEW YORK AND NEW ENGLAND RAILROAD CO.

FOR THE YEAR 1881-82.

JAMES H. WILSON	BOSTON, MASS.
WILLIAM T. HART	" "
HENRY L. HIGGINSON	" "
JONAS H. FRENCH	" "
EUSTACE C. FITZ	" "
JESSE METCALF	PROVIDENCE, R. I.
W. F. SAYLES	SAYLESVILLE, R. I.
FREDERIC J. KINGSBURY	WATERBURY, CONN.
W. E. BARROWS	WILLIMANTIC, CONN.
G. M. LANDERS	NEW BRITAIN, CONN.
LEGRAND B. CANNON	NEW YORK, N.Y.
R. SUYDAM GRANT	" "
JAY GOULD	" "
SIDNEY DILLON	" "
CYRUS W. FIELD	" "
HUGH J. JEWETT	" "
RUSSELL SAGE	" "
GEORGE B. ROBERTS	PHILADELPHIA, PENN.

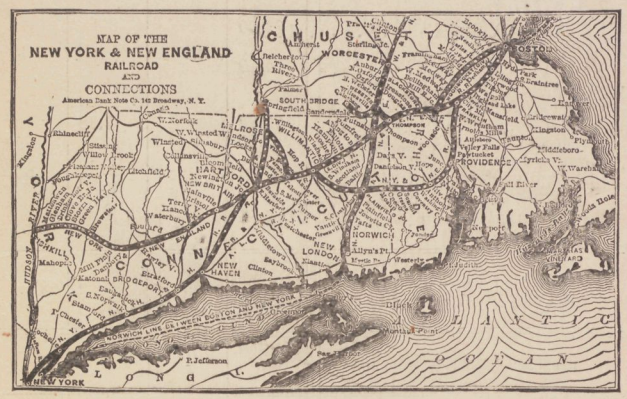
OFFICERS.

JAMES H. WILSON, *President.*
SAMUEL M. FELTON, JR.,
General Manager.
GEORGE B. PHIPPEN, *Treasurer.*
JAMES W. PERKINS, *Secretary.*
WILLIAM CALEB LORING,
General Solicitor.
ERASTUS YOUNG, *Auditor.*
C. C. F. BENT,
Superintendent Eastern Division.
E. HOLBROOK,
Superintendent Western Division.
P. ST. M. ANDREWS,
Sup't Norwich and Worcester Division.
L. W. PALMER,
Superintendent Providence Division.
GEORGE H. WILLIAMS,
General Freight Agent.
A. G. TUTTLE,
Assistant General Freight Agent.
A. C. KENDALL,
General Passenger Agent.
A. K. MANSFIELD,
Superintendent Motive Power.
L. B. BIDWELL, *Chief Engineer.*
W. W. MCKIM, *Purchasing Agent.*
GEORGE W. LITTLE, *Paymaster.*

MAP OF RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE

NEW YORK AND NEW ENGLAND RAILROAD COMPANY.



LINES OPERATED BY THE COMPANY.

Owned by the Company.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction . . . (Hopewell Junct. to Wicopee owned by N. D. & C. R. R. Company.)	215.04	30.94	69.58	
Wicopee to Newburgh on the Hudson	2 50		.90	
Providence to Willimantic . . .	58 50		10 47	
Brookline to Woonsocket . . .	33 75		6 37	
East Thompson to Southbridge .	17.50		2 21	
Islington to Dedham	2.00		.09	
Elmwood to Dedham	.91			
Charles River to Ridge Hill . . .	1.64		.23	
Dorrance St. Track, Providence .	.82		.03	
Freight Branch, Hartford . . .	.50		.08	
Total owned and operated by this Company.	333.16	30.94	89 96	454.06

LEASED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point . .	66.40		13.90	80.30
R. I. & M. R. R.				
Franklin to Valley Falls . . .	13.60			
Rockville Railroad.				
Vernon to Rockville	4.40			
Connecticut Central R. R.				
East Hartford to State Line of Mass.	20.20		2.68	
Melrose to West St., Rockville .	7.30			
Springfield & New London R. R.				
State Line of Conn. to junction with Boston & Albany R. R., in Springfield	7.27			
Total Leased Lines operated by the Company	119.17			
RUNNING ARRANGEMENTS OVER:				
Newburgh, Dutchess & Connecticut R.R.				
Hopewell Junction to Wicopee Junction	11.02			
Boston & Albany R. R.				
From Springfield and New London road into Springfield . .	1.73			
New London Northern R. R.				
Norwich to New London . . .	13 50			
Total	26.25			
CONTROLLED THROUGH LEASE.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London, and New York . . .	125 00			

Making the total number of miles of transportation lines controlled by the Company the same as last year, 603 58 miles; but 10.6 miles of double track and 23 miles of sidings have been added during the year.

SEVENTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS.

To the Stockholders of the New York and New England Railroad Company:

THE Board of Directors respectfully submit their seventh annual report, showing the transactions of the corporation during the fiscal year ending Sept. 30, 1882.

The earnings and expenses of the roads operated by the company (not including the Norwich and Worcester Railroad, the accounts of which are kept separately) were as follows: —

EARNINGS.	Year Ending Sept. 30, 1882.	Year Ending Sept. 30, 1881.	INCREASE OR DECREASE.		
			Increase or Decrease.	Amount.	Per Cent.
Passenger	$1,171,623 02	$1,029,585 75	Increase.	$142,037 27	13.7
Freight	1,837,890 35	1,420,758 30	"	417,132 05	29.3
Mails	48,898 38	32,502 63	"	16,395 75	50.4
Express	87,475 77	73,933 87	"	13,541 90	18.3
Miscellaneous	156,901 96	135,593 65	"	21,308 31	15.7
Gross Earnings	$3,302,789 48	$2,692,374 20	Increase.	$610,415 28	22.6

Operating Expenses.	Year Ending Sept. 30, 1882.	Year Ending Sept. 30, 1881.	Increase or Decrease.		
			Increase or Decrease.	Amount.	Per Cent.
Conducting Transportation Passengers	$295,489 87	$271,735 34	Increase.	$23,754 53	08.74
Conducting Transportation Freight	543,333 26	400,104 93	"	143,228 33	35.79
Maintenance of Way	426,223 50	351,782 61	"	74,440 89	21.16
Motive Power	822,183 91	626,760 49	"	195,423 42	31.18
Maintenance of Cars	185,584 67	124,651 96	"	60,932 71	48.88
General Expenses	86,800 81	66,462 60	"	20,338 21	30.60
Total Operating Expenses	$2,359,616 02	$1,841,497 93	"	$518,118 09	28.13
Net Earnings	$943,173 46	$850,876 27	"	$92,297 19	10.84

Excess of Earnings over Operating Expenses	–	$943,173 46
Income from other sources, including Premium on Bonds sold	–	152,169 31
		$1,095,342 77
Taxes	$117,816 81	
Insurance	10,486 53	
Interest on "funded indebtedness incurred for purchase of real estate secured by estate purchased"	50,836 28	
Interest on Floating Debt	77,209 40	
Rent of other Roads	74,965 90	
Boston Grain Elevator Expense	2,704 23	
Worthless Accounts	1,023 35	335,042 50
Available Net Earnings		$760,300 27
Interest on First Mortgage Bonds, one Year to Sept. 30, 1882	$645,746 00	
Interest on Second Mortgage Bonds, two months, August and September, 1882	17,420 00	663,166 00
Surplus for the Year	–	$97,134 27

EARNINGS.

It will be seen from the above figures that the gross earnings of the Company for the year ending September 30, 1882, amounted to $3,302,789.48, which is an increase of $610,-415.28, or 22.6 per cent, over the earnings of the previous year. The average number of miles from which the earnings of the road were derived the previous year was 325.56, and last year was 380.12, an increase of 16.75 per cent; showing that the gross earnings increased a larger percentage than the

length of road was increased; and, as the addition was new road with new connections, the fact that the earnings per mile of road operated also show an increase is evidence of the value of the extension.

In addition to the earnings of the Company, as shown above, the Company received for a portion of its Hartford grounds, condemned by and sold to the Hartford and Connecticut Western Railroad Company, $69,879.81; which sum was credited to property account, and has been expended in improvements at other points on the road.

The revenue of the road from local freight business increased 26.15 per cent, and from foreign freight business 31.58 per cent, an average of 29.36 per cent. The passenger revenues increased 16.01 per cent from local, and 8.5 per cent from foreign business, an average of 13.42 per cent. The coal tonnage increased from 193,944 tons in 1881 to 274,335 tons in 1882, or 41.45 per cent. The tons carried one mile increased 53.46 per cent in foreign, and 88.72 per cent in local, an average of 60.57 per cent.

EXPENSES.

The expenses during the past year have been greater in proportion to the earnings than they were during the previous year, owing largely to the late destructive war of rates between the trunk lines which prevailed from July 1, 1881, to July 1, 1882, on all through business to and from the West. The average rate per ton per mile received for the freight carried during the fiscal year was 1.77 cents, while for the previous year it was 2.20 cents, or a decrease of .43 of a cent. Had the average rate of the previous year been maintained, our net revenues would have been greater by $443,701.84.

INCREASE IN THROUGH BUSINESS.

In January last, connection was made with the New York, Lake Erie, and Western (Erie) Railroad at Newburgh, by the transfer steamer "William T. Hart," carrying twenty-four cars, and costing $176,995.95; and business was thereby immediately opened with that road and its connections. The experience of the year has shown that we can secure a very large addition to our traffic from that quarter: in fact, the business from the New York, Lake Erie, and Western Railroad, and from the Pennsylvania Railroad (over the old route *via* the Maryland), increased during the summer to such an extent that the facilities of this Company for handling and disposing of the same were overtaxed; and in November the management felt obliged to give notice to both roads to hold back, for the present, freight destined for points on our line until the additional sidings and yards which were under way could be completed. The necessity for these sidings was realized early in the year, but the Company had not the means to put them in until after the sale of the State's stock in August. Since that time the work has been prosecuted with great vigor, and 23 miles of siding and yard tracks have been completed at different points, while 11.01 miles are now under construction, and will soon be completed. The management feels confident that, when these sidings and yards are ready for use, it will be able to transact promptly and well all the business which may be offered; but it is clearly of the opinion that the business of the road cannot be done in the best manner, and in such a way as to compete successfully with its rivals, without the double-tracking of the road throughout its whole length, certainly not without a double track from Boston to Hart-

ford. Your Directors, therefore, under authority heretofore granted by the stockholders, have resolved to continue this work so long as the available means on hand will allow, and as second-mortgage bonds can be advantageously disposed of for this purpose.

DOUBLE TRACK.

During the past year the double track was extended and put into operation from Walpole to Franklin, a distance of 8 miles; and between Hartford and Burnside, a distance of 2.6 miles.

Contracts have been let for its extension from Franklin to Blackstone, 9 miles; from Burnside to Vernon at the junction of the Rockville Branch, 8.2 miles; and from Hartford to Newington, a distance of 5 miles. It is proposed to let the contract for the extension from Putnam to Willimantic, 24.6 miles, at an early day. The completion of these sections will give the Company 78.4 miles of double track, and will increase our transportation facilities to such an extent as will fairly accommodate the traffic till the double track on the intervening sections of 43.9 miles between Boston and Hartford can be completed. Of the 23 miles of sidings added during the year, 5 miles will constitute a portion of the main line when the double track is extended.

COAL BUSINESS.

The all-rail coal traffic of this Company *via* Newburgh has developed rapidly since the line was opened, and has been limited only by the capacity of the equipment belonging to the Company, and such as the Erie Railroad could devote to this business. This Company has bought for this service 800 twenty-ton cars during the fiscal year; and, in

order to properly accommodate the coal traffic hereafter, it will be necessary to increase this equipment by the addition of at least 1,000 cars during the current year. Preparations for doing a very extensive coal business by this route are being made by dealers on the line of the road; and, in order to facilitate the business by the prompt return of cars to the mines, this Company has erected dumping trestles at many of its principal stations.

PERMANENT IMPROVEMENTS.

The permanent improvements made by the Company during the past year include the completion of the extension of the road from Brewsters to Fishkill; extension of the double track from Walpole to Franklin and Hartford to Burnside; completion of the elevator and new ware and freight houses at the Boston terminus; the filling of a large area on the South-Boston flats; the completion of a new freight-house at Hartford and two new shops at Norwood; the purchase and laying-out of a large transfer-yard at East Hartford; and many other improvements at local points on the road. The details of these improvements, and the cost of the same, may be found in the report of the General Manager hereto attached.

Besides the additions referred to above, the general condition of the whole of the Company's property has been greatly improved during the past year, and the prospects for the future were never more encouraging than they are at the present time.

SOUTH-BOSTON FLATS.

The balance due the State of Massachusetts under the contract for the purchase of the fifty-acre tract of South-Boston flats has been in controversy for several years; but a compromise has been effected, by which it is agreed that the sum

due the State is $100,000. This amount the Company is to pay in ten years, with interest at five per cent from the date of the agreement; a deduction to be made if Northern Avenue is ever laid out across the territory to be conveyed. The papers, however, in this settlement have not yet been passed.

NEW EQUIPMENT.

The large increase in the Company's business the past year required a corresponding increase in its equipment; and, in order to procure this in such a manner as would impose the least burden upon the Company, it was decided by the Directors to purchase the equipment through what is known as "The New England Car Trust," an association formed for the purpose of purchasing cars to be leased to the railroad company at a fair rental. The railroad company agrees to pay a rental of 6 per cent on the cost of the equipment, and to pay for the rolling-stock itself in ten yearly instalments of ten per cent each. The Car Trust pays for its rolling-stock either in cash or in certificates of shares in its own association. When paid for in cash, the money is obtained by a sale of its shares on the market, but in many cases it has been found quite as advantageous to the Car Trust to issue its certificates directly to the manufacturers in payment for the rolling-stock purchased. The cost of the rolling-stock purchased by the Car Trust is therefore represented by the certificates of the association, which are in sums of a thousand dollars each; and, as the railroad company pays its ten per cent yearly, these certificates to the amount of the payments made are cancelled. The affairs of the Car Trust are managed entirely through the American Loan and Trust Company, as trustee, under the direction of a board of managers of the Car Trust, vacancies in which are filled from the body of share-owners.

There have been purchased by the Car Trust, and leased to the railroad, under the above arrangement, 14 engines and 850 cars, as follows: —

	Number.	Total Cost.	How paid for.
Gondola Cars	550	$286,000 00	Certificates.
Box Freight Cars	300	175,500 00	Certificates.
Passenger Engines	2	27,500 00	Cash.
Freight Engines	10	151,400 00	Cash.
Yard Engines	2	26,000 00	Cash.
Total		$666,400 00	

In addition to the above, contracts have been made or negotiations opened for delivery within sixty days, of the following rolling-stock: —

	Number.	Total Cost.	How to be paid for.
Caboose Cars	25	$9,312 50	Cash.
Passenger Engines	10	104,700 00	Cash.
Freight Engines	16	181,000 00	Cash.
Total		$295,012 50	

Experience shows that the mileage earnings of these cars will be sufficient to pay the interest and principal due the Car Trust as they fall due.

FACILITIES AT PROVIDENCE.

The necessities of this Company for better facilities for doing its business in Providence have long been felt; but owing to legal complications in that city (now fortunately nearly removed), the Company has not been able to carry out the improvements it desired to make. The limited territory occupied by the Company has caused great delay in

the handling of cars and prompt delivery of freight. This has occasioned much annoyance and many complaints by the merchants of Providence, but it is something for which the Railroad Company is not to blame. The city of Providence has not permitted the Railroad Company to occupy all the land covered by the original grant made to the Hartford, Providence and Fishkill Railroad, owing to unsettled questions in regard to the conditions of the grant; but it is hoped that when all the facts are presented to the city it will do full justice to the Railroad Company, and allow it to occupy all the territory originally intended for its use. Pending a definite settlement of the disputed questions, the Railroad Company has petitioned the city government for the temporary occupancy of such territory as it actually needs to properly transact its business; agreeing to pay the city a proper compensation for the use of the same, but neither party waiving any of its rights by such occupation. This the city will probably grant; and the Company will then be in a position to give to the merchants in Providence the facilities which they ought to have, and which cannot fail to benefit the city correspondingly.

The question of terminal facilities in the city of Providence has been thoroughly discussed by the public prints of the city, and by the city government, during the past year. The whole subject was finally referred by the city government to a commission, with instruction to report a plan for the better accommodation of all the railroads centering there. This commission has reported a plan which, if carried into effect, would be a great improvement on the present state of things so far as this Company is concerned; but it is understood that it does not meet the approval of all the parties in interest, and the matter is still under discussion. Fortunately for

this Company, it can adapt itself to any plan which may commend itself to the public and to the other railroads terminating in Providence.

Although this Company has had the actual possession since 1878 of that part of its property in Rhode Island, formerly known as the Hartford, Providence and Fishkill Railroad, it has not had a complete title to the property during all that time. The trustees under the mortgage made by the Hartford, Providence and Fishkill Railroad Company have received as a rental, and now have in their hands, about $90,000 belonging to this Company, to be paid over to it as soon as the question of compensation of the trustees is disposed of, which will probably be at an early date.

WILLIMANTIC.

The re-arrangement of the station grounds and yards at Willimantic, and a new union passenger station at that point, have been much needed, but have been delayed by the difficulty of reconciling conflicting interests. It is understood that the different parties are now substantially agreed on a plan for the passenger station, and before the end of another year the contemplated improvements will probably be carried out. Under an act of the Connecticut Legislature the railroad commissioners of that State are vested with full authority over this question.

SALE OF PORTION OF WOONSOCKET DIVISION.

By permission of the Legislature and at the request of the Boston and Albany Railroad Company, this Company after considerable negotiation consented to sell to the former that part of the Woonsocket Division between Brookline and Newton Highlands, about 5.3 miles in length; the price to

be paid to be determined by Albert Fink, Esq., of New York. Mr. Fink has made his report, fixing the amount to be paid at $415,000. When this money is received by this Company, it will be expended in the extension of the double track; and, owing to the present low prices for material, especially steel rails, and also to the fact that much of the necessary grading is now done, it is believed that the amount named will be sufficient to pay for the extension from Franklin to Blackstone, from Burnside to Vernon, from Hartford to Newington, and for nearly the whole of the distance between Willimantic and Putnam, a total of 46.8 miles.

PURCHASE OF THE STATE'S STOCK.

The Legislature of Massachusetts at its last session authorized the sale of the State's stock in this road to the Company, and in August last this sale was carried out. In connection with the authority to sell, the Legislatures of Massachusetts, Rhode Island, and Connecticut, authorized the making of a second mortgage on the road, and the issue of bonds thereunder, to the amount of $5,000,000. The State of Massachusetts agreed to sell its 34,750 shares of stock to this Company for fifty cents on the dollar, and to receive in exchange therefor second mortgage bonds of the Company at par. It was also provided by the Act, that the New York and New England stockholders should have the right to take this stock in the proportion of the number of shares held by each, paying therefor fifty dollars per share. The stockholders availed themselves of this privilege, and bought 33,830 shares of the stock, leaving only 920 shares in the possession of the Company, to be disposed of by the Directors. The stock subscribed for is now in the process of transfer from the State to the stockholders, it never having come

into the actual possession of the Company. The result of this sale of the State's stock is regarded as a very satisfactory one to the Company, as it was equivalent to the sale of $1,737,000 of its second mortgage bonds at par. The proceeds of this sale, and also of five bonds in addition sold at par, have been and are being used to pay the floating debt of the Company, and for making permanent improvements on the line of the road, as shown more fully elsewhere in this report.

MEANS AVAILABLE FOR PERMANENT IMPROVEMENT.

The outstanding unsecured notes of the Company, Sept. 30, 1882, amounted to $422,900. These notes have since been reduced to $80,000, not yet due, but which will be paid at maturity from funds in the hands of the treasurer. The last payment is due Feb. 8, 1883, and after that time the Company will have no floating debt.

At the close of the last fiscal year, Sept. 30, 1882, if the Company had received from the subscribers for the State's stock the amount of their subscriptions, and had paid therefrom its entire unsecured floating debt, it would have had in its possession available for making permanent improvements during the current year funds to the amount of	$250,000
Due from the trustees under the Hartford, Providence and Fishkill mortgage, about . .	75,000
Amount since awarded for that portion of Woonsocket Division to be sold to Boston and Albany Railroad Company	415,000
	$740,000

It also has on hand unissued 3,258 of its second mortgage bonds, which at par would amount to $3,258,000

Making the means of the Company available for permanent improvements $3,998,000

When the improvements which the expenditure of this amount will pay for are completed, this Company will have mortgages on its property to the amount of fifteen million dollars, the annual interest on which will amount to about one million dollars. Your Directors are confident, that, after these improvements are ready for use, your property will earn not only enough to pay this interest, but also regular dividends on its entire capital stock.

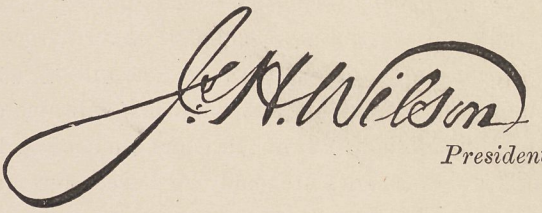
GENERAL MANAGER.

By a resolution of the Directors passed January 25, 1881, the President was authorized to employ a General Manager. From and after that date every effort was made to secure an officer of sufficient experience and capacity to manage the details of the various operating departments of the road; and on the 1st of January, 1882, S. M. Felton, jun., Esq., was appointed to this position. Mr. Felton is the son of a distinguished railroad manager and president, and was specially educated as a civil and mechanical engineer for the railroad business. He began railroading fourteen years ago, and for the past seven and a half years has been General Superintendent of the Pittsburg, Cincinnati and St. Louis Railroad; and came to us indorsed in the highest terms for honesty, capacity, and experience, by Mr. Roberts, President of the Pennsylvania Railroad Company. The

report of the General Manager is appended hereto, and gives full and interesting details of the operations of the road during the past year.

Respectfully submitted.

By order of the Board of Directors.



President.

REPORT OF GENERAL MANAGER.

BOSTON, Nov. 25, 1882.

GEN. JAMES H. WILSON, *President New York and New England Railroad Company.*

DEAR SIR, — I respectfully submit herewith the Annual Report of the operations of the New York and New England Railroad Company for the year ending September 30, 1882.

STATEMENT OF THE EARNINGS AND EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1882.

RNINGS.	YEAR ENDING SEPT. 30, 1882.	YEAR ENDING SEPT. 30, 1881.	INCREASE OR DECREASE.		PER CENT.	
			I. or D.	Amount.	Inc.	Dec.
Passenger	1,171,623 02	1,029,585 75	Inc.	$142,037 27	13.7	–
Freight	1,837,890 35	1,420,758 30	"	417,132 05	29.3	–
Mail	48,898 38	32,502 63	"	16,395 75	50.4	–
Express	87,475 77	73,933 87	"	13,541 90	18.3	–
Miscellaneous . .	156,901 96	135,593 65	"	21,308 31	15.7	–
Gross earnings .	3,302,789 48	2,692,374 20	"	$610,415 28	22.6	–

EXPENSES.	YEAR E SEPT. 30, 1882.	YEAR ENDING SEPT. 30, 1881.	INCREASE OR DECREASE.		PER CENT.	
			I. or D.	Amount.	Inc.	Dec.
Condg. Trans. Pas.	$295,489 87	$271,735 34	Inc.	$23,754 53	08.74	–
Condg. Trans. F'ght	543,333 26	400,104 93	"	143,228 33	35.79	–
Maintenance of Way	426,223 50	351,782 61	"	74,440 89	21.16	–
Motive Power . .	822,183 91	626,760 49	"	195,423 42	31.18	–
Maintenance of Cars	185,584 67	124,651 96	"	60,932 71	48.88	–
General Expenses .	86,800 81	66,462 60	"	20,338 21	30.60	–
Total op'g Exp.,	2,359,616 02	1,841,497 93	"	$518,118 09	28.13	–
Net Earnings . .	$943,173 46	$850,876 27	"	$92,297 19	10.84	–

The increase in miles of road operated was 54.56 miles, or 16.75 per cent; the increase in earnings, 22.6 per cent, — a very satisfactory result when it is considered that the Western Extension was not opened for business until after January 1, and did not begin to contribute enough traffic to pay its expenses until March. The growth of traffic since that time has been enormous, and only limited by the facilities provided for its movement; reaching such proportions in August and September as to blockade your road from one end to the other, and compel a temporary stoppage of the through and local business. It is fair to estimate that the business refused and diverted amounts to from one to two hundred cars daily. The coal traffic from the New York, Lake Erie and Western Railroad in itself grew to such an extent that neither equipment, motive power, nor tracks could be provided to handle it promptly, and a large amount was temporarily diverted. It is a source of great satisfaction, however, to know that this business, about which so much had been said adversely, has grown far beyond the expectations of our rivals. The coal tonnage increased from 193,944 tons in 1881, to 274,335 tons in 1882, or 41.45 per cent. Owing to the opening of the new line to the Hudson River, a very gratifying increase in the grain movement has also resulted, showing an increase in this item alone of 52.79 per cent. The local tonnage has increased 24.84 per cent; foreign, 31.48 per cent; or a total increase of 29.36 per cent: while the tons carried one mile have increased 88.72 per cent in local, 53.46 per cent in through, or 60.57 per cent total. This will give a fair idea of the amount of work done during the year.

The revenue increased as follows: local, 26.15 per cent; foreign, 31.58 per cent: total, 29.36 per cent. The earnings

per ton per mile decreased in local, 13.87 per cent; foreign, 15.04 per cent: or total, 19.49 per cent, — caused largely by the great increase in the coal, grain, and lumber traffic. Had the rates remained the same as they were in 1881, the increase in net earnings would have been $443,693.27 more. This is a very important factor in the consideration of the increased expense of operating as compared with the earnings. Owing to the opportunity of reaching the coal-fields by a shorter route, a large proportion of the supply of coal for the Company's use was brought direct from the mines without trans-shipment, and hauled over the Western Extension, increasing the tonnage of Company supplies from 46,618 tons in 1881 to 107,097 tons in 1882, or an increase of 129.73 per cent. On this business there is no corresponding revenue; the advantages derived being a reduction in the cost of fuel and an increase in its value of about ten per cent, owing to the avoidance of the injurious effects of trans-shipment.

The passenger revenues have increased 16.01 per cent in local, and 8.5 per cent in foreign, an average of 13.42 per cent. The passenger mileage has increased 24.06 per cent in local, and 11.62 per cent in through, or a total average of 19.5 per cent. In order to accommodate this business, an increase of only 5.93 per cent in the train mileage was made. The rates, however, were decreased 5.9 per cent in local, and 2.41 per cent in foreign, an average of 5 per cent. The average length of trip per passenger was only 10.58 miles local, and 17.65 miles through; the average number of passengers per car being 11.8, per train 43. The suburban business between Boston and Norwood Central continues to show gratifying results, the sales of single tickets during the year amounting to $10,824.33; package tickets, $39,-719.90; season tickets, $21,307.66; rapid-transit tickets

(5 cent fares), $46,452.50; a total of $118,304.39. The Company, however, to earn this amount, had to run 137,626 passenger-train miles, showing little direct profit on the business; but it is evident, from its rapid growth, that it will increase in a very short time to a point where there will be a handsome profit.

The business done by the New England Transfer Company and by the steamer "William T. Hart," on the Hudson River Transfer, is shown in the appended statements. The New England Transfer Company was taxed to its utmost to handle the business, and was forced to procure the assistance of outside equipment. The steamer "Hart," however, was not worked up to its full capacity, only being run in the daytime; even then being able to transfer more cars than could be taken care of with the limited railroad accommodations at our command.

EXPENSES.

The expenses were increased from $1,841,497.93 in 1881 to $2,359,616.02 in 1882, or 28.13 per cent. In "Conducting Transportation, Passenger," the increase was $23,754.53, or 8.74 per cent, accounted for principally by an increase of 5.93 per cent in the passenger mileage, the principal items making up this increase being as follows: —

Repairs of stations	$3,522 98
Conductors, baggagemen, and brakemen . .	3,184 42
Station agents	4,878 77
Cleaning and inspecting cars	3,173 80
Labor at stations	3,467 33

$7,702.56 were expended on repairs to passenger stations, Eastern Division.

$1,966.99 were expended on repairs to passenger stations, Western Division.

$107.69 were expended on repairs to passenger stations, Providence Division.

$234.13 were expended on repairs to passenger stations, Woonsocket Division.

$91.95 were expended on repairs to passenger stations, Springfield Division.

The increase under "Conducting Transportation, Freight," is $143,228.33, or 35.79 per cent, caused entirely by an increase of 38.14 per cent in the mileage, the principal items making up this increase being as follows: —

Expenses of General Freight Office	$3,934 10
Clerks	18,049 82
Stationery and printing	5,811 02
Foreign agencies	4,499 93
Conductors and brakemen	26,392 93
Train expense	6,626 46
Telegraph expense	4,310 55
Loss and damage to freight	9,752 22
Station agents	9,044 33
Switchmen and yardmen	25,010 39
Labor at stations	19,691 07

These expenses are the direct result of the immense increase in the train-mileage referred to above.

$9,406.52 were expended on freight-stations, on Eastern Division.

$874.01 were expended on freight-stations, on Western Division.

$96.75 were expended on freight-stations, on Springfield Division.

$242.44 were expended on freight-stations, on Providence Division.

$59.74 were expended on freight-stations, on Woonsocket Division.

$181.32 were expended on freight-stations, on branches.

MAINTENANCE OF WAY.

The expenses were $426,223.50, an increase of $74,440.89 over the previous year, or 21.16 per cent; the principal items making this increase being, —

Labor repairing track	$29,433 32
Cross-ties	15,945 60
Repairs of bridges	34,157 40
Spikes	4,750 39
Watchmen	4,381 43

The increase in labor on track was caused by the increased number of miles operated, and the usual work required in surfacing tracks on a new road; that in cross-ties by using an additional number to the mile. This also accounts for the large amount expended for spikes. The extra watchmen were required in the cuts on the new line west of Waterbury. The increase in "repairs of bridges" was caused by the large number of old bridges that are being renewed, many of them having been built from twenty to thirty years, and being consequently too light for the present rolling-stock, making their renewal imperative.

$3{,}511\frac{58}{2240}$ tons of new steel and $490\frac{580}{2240}$ tons re-used steel

were laid during the year; and 165,603 cross-ties. The renewal of rails was $8\frac{1}{2}$ per cent of the main line, and cross-ties 15 per cent. 11,916 pairs of splice bars, 237 kegs of bolts, 47,500 nut locks, and 1,229 kegs of spikes were used. It will be seen by a reference to statements herewith that on Sept. 30 there were but $21\frac{2}{5}\frac{8}{2}\frac{9}{8}\frac{}{0}$ miles of iron in main track of Eastern Division, and $3\frac{2}{5}\frac{6}{2}\frac{4}{8}\frac{}{0}$ miles in Western Division, and steel rails were on hand to fill this gap: so your main line soon will be laid with steel from Boston to the Hudson River, and there will only be a total of $133\frac{1}{5}\frac{7}{2}\frac{1}{8}\frac{3}{0}$ miles of iron rail in the branches. $13,971.70 were expended on repairs and renewals of trestles at East Hartford, Hop Brook, and Towners; $1,836.06 on pile trestles at Blackstone, Freight Branch, Hartford, and Towantic; $820.84 on abutments of bridges at Columbia Street, Terryville, Blackstone, Connecticut River, and Readville.

$11,326.40 were expended for repairs bridges, Eastern Division.

$841.66 were expended for repairs bridges, Western Division.

$95.25 were expended for repairs bridges, Woonsocket and Providence Extension.

$823.75 were expended for repairs bridges, Southbridge Extension.

$2,227.04 were expended for repairs bridges, Providence Division.

$649.58 were expended for repairs bridges, Springfield Division.

The condition of the track has been very much improved by laying new rails of heavier pattern, weighing 66 pounds per yard; increasing the number of ties per mile; introdu-

cing safety switches, spring rail frogs, switch lights, and signals; and by changing a large number of the sharp curves to what are known as "spiral" curves, thereby reducing to a minimum the disagreeable motion in passing around such curves. Distant signals are being provided at all dangerous switches, and every precaution is being taken to properly protect all switches with an improved system of signals. The track between Readville and Boston is being equipped with "Electric Block Signals." Guard rails, as well as guard timbers and safety floors, are being put on all bridges.

MOTIVE POWER.

The expenses of this department were $822,183.91, an increase of $195,423.42 over the previous year, or 23 per cent. The principal items of the increase are as follows:—

Repairs to Engine Houses and Machine-Shops .	$5,385 29
" Freight Engines	15,615 58
" Switch "	13,204 54
Coal for Passenger "	13,662 57
" " Freight "	78,139 91
" " Switch Engines	14,848 52
Freight Engineers and Firemen . . .	19,603 25
Switch " " "	11,307 67

These items are all directly accounted for by the increased mileage and work done.

The average mileage per engine has increased from 26,659 in 1881, to 29,421 miles in 1882. The fuel consumption has also increased; the miles run per gross ton of coal in 1881 being 39.73, while in 1882 they were 36.53 miles, caused by

the greater amount of work done, and the addition to the equipment of a new class of engine known as the "consolidation" pattern, with cylinders 22″ x 22.″ These engines consume more coal per mile run, but haul more cars, so that by their use consumption per car per mile is reduced materially. The cost of fuel on tenders has been reduced from $5.50 per ton in 1881 to $5.18 in 1882. In this connection it might be mentioned, that the value of the all-rail line to the coal-regions was not felt until February. In addition to this, a reduction was made in the price, of 39 cents per ton, taking effect in April: so the cost of fuel as shown here for 1882 does not give a correct idea of the large reduction that will be secured in the future. An approximate idea can be obtained from the price for the month of August, when the total cost on tenders, which includes handling, was $4.50 per gross ton. This amount will be further reduced when the new coaling-stations now under construction are completed. No proper facilities for handling coal have existed, and consequently the expenses thereof have been very high. A reference to the statements herewith will show a very high cost for water-supply, amounting to a total of $24,416.94, equal to $65.87 per mile. This amount will be largely reduced as soon as the new water-stations now under way are completed. Of the total number of engines in service Sept. 30, 75 are in good order, 29 require general repairs, and 13 are in shop for repairs.

During the year 50 engines have received general repairs, and 51 light repairs. A reference to the accompanying statements will show an increase of 16 locomotives during the year, which were purchased through the New England Car Trust. The large expenses of the motive-power department can be appreciated more fully when it is known that

the engines of this Company vary so in dimensions that there are no less than fourteen different sizes of cylinders, and from eleven different builders; while four different sizes of cylinders would cover all possible requirements of the service. The diversity in builders would not be so serious but for the fact that there is no uniformity in engines of the same general dimensions built at different works. An effort has been made during the last three years to reduce the number of classes to the lowest point possible, and to have all engines of the same class thoroughly interchangeable in all their parts. All of the 16 engines purchased during the year conform to the standards adopted, making the total number of standard engines in service 40. The odd patterns of engines now in service will gradually be disposed of as opportunity offers. Changes are being made in all the engines that will effect a material reduction in the fuel consumption, and the passenger engines are being fitted with appliances for the prevention of smoke and cinders. The automatic and driver brake is being put on every passenger engine passing through the shop; this work will very largely increase the safety of the trains, and will enable the local trains to make quicker stops and consequently faster time.

MAINTENANCE OF CARS.

The expenses on this account were $185,584.67, an increase over the previous year of $60,932.71, or 48.88 per cent; the principal items being as follows: —

Repairs to passenger and baggage cars . .	$19,771 43
" freight cars	28,556 98
" gravel "	8,443 05

The large increase in the repairs to passenger and baggage cars is caused by painting and varnishing and overhauling old equipment, some of which had never been in the shop owing to the lack of proper facilities for doing this work which were not provided until the past year. The passenger equipment has been increased one car, as will be seen by reference to accompanying statement. The freight equipment has been increased 1,021 cars, principally through the New England Car Trust and the New York and New England Car Trust.

CONSTRUCTION.

From the statements herewith it will be seen that a very large amount has been expended in the improvement of the property. On the South Boston terminal $307,661.86 was expended on the fifty-acre lot; $154,648.23 on the twenty-five-acre lot; $59,717.08 on the twelve-acre lot: or a total of $522,027.17. Of this amount $72,398.52 was expended for grading, dredging, and filling; $124,585.08 for material for buildings; $78,608.56 for machinery; $53,546.16 for labor on same; $97,066.46 for material for piers; and $33,076.95 for labor. $206,223.09 was expended on Western Extension. The details of this expenditure are given in the accompanying statements. $141,551.33 were expended for extension of double track; $33,239.79 for right of way; $144,663.92 for new sidings, given in detail on statement (this work has all been done with reference to the extension of double track); $10,102.77 for new freight-yard, Hartford; $16,960.90 for new tools and machinery; $40,892.41 for steel rails, being the betterment charged on steel used to replace iron.

An expenditure of $6,596.14 was made on new foundry at Norwood shops. When the work is completed an annual

saving of at least $10,000.00 will be made on iron and brass castings.

The result of these expenditures has been felt already in the increased earning capacity of the road; the completion of 11.1 miles of double track; 23.46 miles of siding and yard tracks; a commodious grain elevator of most approved design, with a capacity of 500,000 bushels; a large two-story warehouse on Pier No. 1; additional shop facilities, and many smaller items, including the addition of four more tracks to the South Boston yard, each holding a train of thirty cars.

The results of the year's operation show a reduction in the cost of handling each ton of freight one mile from 1.550 cents in 1881, to 1.372 cents in 1882, or 11.48 per cent; and from .0184 cents in 1881, to .0168 cents in 1882, in the cost of handling each passenger per mile, or 8.7 per cent. With the completion of the additional tracks and the new and heavier equipment, much better results can be looked for in the future.

A reference to the statement of gross earnings per mile on the different divisions for the year 1882 and the approximate earnings for 1883, based on the months of August and September, will prove conclusively the importance of at once providing a double track between Boston and Hartford. As the earnings per mile of road on the Eastern Division have reached $19,739.04 per mile of road, and if the business done on the branches was deducted, it would be shown that the Eastern Division is to-day doing a business equal to over $20,000 per mile of road per annum.

An addition of 1,000 eight-wheel, twenty-five-ton coal cars, and 500 box cars, is necessary. There are under contract 16 freight and 10 passenger engines, which will probably be

sufficient until spring, when a further increase will be necessary. Thirty-five caboose cars are being built, and twenty-five first-class passenger cars should be contracted for immediately.

A large yard on the South Boston terminal is required, also an addition to the present yard at Putnam. New yards at Willimantic, East Hartford, and Hopewell Junction are very badly needed, and the work is mostly under way. Arrangements have been made for new passenger-stations at Walpole, Willimantic, and Fishkill-on-Hudson; new water-stations at Hyde Park, Putnam, Willimantic, East Hartford, Vernon, and Fishkill-on-Hudson.

Much has been said in regard to the accidents occurring during the past summer, and it might be well on that account to give a few figures in regard to the damage done. There were but four accidents serious in damage to the Company's property. They occurred at Burnside, Hampton, Putnam, and Franklin. The damage resulting from these accidents, including an unsettled claim amounting to about $2,500, is $26,287.51, or an average of $6,571.37 for each accident. The most serious one was that at Burnside, which cost $11,138.04; the least serious, the one at Franklin, amounting to $2,549.27. These facts are probably a sufficient answer to the recent comments in regard to the amount of property damaged.

Outside of these accidents your Company has suffered little serious loss, and has been exceptionally free from accidents to passengers or employés.

Your Company has lost the services of two superintendents and a superintendent of motive-power during the past year; but has succeeded in filling the vacancies with men of large experience, and well fitted in every way to meet

the requirements of the increasing traffic. The officers and employés have, as a rule, discharged their duties with care and close attention to the interests of the Company, and great credit is due them for the favorable results obtained under such trying circumstances.

Very respectfully,

S. M. FELTON, Jr.,
General Manager.

APPENDIX.

THE following tables show the results in detail of the operations of the New York and New England Railroad during the fiscal year ending September 30, 1882.

EARNINGS AND EXPENSES, BY MONTHS, FOR THE YEAR ENDING SEPTEMBER 30, 1882.

	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1881	$261,199 73	$181,871 51	$79,328 22
November	240,764 49	195,574 24	45,190 25
December	240,063 57	201,019 20	39,044 37
January, 1882	213,840 54	190,992 67	22,847 87
February	217,261 68	185,884 14	31,377 54
March	265,222 55	189,654 22	75,568 33
April	261,044 39	190,124 81	70,919 58
May	289,722 36	195,166 87	94,555 49
June	285,391 74	201,392 38	83,999 36
July	298,440 96	199,013 88	99,427 08
August	346,490 49	217,499 36	128,991 13
September	383,346 98	211,422 74	171,924 24
Total	$3,302,789 48	$2,359,616 02	$943,173 46

DR. GENERAL BALANCE SHEET,

To Railroad, Equipment and Property as represented by Boston, Hartford, and Erie Railroad, "Berdell Bonds" . .	$20,000,000 00	
" Underlying Liens paid to obtain possession and perfect title, and equipment and improvements on constructed road,	8,676,712 68	
" Purchase of South-Boston Flats . . .	1,449,390 00	
" Extension of road west of Waterbury .	2,683,972 04	
" Bonds of Connecticut Central Railroad,	283,642 37	
" Stock of New England Transfer Co. .	40,900 00	
		$33,134,617 09
" Supplies and materials on hand . . .	. . . . .	306,552 48
" Balance due from agents and conductors,	. . . . .	302,544 01
" Balance due from companies and individuals	. . . . .	492,765 40
" Balance due from subscribers to capital stock formerly held by the Commonwealth of Massachusetts	. . . . .	921,930 00
" Cash	. . . . .	85,967 43
		$35,244,376 41

DR. PROFIT AND LOSS ACCOUNT,

To Operating expenses	. . . . .	$2,359,616 02
" Insurance	. . . . .	10,486 53
" Rent of other roads	. . . . .	74,965 90
" Taxes	. . . . .	117,816 81
" Interest: —		
First mortgage bonds, Oct. 1, 1881 to Sept. 30, 1882	$645,746 00	
Second mortgage bonds, Aug. 1, 1882 to Sept. 30, 1882	17,420 00	
	$663,166 00	
On funded indebtedness incurred for purchase of real estate secured by estate purchased (Boston Terminal Lands)	50,836 28	
On floating debt	77,209 40	
		$791,211 68
" Boston Grain Elevator Expense . . .	. . . . .	2,704 23
" Worthless accounts	. . . . .	1,023 35
" Balance Sept. 30, 1882	. . . . .	930,543 19
		$4,288,367 71

SEPTEMBER 30, 1882.		Cr.
By Capital Stock: —		
Amount actually issued	$16,502,000 00	
B , H., and E. R R. "Berdell Bonds" convertible into stock . .	3,498,000 00	
		$20,000,000 00
" Bonded Debt: —		
First mortgage 7 per cent bonds . . . $6,000,000 00		
First mortgage 6 per cent bonds . . . 4,000,000 00		
	$10,000,000 00	
Second mortgage 6 per cent bonds .	1,742,000 00	
		$11,742,000 00
" Mortgage note		125,000 00
" Boston and Albany Railroad note (50-acre lot)		300,000 00
" Notes payable		422,900 06
" Balance due State of Massachusetts (25 and 12-acre lots)		886,532 00
" Coupons overdue not yet presented . .		5,735 00 1,734,43
" Accrued interest on bonded debt: —		
First mortgage bonds, July 1 to Sept. 30, 1882	$165,000 00	
Second mortgage bonds, Aug. 1 to Sept. 30, 1882	17,420 00	
		182,420 00
" Unpaid vouchers and pay-rolls . . .		464,014 14
" Balances due to comp's and individuals,		185,232 02
" Profit and loss		930,543 19
		$35,244,376 41

SEPTEMBER 30, 1882.	Cr.
By Balance from last year	$833,408 92
" Gross Traffic Earnings	3,302,789 48
" Income from Other Sources, including Premium on First Mortgage Bonds sold	152,169 31
	$4,288,367 71

RECAPITULATION OF GROSS EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1882.

GROSS EARNINGS.

Months.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellan's Earnings.	Gross Earnings.
Oct., 1881	$112,366 77	$134,716 42	$3,034 80	$5,372 36	$5,709 38	$261,199 73
Nov., "	94,299 21	131,528 49	3,034 80	5,618 87	6,283 12	240,764 49
Dec., "	90,256 61	128,595 91	8,037 00	5,996 68	7,177 37	240,063 57
Jan., 1882	77,249 49	121,220 70	3,496 50	5,798 30	6,075 55	213,840 54
Feb., "	76,852 28	120,713 37	3,086 10	6,176 64	10,433 29	217,261 68
March, "	91,840 32	150,551 53	6,324 74	5,795 71	10,710 25	265,222 55
April, "	92,151 95	154,935 81	3,647 39	5,919 35	4,389 89	261,044 39
May, "	93,189 15	168,788 82	3,647 41	8,862 66	15,234 32	289,722 36
June, "	94,847 17	166,628 34	3,647 41	9,751 62	10,517 20	285,391 74
July, "	111,805 66	162,117 84	3,647 41	10,187 38	10,682 67	298,440 96
Aug., "	124,270 99	203,922 33	3,647 41	9,245 45	5,404 31	346,490 49
Sept., "	112,493 42	194,170 79	3,647 41	8,750 75	64,284 61	383,346 98
Total, 1882	$1,171,623 02	$1,837,890 35	$48,898 38	$87,475 77	$156,901 96	$3,302,789 48
Total, 1881	1,029,585 75	1,420,758 30	32,502 63	73,923 87	135,593 65	2,692,374 20
Increase,	$142,037 27	$417,132 05	$16,395 75	$13,541 90	$21,308 31	$610,415 28

OPERATING EXPENSES.

Months.	Con. Tr. Passenger.	Con. Tr. Freight.	M'tenance of Way.	Motive Power.	M'tenance of Cars.	General Expenses.	Total Oper. Expenses.
Oct., 1881	$27,748 94	$38,794 66	$36,446 56	$58,667 89	$13,786 06	$6,427 40	$181,871 51
Nov., "	26,593 85	39,976 48	49,029 73	60,876 63	12,945 55	6,152 00	195,574 24
Dec., "	28,305 07	46,412 05	34,823 40	67,743 18	16,616 43	7,119 07	201,019 20
Jan., 1882	24,804 90	42,448 02	32,996 57	66,645 52	13,563 00	10,534 66	190,992 67
Feb., "	22,101 07	45,883 33	30,037 21	67,114 36	14,334 91	6,413 26	185,884 14
March, "	24,353 87	42,871 80	26,485 33	73,211 01	15,631 22	7,100 99	189,654 22
April, "	22,189 54	41,837 51	34,691 91	67,765 93	17,359 11	6,280 81	190,124 81
May, "	22,332 14	43,181 65	36,481 54	69,722 70	18,060 40	5,388 44	195,166 87
June, "	24,506 98	44,579 75	37,093 64	70,816 65	16,295 58	8,099 78	201,392 38
July, "	24,710 26	48,833 84	35,926 64	69,148 76	14,231 42	6,162 96	199,013 88
Aug., "	24,786 82	53,955 43	39,868 52	75,653 61	15,972 52	7,262 46	217,499 36
Sept., "	23,056 43	54,558 74	32,342 45	74,817 67	16,788 47	9,858 98	211,422 74
Total, 1882	$295,489 87	$543,333 26	$426,223 50	$822,183 91	$185,584 67	$86,800 81	$2,359,616 02
Total, 1881	271,735 34	400,104 93	351,782 61	626,760 49	124,651 96	66,462 60	1,841,497 93
Increase,	$23,754 53	$143,228 33	$74,440 89	$195,423 42	$60,932 71	$20,338 21	$518,118 09

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1882, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellaneous.	Total Earnings.
Pass. Earnings .	$1,171,623 02	–	$48,898 38	$87,475 77	$54,633 76	$1,362,630 93
Fr't Earnings .	–	$1,837,890 35	–	–	102,268 20	1,940,158 55
Total. . . .	$1,171,623 02	$1,837,890 35	$48,898 38	$87,475 77	$156,901 96	$3,302,789 48

Apportionment.	OPERATING EXPENSES.					
	Transport'n Department.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expenses.	Total.
Pass. Expenses .	$295,489 87	$177,308 98	$358,301 93	$69,862 88	$35,848 73	$936,812 39
Fr't Expenses .	543,333 26	248,914 52	463,881 98	115,721 79	50,952 08	1,422,803 63
Total. . . .	$838,823 13	$426,223 50	$822,183 91	$185,584 67	$86,800 81	$2,359,616 02

Gross Passenger Earnings	$1,362,630 93	
Gross Passenger Expenses	936,812 39	
Net Passenger Earnings		$425,818 54
Gross Freight Earnings	$1,940,158 55	
Gross Freight Expenses	1,422,803 63	
Net Freight Earnings		517,354 92
Total Net Earnings		$943,173 46

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1882.

EARNINGS.			
Freight		$1,837,890 35	
Passengers		1,171,623 02	
Mail		48,898 38	
Express		87,475 77	
Miscellaneous		156,901 96	
			$3,302,789 48
OPERATING EXPENSES.			
Conducting Transportation — Passenger.			
General Passenger Agent and Clerks	9,969 74		
Superintendence	4,624 97		
Clerks	6,209 17		
Stationery and Printing	10,042 04		
Foreign Agencies	1,159 21		
Advertising	15,269 36		
Rent of Depot Grounds, and Buildings	23,303 24		
Repairs of Stations	9,864 24		
Oil and Waste for Cars	3,140 86		
Conductors, Baggagemen, and Brakemen	66,273 56		
Mail Expense	599 81		
Train Expense	5,558 72		
Fuel and Light for Cars	9,626 03		
Hire of Cars	7,824 81		
Telegraph Expense	10,431 98		
Loss and Damage to Baggage	195 00		
Loss and Damage to Property	3,986 86		
Personal Injuries	4,882 12		
Station Agents	33,472 53		
Switchmen and Yardmen	16,407 42		
Cleaning and inspecting Cars	21,397 61		
Labor at Stations	13,723 36		
Expenses of Stations	7,880 07		
Fuel and Lights for Stations	8,589 73		
Wrecking	763 50		
Stock killed	212 96		
Watchmen	80 97		
		295,489 87	
Conducting Transportation — Freight.			
General Freight Agent and Clerks	21,295 20		
Superintendence	6,400 22		
Clerks	76,284 69		
Stationery and Printing	12,865 50		
Foreign Agencies	5,383 12		
Advertising	572 59		
Rent of Depot Grounds, and Buildings	5,725 74		
Repairs of Stations	5,201 60		
Oil and Waste for Cars	2,053 33		
Conductors and Brakemen	96,250 55		
Train Expense	13,110 30		
Amounts carried forward	$245,142 84	$295,489 87	$3,302,789 48

STATEMENT OF EARNINGS AND EXPENDITURES, — *continued.*

Amounts brought forward . . .	$245,142 84	$295,489 87	$3,302,789 48
Fuel and Light for Cars	2,391 71		
Hire of Cars	5,737 24		
Telegraph Expense	15,170 72		
Loss and Damage to Freight . . .	21,491 65		
Loss and Damage to Property . .	3,429 95		
Personal Injuries	13,706 52		
Station Agents	39,272 44		
Switchmen and Yardmen	64,341 20		
Oiling and Inspecting Cars . . .	10,128 67		
Labor at Stations	89,198 92		
Expenses of Stations	10,405 69		
Fuel and Lights for Stations . . .	6,981 02		
Wrecking	9,593 13		
Watchmen	6,276 64		
Stock killed	64 92		
		543,333 26	
Maintenance of Way.			
Superintendence	9,132 05		
Clerks	1,163 83		
Ballasting and Surfacing	26,626 83		
Labor repairing Track	154,806 88		
Frogs	1,908 55		
Switches	3,914 33		
Spikes	7,425 06		
Splices and Bolts	4,785 25		
Repairs, Hand Cars	1,100 22		
Tools, and Repairs of	7,701 41		
Watchmen	10,610 19		
Railroad Crossings	525 00		
Oil, Fluid, and Tallow	309 64		
Steel Rails	41,391 73		
Iron Rails			
Cross Ties	63,704 56		
Switch Ties	4,047 58		
Repairs of Bridges — Labor . . .	23,865 56		
Repairs of Bridges — Material . .	34,882 76		
Culverts and Cattle Guards . . .	3,333 68		
Highway Crossings and Fences . .	12,100 44		
Telegraph Repairs	63 51		
Section and Watch Houses . . .	222 72		
Stationery and Printing	407 65		
Repairs of Tenement Buildings .	1,772 13		
Removing Snow and Ice	10,421 94		
		426,223 50	
Motive Power.			
Superintendence	5,135 69		
Clerks	4,182 48		
Stationery and Printing	466 56		
Repairs to Engine Houses and Machine Shops	7,960 79		
Repairs to Passenger Locomotives .	65,368 19		
Repairs to Freight "	56,522 13		
Amounts carried forward . . .	$139,635 84	$1,265,046 63	$3,302,789 48

STATEMENT OF EARNINGS AND EXPENDITURES — *continued.*

Amounts brought forward . . .	$139,635 84	$1,265,046 63	$3,302,789 48
Repairs to Switch Locomotives .	20,219 93		
Repairs to Work "	2,859 01		
Coal for Passenger "	161,398 81		
Coal for Freight "	209,361 34		
Coal for Switch "	38,589 41		
Coal for Work "	5,852 84		
Coal for Pay "	525 01		
Wood for Passenger "	210 11		
Wood for Freight "	302 18		
Wood for Switch "	78 42		
Wood for Work "			
Wood for Pay "	5 11		
Oil and Waste for Pass. "	6,635 45		
Oil and Waste for Freight "	6,668 45		
Oil and Waste for Switch "	2,033 29		
Oil and Waste for Work "	249 86		
Oil and Waste for Pay "	45 39		
Cleaning Passenger "	6,338 78		
Cleaning Freight "	4,860 85		
Cleaning Switch "	2,182 51		
Cleaning Work "	219 27		
Cleaning Pay "	39 83		
Repairs of Tools and Machinery .	11,452 62		
Fuel and Lights for Engine Houses and Machine Shops	8,292 45		
Water Station Expense	17,627 14		
Pumping	6,112 76		
Passenger Engineers and Firemen,	61,576 36		
Freight Engineers and Firemen . .	62,850 82		
Switch Engineers and Firemen . .	30,787 24		
Work Engineers and Firemen . .	3,588 72		
Pay Trip Engineers and Firemen .	339 56		
Sand for Engines	1,650 79		
Watchmen	8,486 16		
Rent of Engines	1,107 60		
		822,183 91	
Maintenance of Cars.			
Superintendence	3,259 66		
Clerks	2,468 43		
Stationery and Printing	334 36		
Repairs, Car Shops and Sheds . .	2,083 58		
Repairs to Passenger and Baggage Cars	65,108 88		
Repairs to Sleeping Cars	780 01		
Repairs to Freight Cars	92,328 96		
Repairs to Gravel Cars	8,443 05		
Repairs to Pay Car	752 48		
Fuel and Lights for Car Shops . .	5,424 86		
Watchmen	563 56		
Repairs, Tools and Machinery . .	4,036 84		
		185,584 67	
Amounts carried forward		$2,272,815 21	$3,302,789 48

STATEMENT OF EARNINGS AND EXPENDITURES — *concluded.*

Amounts brought forward		$2,272,815 21	$3,302,789 48
General Expenses.			
Salaries and Expenses of General Officers	$32,663 10		
Clerks at General Offices	14,461 19		
Attendants at General Offices . .	1,492 60		
Legal Expenses	20,250 65		
Insurance			
Stationery and Printing	6,264 36		
Expenses at General Offices . . .	4,444 69		
Rent of General Offices	524 20		
Fuel and Light for General Offices,	2,000 62		
Repairs of General Offices	673 26		
Pay Trip Expenses	783 23		
Postage	2,563 10		
Detective Service	679 81		
		86,800 81	
			2,359,616 02
Earnings after deducting Operating Expenses .			$943,173 46
Income from Other Sources			152,169 31
			$1,095,342 77
Taxes		$117,816 81	
Insurance		10,486 53	
Interest on Funded Indebtedness incurred for Purchase of Real Estate secured by Estate purchased (Boston Terminal Lands)		50,836 28	
Interest on Floating Debt		77,209 40	
Rent of Other Roads		74,965 90	
Boston Grain Elevator Expense		2,704 23	
Worthless Accounts		1,023 35	
			335,042 50
Available Net Earnings			$760,300 27
Interest on First Mortgage Bonds one year to Sept. 30, 1882		$645,746 00	
Interest on Second Mortgage Bonds two months, August and September, 1882		17,420 00	
			663,166 00
Surplus for the year			$97,134 27

COMPARISON WITH PREVIOUS YEARS OF EARNINGS, EXPENSES, AND BUSINESS.

	Year ending Sept. 30, 1882.	Year ending Sept. 30, 1881.	Year ending Sept. 30, 1880.
Miles of road operated (average for the year),	380.12	325.56	293.29
Gross earnings per mile of road	$8,688.80	$8,269.98	$7,927.10
Operating expenses per mile of road	6,207.56	5,656.40	5,294.94
Net earnings per mile of road	2,481.24	2,613.58	2,632.16
Percentage of operating expenses to gross earnings	71.6%	68%	67%
Revenue train miles run	2,223,912	1,895,582	1,575,977
Gross earnings per revenue train mile	$ 1.482	$ 1.42	$ 1.47
Operating expenses per revenue train mile	1.061	.972	.986
Net earnings per revenue train mile	.421	.448	.444
Expense of transportation per mile of road	2,206.73	2,063.64	1,919.23
" " " revenue train mile,	.377	.354	.358
Maintenance of way per mile of road	1,121.29	1,080.55	1,211.75
" " " revenue train mile,	.191	.186	.225
Motive power per mile of road	2,162 96	1,925.18	1.585.58
" " " revenue train mile	.37	.331	.295
Maintenance of cars per car for passenger cars of all kinds	401.51	329.63	330.85
Maintenance of cars per car for freight cars of all kinds	34 05	29.10	23.08
Maintenance of cars per mile of road	488.23	382.88	304.83
" " " " revenue train mile,	.084	.066	.056
General expenses per mile of road	228.35	204.15	273.55
" " " revenue train mile	.039	.035	.051
Passenger earnings per mile of road	3,584.74	3,572.26	3,188.62
" expenses " "	2,464.52	2,581.82	2,259.18
Net passenger earnings per mile of road	1,120.22	990.44	929.44
Percentage of passenger expenses to passenger earnings	68.8%	72%	71%
Revenue passenger train miles run	1,297,838	1,225,194	999,845
Passenger earnings per revenue passenger train mile	$ 1.05	$ .95	$ 1.008
Passenger expenses per revenue passenger train mile	.72	.687	.714
Net passenger earnings per revenue passenger train mile	.33	.263	.294
Number passengers carried	4,536,082	3,793,180	3,121,057
" " " one mile	55,853,672	46,738,566	41,762,072
Earnings per passenger	$ .257	$ .295	$ .286
" " " including mail, express, etc.	.307	.333	.323
Earnings per passenger per mile	.0209	.022	.0214
" " " " including mail, express, etc.	.244	.0254	.0241
Expenses per passenger	.207	.24	.229
" " " per mile	.0168	.0184	.0171
Average distance travelled per passenger	12.32 miles	12.32 miles	13.4 miles
Freight earnings per mile of road	$5,104.07	$4,697.72	$4,166.00
" expenses " "	3,743.04	3,074.58	2,653.37
Net freight earnings per mile of road	1,361.03	1,623.14	1,512.63
Percentage of freight expenses to freight earnings	73.3%	65%	64%
Revenue freight-train miles run	926,074	670,388	576,132
Freight earnings per revenue freight-train mile	$ 2 095	$ 2.281	$ 2.286
Freight expenses per revenue freight-train mile	1.536	1.493	1.456

COMPARISONS, ETC. — *Concluded.*

	Year ending Sept. 30, 1882.	Year ending Sept. 30, 1881.	Year ending Sept. 30, 1880.
Net freight earnings per revenue freight-train mile	$ .559	$ .788	$ .823
Number tons freight carried	1,522,374	1,176,795	968,549
" " " " one mile	103,668,653	64,562,865	43,678,700
Earnings per ton	$ 1 21	$ 1.21	$ 1.29
" " per mile	.01772	.022	.0286
" " including miscellaneous	1.274	1.30	1.36
" " per mile including miscellaneous	.01871	.0237	.0301
Expenses per ton	.935	.85	.866
" " per mile	.01372	.0155	.0192
Average distance each ton carried, miles	68.097	54 87	45.1
Number locomotives in service	117	103	87
Mileage of passenger locomotives	1,335,249	1,282,402	1,030,683
Expense per mile of passenger locomotives,	$ 2477	$ .2425	$ .2136
Mileage of freight locomotives	1,071,724	768,387	612,901
Expense per mile of freight locomotives	$ .3465	$ .3262	$ .3151
Total mileage of all kinds of "	2,971,954	2,425,977	1,902,113
Average expense per mile of all "	$ .2766	$ .2584	$ .2441
Number local passengers	3,472,290	2,801,556	2,215,183
" through "	1,063,792	991,624	905,874

STATEMENT OF CHARGES TO WESTERN EXTENSION CONSTRUCTION, DURING YEAR ENDING SEPTEMBER 30, 1822.

ACCOUNTS.		Amount.
Track		$71,896 78
Cross Ties		2,051 50
Rails and Fastenings		4,044 51
Sidings		6,653 84
Fences		349 96
Bridges		25,211 93
Crossings		3,047 09
Buildings, Labor, and Material		14,074 49
Water Stations		14,395 79
Fishkill-on-Hudson Docks		55,802 55
Miscellaneous		29,289 45
		$226,817 89
CREDITS: —		
Cross Ties	$16,469 03	
Rails	4,125 77	
		20,594 80
		$206,223 09

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY DURING THE FISCAL YEAR ENDING SEPTTEMBER 30, 1882.

ACCOUNTS.			Amount.
NEW BUILDINGS, —			
Paint Shop, Norwood Central Shops . .	$20,441 57		
Blacksmith Shop, Norwood Central Shops,	9,662 71		
Foundry, Norwood Central Shops . . .	6,596 14		
Transfer Table, Norwood Central Shops .	4,649 52		
Additional Water Supply, Norwood Central Shops	7,633 42		
Additions and Improvements to Machine and Repair Shops, other than foregoing,	2,206 89		
Engine Houses	3,109 53		
Freight House, Waterbury	8,158 18		
Freight House, Hartford	3,411 37		
Renewal and Improvements of Stations .	8,245 71		
Sand House, Boston	2,354 00		
Section and Watch Houses	425 52		
Water and Coal Stations	3,671 83		
		$80,566 39	
NEW SIDINGS	. . . .	144,663 92	
NEW SAFETY GATES AND STOP SIGNALS. .	. . . .	2,873 36	
STEEL RAILS, difference in value and weight between steel rails of 66 pounds weight, and steel and iron rails of 60 pounds, the former being used to replace the latter.			
Number of tons replacing steel, 1,536 $\frac{738}{2240}$			
Number of tons replacing iron, 1,974 $\frac{1560}{2240}$	. . . .	40,892 41	
BRIDGES, Iron Bridge at Readville replacing wood, and new overhead Drive-Bridge at Waterbury	. . . .	6,151 12	
NEW TOOLS AND MACHINERY FOR SHOPS .	. . . .	16,960 90	
NEW HAND AND PUSH CARS	. . . .	861 87	
NEW TRACK SCALES	. . . .	3,126 97	
NEW FREIGHT YARD, HARTFORD . . .	. . . .	10,102 77	
RIPRAPPING, EAST HARTFORD EMBANKMENT	. . . .	10,289 72	
MISCELLANEOUS IMPROVEMENTS AT STATIONS, Filling, Grading, etc.	. . . .	3,264 58	
		319,754 01	
REAL ESTATE, —			
Deduct the following Sales:			
Sale of Land at Hartford to the Hartford and C. W. R.R.	$69,879 81		
Sale of Land at Medway to William B. Hodges	150 00		
Sale of Land at South Boston to Margaret Patterson	200 00		
Sale of Land at Norfolk to Elvira Fisher .	50 00		
	70,279 81		
Less Real Estate purchased, —			
1.158 Acres Land at East Hartford,	$1,311 08		
Land at Norfolk	125 00		
Sundry Expenses in connection with Land at various points . .	77 44		
Right of Way	33,239 79		
	34,753 31		
		35,526 50	
Amount carried forward	. . . .	. . . .	$284,227 51

NEW CONSTRUCTION AND EXPENDITURES — *continued.*

ACCOUNTS.			Amount.
Amount brought forward			$284,227 51
EXTENSION OF DOUBLE TRACK, —			
Grading		$35,583 48	
Bridging		19,077 99	
Cross-Ties		9,224 67	
Steel Rails		55,064 23	
Track Laying and Surfacing		15,999 75	
Miscellaneous		6,596 16	
			141,546 28
IMPROVEMENTS AT SOUTH BOSTON FLATS, —			
Fifty-Acre Lot, —			
Grading, Dredging, and Filling	$17,269 18		
Paving	7,504 16		
Buildings:			
Grain Elevator, —			
Material $20,582 13			
Machinery 78,575 71			
Labor 20,959 50			
$120,117 34			
Warehouses, —			
Material $2,406 49			
Labor 233 27			
2,639 76			
	122,757 10		
Piers, —			
Material $97,061 03			
Dredging and Filling 18,252 45			
Labor 32,986 61			
	148,300 09		
Miscellaneous	11,831 33		
		307,661 86	
Twenty-five Acre Lot, —			
Grading, Dredging, and Filling	35 20		
Paving	7,783 56		
Buildings: *Warehouses*, —			
Material $101,596 46			
Labor 32,386 24			
	133,982 70		
Piers, —			
Material $ 5 43			
Dredging 1,090 80			
Filling 90 34			
	1,186 57		
Miscellaneous	11,660 20		
		154,648 23	
Twelve-Acre Lot, —			
Grading, Dredging, and Filling	55,094 14		
Miscellaneous	4,622 94		
		59,717 08	
			522,027 17
EXTENSION OF ROAD WEST OF WATERBURY,			206,223 09
UNDERLYING LIENS BOUGHT			22,271 99
HIGHLAND LAKE GROVE, Additions to Improvements			389 80
NEW TRANSFER STEAMER "WM. T. HART,"			176,995 95
			$1,353,681 79

GROSS EARNINGS BY DIVISIONS, AND EARNINGS PER MILE, FOR FISCAL YEAR ENDING SEPTEMBER 30, 1882.

DIVISIONS.	Gross Earnings.	No. of Miles.	Earnings Per Mile.
Eastern	$2,019,127 70	138.21	$14,609 13
Western	640,679 87	92.70	6,911 33
Providence	325,567 64	59.32	5,488 33
Woonsocket	143,392 08	35.39	4,051 77
Rhode Island and Massachusetts	50,167 57	13.60	3,688 79
Rockville	20,623 28	4.40	4,687 11
Springfield	103,231 34	36.50	2,828 26
Total	$3,302,789 48	380.12	$8,688 80

STATEMENT OF GROSS EARNINGS, AND EARNINGS PER MILE, FOR FISCAL YEAR ENDING SEPT. 80, 1882; BASED ON THE GROSS EARNINGS FOR THE MONTHS OF AUGUST AND SEPTEMBER, 1882.

DIVISIONS.	Gross Earnings.	No. of Miles.	Earnings per Mile.
Eastern	$2,728,131 78	138.21	$19,739 04
Western	938,194 86	92 70	10,120 76
Providence	353,133 30	59.32	5,953 02
Woonsocket	164,162 16	35.39	4,638 66
Rhode Island and Massachusetts	55,553 52	13.60	4,084 81
Rockville	20,547 30	4 40	4,669 84
Springfield	119,301 90	36.50	3,268 54
	$4,379,024 82	380.12	$11,520 11

CONDUCTING TRANSPORTATION.

PASSENGERS, EARNINGS AND COST, AND AVERAGE TRIP.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

EARNINGS AND COST PER PASSENGER PER MILE.

	1882.	1881.	Increase.	Decrease.	Per ct.
	Cts.	Cts.	Cts.	Cts.	
Local	.0239	.0254	–	.0015	5.90
Foreign	.0202	.0207	–	.0005	2.41
Average earnings	.0209	.022	–	.0011	5.00
Average cost	.0168	.0184	–	.0016	8.7
Net	.0041	.0036	.0005	–	1.39

AVERAGE TRIP PER PASSENGER.

	1882.	1881.	Increase.	Decrease.	Per ct.
	Miles.	Miles.	Miles.	Miles.	
Local passenger	10.58	10.57	–	0.01	–
Foreign "	17.65	17.27	0.38	–	2.2
Average	12.32	12.32	–	–	–
Av. no. passengers per car	11.8	–	–	–	–
" " " train	43.	37.3	5.7	–	15

PASSENGERS, NUMBER CARRIED, REVENUE, ETC.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

PASSENGERS.

	1882.	1881.	Increase.	Per cent.
Local	3,472,290	2,801,556	670,734	23.94
Foreign	1,063,792	991,624	72,168	07.28
Total	4,536,082	3,793,180	742,902	19.59

PASSENGERS, NUMBER CARRIED, ETC.—*continued.*

PASSENGER MILEAGE.

	1882.	1881.	Increase.	Per cent.
Local	36,736,318	29,610,702	7,125,616	24.06
Foreign	19,117,354	17,127,864	1,989,490	11.62
Total	55,853,672	46,738,566	9,115,106	19.50

REVENUE.

	1882.	1881.	Increase.	Per cent.
Local (excess baggage included in '81, not '82)	$781,871.70	$673,963.22	$107,908.48	16.01
Foreign	385,858.53	355,622.53	30,236.00	08.50
Total	$1,167,730.23	$1,029,585.75	$138,144.48	13.42

TRAIN MILEAGE, STATEMENT OF, FOR THE YEARS ENDING SEPT. 30, 1881, AND 1882.

	1882.	1881.	Increase.	Per cent.
Train Miles, Passenger	1,297,838	1,225,194	72,644	5.93
" Freight	926,074	670,388	255,686	38.14
Total	2,223,912	1,895,582	328,330	17.32
Train Miles, Work and Pay	55,529	52,301	3,228	6.17
Grand Total	2,279,441	1,947,883	331,558	17.00

SLEEPING-CAR EXPENSES.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

	Total Mileage.	For Car Service.	Cost per mile.
1882	253,385	$7,601 55	3c.
1881	193,188	5,795 64	3c.
Increase	60,197	$1,805 91	

COMPANY AND REVENUE FREIGHT TON MILEAGE.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

DIVISIONS.	TONS CARRIED ONE MILE.			Per Cent Increase.
	1882.	1881.	Increase.	
Eastern	1,748,015			
Western	5,450,215			
Providence	373,082			
Woonsocket	50,452			
Rhode Island & Mass. .	2,001			
Rockville	7,937			
Springfield	482,573			
Total Company Supplies,	8,114,275	2,075,972	6,038,303	290.86
Total Paying Freight .	103,668,653	64,562,685	39,105,968	60.57
Grand Total	111,782,928	66,638,657	45,144,271	67.74

MILEAGE OF CARS IN FREIGHT TRAINS, ETC.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

MILEAGE OF CARS IN FREIGHT TRAINS.

	1882.	1881.	Increase.	Per cent.
Loaded and empty . .	16,894,622	11,342,412	5,552,210	49
Caboose	926,074	670,388	255,686	38
	17,820,696	12,012,800	5,807,896	48

AVERAGE NUMBER OF FREIGHT CARS PER ENGINE.

	1882.	1881.	Increase.	Per cent.
Loaded and empty, including Caboose . . .	18.24	16.92	1.32	7.7

AVERAGE NUMBER OF PASSENGER, BAGGAGE, MAIL, AND EXPRESS CARS, PER ENGINE.

	1882.	1881.	Increase.	Per cent.
All kinds, including Pullman sleeping cars,	3 55			

COMPANY AND REVENUE TONNAGE.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

DIVISIONS.	TONS CARRIED.			Per cent Increase.
	1882.	1881.	Increase.	
Eastern	38,075	–	–	–
Western	47,782	–	–	–
Providence	6,634	–	–	–
Woonsocket	2,224	–	–	–
Rhode Island & Massachusetts,	83	–	–	–
Rockville	118	–	–	–
Springfield	12,181	–	–	–
Total Company Supplies . .	107,097	46,618	60,479	129.73
Total Paying Freight	1,522,374	1,176,795	345,579	29.36
Grand Total	1,629,471	1,223,413	406,058	33.19

FREIGHT.—COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPT. 30, 1881, AND 1882.

ACCOUNT OF	TONNAGE.				PER CENT.	
	1882.	1881.	Increase.	Dec.	Inc.	Dec.
Local	468,485	375,254	93,231	–	24.84	–
Foreign	1,053,889	801,541	252,348	–	31.48	–
Total	1,522,374	1,176,795	345,579	–	29.36	–
TONS CARRIED ONE MILE.						
Local	24,573,706	13,020,939	11,552,767	–	88.72	–
Foreign	79,094,947	51,541,746	27,553,201	–	53.46	–
Total	103,668,653	64,562,685	39,105,968	–	60.57	–

FREIGHT. — COMPARATIVE STATEMENT — *concluded.*

REVENUE.

ACCOUNT OF	TONNAGE.				PER CENT.	
	1882.	1881.	Increase.	Dec.	Inc.	Dec.
Local	$733,024 79	$581,060 69	$151,964 10	–	26.15	–
Foreign	1,104,865 56	839,697 61	265,167 95	–	31.58	–
Total	$1,837,890 35	$1,420,758 30	$417,132 05	–	29.36	–

EARNINGS AND COST PER TON PER MILE.

	Cents.	Cents.		Cents.		
Local	3.844	4.463	–	.619	–	13.87
Foreign	1.384	1.629	–	.245	–	15.04
	Cents.	Cents.		Cents.		
Average Earnings .	1.772	2.201	–	.429	–	19.49
Average Cost . . .	1.372	1.550	–	.178	–	11.48
Net	.400	.651	–	.251	–	38.55

TONNAGE. — COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPT. 30, 1881, AND 1882: AVERAGE HAUL.

ACCOUNT OF	MILES.				PER CENT.	
	1882.	1881.	Increase.	Decrease.	Increa.	Decrea.
Local Tonnage	52,453	34,699	17,754	–	51.17	–
Foreign Tonnage. . . .	75,051	64,303	10,748	–	16.71	–
Average	68,097	54,863	13,234	–	24.12	–

	TONS.				PER CENT.	
	1882.	1881.	Increase.	Decrease.	Increa.	Decrea.
Average tons per car . .	6.14 tons	5.69 tons.	0 45 tons.	–	8 p.c.	–
" " " train .	112 tons.	96.3 tons.	5.7 tons.	–	6 p.c.	–

CLASSIFIED TONNAGE.—COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPT. 30, 1881, AND 1882.

CLASSIFICATIONS.	TONS.		TONNAGE.		PER CENT.	
	1882.	1881.	Increase.	Decrease.	Increa.	Decrea
1. Cotton	44,426	34,517	9,909	–	28.71	–
2. Wool	26,737	31,395	–	4,658	–	14.84
3. Grain	78,037	51,076	26,961	–	52.79	–
4. Flour and Meal . .	78,451	63,100	15,351	–	24.33	–
5. Coal	274,335	193,944	80,391	–	41.45	–
6. Lumber and Timber .	88,749	73,867	14,882	–	20.15	–
7. Cattle	2,765	2,485	280	–	11.27	–
8. Horses	1,666	1,153	513	–	44.49	–
9. Hogs	1,796	653	1,143	–	175.04	–
10. Sheep	1,060	457	603	–	131.95	–
11. General Merchandise,	924,352	724,148	200,204	–	27.64	–
Total	1,522,374	1,176,795	345,579	–	29.36	–

CAR MOVEMENT, STATEMENT OF, FOR THE YEAR ENDING SEPT. 30, 1882.

EASTERN DIVISION.

WEST-BOUND.				EAST-BOUND.			
	L'ded.	Empty.	Total.		L'ded.	Empty.	Total.
Out Boston . . .	46,796	1,937	48,733	Out Hartford . .	53,566	3,050	56,616
Into Hartford . .	35,599	14,943	50,542	Into Boston . .	34,160	13,311	47,471

WESTERN DIVISION.

Out Hartford . .	11,802	8,798	20,600	Out Fishkill-on-Hudson . . .	16,695	383	17,078
Into Fishkill-on-Hudson . . .	5,447	10,589	16,036	Into Hartford. .	17,742	4,176	21,918

PROVIDENCE DIVISION.

Out Providence .	14,233	3,534	17,767	Out Willimantic,	10,189	909	11,098
Into Willimantic .	8,272	3,224	11,496	Into Providence .	15,922	1,559	17,481

STATEMENT OF THROUGH FREIGHT TO AND FROM NEW YORK AND BEYOND, ALSO TO AND FROM BEYOND NEWBURGH, FROM OCT. 1, 1881, TO SEPT. 30, 1882.

BETWEEN	EAST BOUND.				WEST BOUND.			
	Gross Revenue.	N.Y. & N.E. Revenue.	Total Net Tons.	Total Tons One Mile.	Gross Revenue.	N.Y. & N.E. Revenue.	Total Net Tons.	Total Tons One Mile.
New York *via* N. & W. . .	$102,890 62	$25,005 09	39,677.11	2,086,760	$134,122 69	$32,624 44	35,650.20	1,708,322
" " N.Y., N.H., & H.	157,590 32	77,507 44	48,324.63	4,753,347	107,329 11	48,945 23	26,079.01	2,413,264
" " Other Roads .	55,384 04	14,680 11	15,941.25	351,056	31,393 83	9,226 68	7,447.89	182,871
Union Line	307,077 16	124,356 47	186,017.87	15,444,502	96,201 05	43,493 47	59,297.73	6,357,955
Penn. R.R. Points	242,768 08	104,999 26	52,116.83	4,607,085	141,360 60	59,758 04	46,480.47	4,753,210
B. & O. R.R. Points . . .	28,340 06	7,875 05	5,014.80	522,363	20,480 88	5,913 06	5,205.87	584,697
N.Y., L. E., & W. R.R. Points .	118,936 34	113,336 39	100,176.25	16,727,057	32,115 72	32,110 85	34,872.99	4,103,582
Total	$1,012,986 62	$467,759 81	447,268.74	44,492,170	$563,003 88	$232,071 77	215,034.16	20,103,901

NEW ENGLAND TRANSFER CO. — STATEMENT SHOWING CARS AND PASSENGERS TRANSFERRED, YEAR ENDING SEPT. 30, 1882.

MONTH.	CARS TRANSFERRED.											PASSENGERS TRANSFERRED.		
	FREIGHT.							PASSENGER.			Grand Total.			
	EAST.			WEST.			Totals.					East.	West.	Total.
	Loads.	Empties.	Total.	Loads.	Empties.	Total.		East.	West.	Total.				
1881.														
October	3,639	66	3,705	2,967	182	3,149	6,854	132	129	261	7,115	1,134	1,679	2,813
November	3,761	67	3,828	2,649	322	2,971	6,799	119	123	242	7,041	715	1,005	1,720
December	3,055	73	3,128	2,590	1,188	3,778	6,906	124	118	242	7,148	847	197	1,044
1882.														
January	2,482	62	2,544	2,338	943	3,281	5,825	124	131	255	6,080	1,072	1,050	2,122
February	2,548	42	2,590	2,325	398	2,723	5,813	112	114	226	5,539	756	998	1,754
March	2,831	76	2,907	2,668	372	3,040	5,947	125	131	256	6,203	814	1,169	1,983
April	2,667	87	2,754	2,556	308	2,864	5,618	133	131	264	5,882	1,149	1,120	2,269
May	3,076	85	3,161	2,552	342	2,894	6,055	124	125	249	6,304	1,021	904	1,925
June	2,986	69	3,055	2,731	446	3,177	6,232	124	122	246	6,478	1,203	654	1,857
July	3,153	77	3,230	2,639	525	3,164	6,394	124	125	249	6,643	1,037	641	1,678
August	3,669	113	3,782	2,807	688	3,495	7,277	125	126	251	7,528	929	969	1,898
September	3,940	107	4,047	2,800	718	3,518	7,565	116	121	237	7,802	717	1,487	2,204
Total	37,807	924	38,731	31,622	6,432	38,054	76,785	1,482	1,496	2,978	79,763	11,394	11,873	23,267

HUDSON RIVER TRANSFER STEAMER "WILLIAM T. HART."—STATEMENT SHOWING CARS TRANSFERRED DURING YEAR ENDING SEPT. 30, 1882.

MONTH.	FREIGHT CARS TRANSFERRED.							REMARKS.
	EAST.			WEST.			Totals.	
	Loads.	Empt's.	Total.	Loads.	Emp'ts.	Total.		
1881.								
December .	–	–	163	–	–	116	279	
1882.								
January . .	–	–	704	–	–	506	1,210	
February .	–	–	1,718	–	–	924	2,642	
March . .	2,582	6	2,588	319	1,556	1,875	4,463	
April . . .	1,880	10	1,890	343	1,611	1,954	3,844	
May . . .	2,144	23	2,167	557	1,647	2,204	4,371	
June . . .	1,705	28	1,733	794	1,164	1,958	3,691	
July . . .	2,416	20	2,436	777	1,582	2,359	4,795	
August . .	2,466	31	2,497	967	1,640	2,607	5,104	
September .	1,920	15	1,935	787	885	1,672	3,607	
Total .	–	–	17,831	–	–	16,175	34,006	

MAINTENANCE OF WAY.

MAINTENANCE OF WAY.—MATERIAL USED DURING THE YEAR ENDING SEPT. 30, 1882.

	EASTERN DIVISION.		WESTERN DIVISION.		WOONSOCKET DIVISION.		R. I. AND MASS. DIVISION.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Rails—Steel	2,575 $\frac{1768}{2240}$	$141,668 41	935 $\frac{530}{2240}$	$51,438 02	–	–	–	–
Splice Bars	8,742 prs.	7,168 44	3,174 prs.	2,602 68	–	–	–	–
Splice Bolts	177 kegs.	1,467 81	60 kegs.	498 00	–	–	–	–
Nut Locks	36,125	812 81	11,375	253 94	–	–	–	–
Railroad Spikes	788 kegs.	4,729 41	213 kegs.	1,280 14	76 kegs.	$456 80	11 kegs.	$66 00
Cross Ties	83,143	32,425 77	21,213	9,337 77	20,508	7,998 12	3,602	1,404 78
		$188,272 65		$65,410 55		$8,454 92		$1,470 78

	PROVIDENCE DIVISION.		ROCKVILLE BRANCH.		SPRINGFIELD DIVISION.		TOTAL.	
	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.	Quantity.	Cost.
Rails—Steel	–	–	–	–	–	–	3,111 $\frac{528}{2240}$	$193,106 43
Splice Bars	–	–	–	–	–	–	11,916	9,771 12
Splice Bolts	–	–	–	–	–	–	237 kegs.	1,965 81
Nut Locks	–	–	–	–	–	–	47,500	1,066 75
Railroad Spikes	93 kegs.	$557 05	6 kegs	$36 00	42 kegs.	$256 03	1,229 kegs.	7,381 43
Cross Ties	20,313	7,922 07	1,766	688 74	14,860	6,137 04	165,405	65,914 29
		$8,479 12		$724 74		$6,393 07		$279,205 83

MAINTENANCE OF WAY.—STEEL RAILS AND CROSS TIES, RENEWALS OF.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

DIVISIONS.	STEEL RAILS.				CROSS-TIES.			
	NEW.		RE-USED.		NEW.		RE-USED.	
	1882.	1881.	1882.	1881.	1882.	1881.	1882.	1881.
Eastern	2,575 1768/2240	1,659 1568/2240	381 60/2240	–	83,143	57,485	–	–
Western	935 530/2240	996 2054/2240	109 220/2240	–	21,213	15,214	–	–
Woonsocket	–	–	–	–	20,508	15,832	–	–
Rhode Island and Massachusetts	–	–	–	–	3,602	3,772	–	–
Providence	–	328 865/2240	–	–	20,313	38,753	–	–
Rockville Branch	–	–	–	–	1,766	1,382	–	–
Springfield	–	–	–	–	14,860	6,361	–	–
Ridge Hill Branch	–	–	–	–	198	–	–	–
Total	3,511 58/2240	2,984 1941/2240	490 880/2240	–	165,603	138,799	–	–

MAINTENANCE OF WAY.—AVERAGE NUMBER OF MEN PER MILE ON TRACK.

	Eastern Division.		Western Division.	Woonsocket Division.	Franklin Branch.	Southbridge Branch.	Providence Division.	Rockville Branch.	Springfield Division.
	Double Track.	Single Track.							
1882	2.49	1.39	.94	1.0	.73	1.2	.92	1.05	.58
1881	2.96	1.35	1.03	1.0	.78	1.3	1.03	.99	.68
Increase	–	.04	–	–	–	–	–	.06	–
Decrease	.47	–	.09	–	.05	.1	.11	–	.10

MAINTENANCE OF WAY.—IRON RAIL TRACK, LENGTH OF, SEPT. 30, 1882.

	Eastern Division.		Western Division.		Woonsocket Division.		R. I. & Mass. Division.		Providence Division.		Rockville Branch.		Springfield Division.		Total.	
	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.
Main Track, Sept. 30, 1882	2	1,289	3	264	35	2,059	13	3,168	47	740	4	2,112	27	2,641	133	1,713
Sidings, Sept. 30, 1882	50	488	18	4,633	6	524	1	2,571	10	2,488	–	3,630	2	3,599	90	2,093
Total	52	1,777	21	4,897	41	2,583	15	459	57	3,228	5	462	30	960	223	3,806

MAINTENANCE OF WAY.—MAIN TRACK, ETC., LAID IN STEEL, LENGTH OF, SEPT. 30, 1882.

MAIN TRACK.

	Eastern Division.		Western Division.		Woonsocket Division.		R. I. & Mass. Division.		Providence Division.		Rockville Branch.		Springfield Division.		Total.	
	Miles	Feet.	Miles.	Feet.	Miles	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.
Sept. 30, 1880	104	1,141	12	3,556	–	–	–	–	8	3,696	–	–	7	1,425	132	4,538
Laid in 1881	17	3,168	40	3,696	–	–	–	–	–	–	–	–	–	–	–	–
			10	2,640	–	–	–	–	3	2,534	–	–	–	–	72	1,478
" 1882	12	1,266	26	1,584	–	–	–	–	–	–	–	–	–	–	–	–
			6	932	–	–	–	–	–	–	–	–	–	–	44	3,782
Total, Sept. 30, 1882	134	295	96	1,848	–	–	–	–	12	950	–	–	7	1,425	249	4,518

SIDINGS.

Sept. 30, 1880	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Laid in 1881	–	3,084	–	–	–	–	–	–	–	–	–	–	–	–	–	3,084
Laid in 1882	–	–	1	744	–	–	–	–	–	–	–	–	–	–	1	744
Total, Sept. 30, 1882	–	3,084	1	744	–	–	–	–	–	–	–	–	–	–	1	3,828

TRACKS AND SIDINGS.

Total, Sept. 30, 1882	134	3,379	97	2,592	–	–	–	–	12	950	–	–	7	1,425	251	3,066

MAINTENANCE OF WAY.—TRACKS AND SIDINGS, LENGTH OF, SEPT. 30, 1882.

TRACKS.

	Eastern Division.		Western Division.		Woonsocket Division.		R. I. & Mass Division.		Providence Division.		Rockville Branch.		Springfield Division.		Total.	
	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.
Single Main Track	138	1,109	99	2,112	35	2,059	13	3,168	59	1,690	4	2,112	34	4,066	385	476
Second Main Track	30	4,646	–	–	–	–	–	–	–	–	–	–	–	–	30	4,646
Total	169	475	99	2,112	35	2,059	13	3,168	59	1,690	4	2,112	34	4,066	415	5,122

SIDINGS.

Sept. 30, 1880	32	4,523	5	4,247	4	5,233	1	1,791	10	966	–	3,630	2	372	57	4,922
Laid in 1881	6	3,467	3	3,311	–	1,596	–	630	–	1,522	–	–	–	790	11	756
Laid in 1882	11	862	10	3,099	–	4,255	–	150	–	–	–	–	–	2,437	23	243
Total	50	3,572	20	97	6	524	1	2,571	10	2,488	–	3,630	2	3,599	92	641

TRACKS AND SIDINGS.

Total Sept. 30, 1882	219	4,047	119	2,209	41	2,583	15	459	69	4,178	5	462	37	2,385	508	483

MAINTENANCE OF WAY. — SIDINGS CONSTRUCTED AND EXTENDED DURING THE YEAR ENDING SEPT. 30, 1882.

LOCATION.	Description.	Feet.	Length. Feet.	Cost.	Cost per foot.
South Boston	Marginal Track	2,090			
	No. 2 Freight House	1,351			
	Scale House Track	3,218			
	First Street (1,087; 1,012; 938; 938)	3,975			
			10,634		
Hyde Park		–	463		
Readville	McAvoy	–	440		
Dedham Junct.		–	269		
Dedham	Sand Pit Spur	494			
	Turn Table	248			
	Passing S. T.	759			
	Ice House Extension	439			
			1,940		
Norwood Cen.	Paint-shop	1,596			
	Turn Table	984			
	South side	750			
			3,330		
Winslow's		–	816		
Walpole	West of O. C. N. S. T.	861			
	Lewis S. T.	1,029			
	Cross-over	150			
	West of O. C. S.	973			
			3,013		
Highland Lake	Turn Table	196			
	South Track	1,707			
			1,903		
Franklin	Beet Sugar, W.	–	63		
Blackstone	N. S. T. across bridge	–	395		
Millville		–	1,416		
East Douglas	N. S. T. West	692			
	" East	405			
			1,097		
Douglas	Spur West	–	218		
Webster	Transfer	–	231		
Southbridge		–	800		
Thompson	Spur	350			
	——	800			
			1,150		
Putnam	South S. T.	700			
	Gas Spur	350			
	North S. T.	1,620			
	Yard (1,050; 1,100)	2,150			
			4,820		
Pomfret		–	1,812		
Elliott's		–	750		
Goshen	Sidings	2,145			
	East Extension	600			
	West "	220			
	Spur	250			
			3,215		
	Amount carried forward		38,775		

MAINTENANCE OF WAY—*continued.*

LOCATION.	Description.	Feet.	Length.	Cost.	Cost per foot.
	Amount brought forward		Feet. 38,775		
Willimantic . .	. . . . .	–	500		
Andover . . .	. . . . .	–	1,400		
Bolton	. . . . .	–	35		
Manchester . .	North	1,140			
	South	2,731	3,871		
Woodland . . .	Extension	1,700			
	Extension S. T	193			
	Spur	300	2,193		
East Hartford .	Extension short S . . .	2,470			
	Springfield Div., S. T. .	1,380			
	Two short Spurs Ext. . .	406			
			4,256		
Hartford . . .	Yard	140			
	Low Track	625			
	Coal Track	510			
	Pleasant-street Yard . .	6,637	7,912		
				Eastern	Divis'n
	Total Eastern Division .		58,942	$78,340.17	$1.33
New Britain . .	East of Yard	238			
	Refrigerator Track . . .	140			
			378		
Cook's	Passing	2,064			
	Spur	332			
			2,396		
Plainville . . .	Woodford's	450			
	North side	570			
	Freight House	293			
	2d Freight House . . .	369			
	South side	1,294			
	Cross-over	155			
	Cross-over	151			
			3,282		
Terryville . . .	North side	–	120		
Wheaton's . .	. . . . .	–	50		
Waterbury . .	Brass Co.	251			
	Cross-over	152			
	Rebuilt Yard	16,782			
			17,185		
Southbury . .	South Side	–	563		
Sandy Hook . .	. . . . .	–	360		
Danbury . . .	Yard	700			
	Robinson's	320			
	Penfield's	500			
			1,520		
Mill Plain . . .	. . . . .	–	2,130		
Brewster's . .	Coal Trestle	–	552		
Dykeman's . .	. . . . .	–	570		
Towner's . . .	. . . . .	–	645		
Patterson . . .	. . . . .	794 581			
			1,375		
Pawling . . .	. . . . .		2,145		
	Amount carried forward		33,271		

MAINTENANCE OF WAY — *concluded.*

LOCATION.	Description.	Length.	Cost.	Cost per Foot.
		Feet.	Feet.	
	Amount brought forward		33,271	
Poughquag	992			
	540			
			1,532	
Green Haven	–		470	
Stormville	4,938			
	440			
			5,378	
Hopewell	3,878			
	810			
			4,688	
Fishkill-on-Hud.,	–		10,560	
			Western	Divis'n
	Total Western Division		55,899	$58,873.64	$1.05

WOONSOCKET DIVISION.

		Feet.	Feet.	
Woonsocket	Hawkins	577		
	East side	364		
	West side	381		
	Extension East	1,313		
	Extension, Harris	700		
	West of yard	920		
			4,255	$4,445 30	$1.04

RHODE ISLAND AND MASSACHUSETTS DIVISION.

		Feet.		
Valley Falls	Cross over	150	$224 57	$1.50

SPRINGFIELD DIVISION.

		Feet.	Feet.		
Burnham's		470			
Melrose	Ice House	539			
	Spur	78			
			1,087		
Armory		540			
	Collins's Track	460			
		350			
			1,350		
			2,437	$2,780 24	$1.14
			121,683	$144,663 92	$1.188

MAINTENANCE OF WAY. — BRIDGES, TRESTLES, AND MASONRY CONSTRUCTED AND REPAIRED, YEAR ENDING SEPT. 30, 1882.

NEW BRIDGES.

		Cost.
	Feet.	
Fort Point Channel Draw, Howe Truss	122	$8,653 64
Columbia Street, Plate Girder Iron	44½	4,013 34
Central Park Avenue, Readville, Plate Girder Iron	35	1,968 72
Over Boston and Providence Railroad, Readville, Plate Girder Iron (partially constructed)	37	3,613 37
Two over West Street, Walpole, Plate Girder Iron	33′, 3″; 34	2,534 04
Blackstone, Howe Truss, 2 Spans, total	162	8,839 93
North Windham, Plate Girder Iron	67	3,064 37
Waterbury, Highway overhead, Wood		568 50
Total		$33,255 91

TRESTLES.

No.	
63. East Hartford, rebuilt, double track, cost per lineal foot $15 75	$13,897 08
Hop Brook, repaired	10 00
Towners	64 62
Total	$13,971 70

PILE TRESTLES.

No.	
39. Blackstone, Canal and Pond, rebuilding	$1,296 76
Freight Branch, repaired	380 30
Towantic, repaired	159 00
Total	$1,836 06

MASONRY REBUILT AND REPAIRED.

No.	
8. Columbia Street, Abutments	$688 00
80. Terryville Bridge, Abutments	9 75
39. Blackstone, Half deck, Abutments	24 51
64. Connecticut River, Abutments	35 90
16. Boston and Providence Railroad Crossing, Abutments	62 68
Total	$820 84

MOTIVE POWER.

LOCOMOTIVE EQUIPMENT, SEPT. 30, 1882.

OWNER.	OCT. 1, 1881.			BUILT AND PURCHASED DURING THE YEAR.			SEPT. 30, 1882.		
	Total No.	Vacant.	No. in Existence.	Vacant Nos.	New Nos.	Total.	Total No.	Vacant.	No. in Existence.
N. Y. & N. E. R. R. . . .	103	2	101	–	–	–	101	–	101
New England Car Trust . .	–	–	–	2	14	16	16	–	16
Total	103	2	101	2	14	16	117	–	117

CONDITION OF LOCOMOTIVES, SEPT. 30, 1882.

DIVISIONS ON WHICH ENGINES ARE IN SERVICE.	In Good Order.	REQUIRING REPAIRS.			IN SHOP FOR REPAIRS.			Totals.
		General.	Slight.	Total.	General.	Slight.	Total.	
Eastern	44	15	–	15	5	3	8	67
Western	20	9	–	9	3	1	4	33
Providence	6	4	–	4	–	1	1	11
Woonsocket	5	1	–	1	–	–	–	6
Total	75	29	–	29	8	5	13	117

MOTIVE POWER.—STATEMENT OF ENGINES.—CLASSIFIED BY CYLINDERS AND BUILDERS.

CYLINDERS.	BUILDERS.											
	Clubbuck & Son.	Taunton Loco. Works.	R. I. Loco. Works.	McKay & Aldus.	Norris & Son.	Hinkley Loco. Works.	Mason Machine Works	H. P. & F. R. R.	N. Y. & N. E. R. R.	Schenectady Loco. W'ks.	Baldwin Loco. Works.	Totals.
Inches.												
11 x 14 1-2	1	–	–	–	–	–	–	–	–	–	–	1
12 x 24	–	3	–	–	–	–	–	–	–	–	–	3
14 x 22	–	–	1	1	1	1	4	1	–	–	–	9
14 x 24	–	–	1	–	–	1	–	–	–	–	–	2
15 x 20	–	2	–	–	–	–	4	–	–	–	–	6
15 x 22	–	2	1	–	–	5	–	–	1	–	–	9
15 x 24	–	–	–	–	–	1	–	–	–	1	–	2
16 x 22	–	4	–	1	–	–	–	3	2	1	–	11
16 x 24	–	8	–	2	–	3	–	2	–	1	–	16
17 x 22	–	–	–	–	–	–	–	–	1	–	–	1
17 x 24	–	1	1	–	–	6	–	1	–	3	2	14
18 x 22	–	–	–	–	–	2	–	–	–	–	–	2
18 x 24	–	1	22	–	–	2	–	–	–	–	–	25
22 x 22	–	–	–	–	–	16	–	–	–	–	–	16
	1	21	26	4	1	37	8	7	4	6	2	117

MOTIVE-POWER, COST PER MILE RUN.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881 AND 1882.

	1882.	1881.	Increase.	Decrease.	Per Cent. Increase.	Per Cent. Decrease.
Repairs	$ .0488	$ .0462	$.0026	–	5.6	–
Fuel	.1401	.1276	.0125	–	9.7	–
Enginemen, Firemen, and Wipers	.0581	.0565	.0016	–	2.9	–
Stores	.0053	.0050	.0003	–	5.	–
Other Motive Power Accounts	.0243	.0232	.0011	–	4.8	–
Total	$ .2766	$ .2585	$ .0181	–	7.	–
Engine Mileage	2,971,954	2,425,977	545,977	–	22.5	–
Passenger Car Mileage	4,746,532	–	–	–	–	–
Freight Car Mileage	16,894,622	11,342,412	5,552,210	–	48.9	–

MOTIVE POWER DEPARTMENT. — WATER SUPPLY, COST OF. — COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1881, AND 1882.

WATER STATIONS, COST OF.

DIVISIONS.	Length of Road.	1882.		1881.		Increase.		Decrease.	
		Total.	Per Mile.	Total.	Per Mile.	Total.	Per Mile.	Total.	Per Mile.
	Miles.								
Eastern	117.3	$12,956 26	$110 45	$10,449 99	$45 87	$4,691 56	$66 47	–	–
Western	110.5	2,185 29	19 78						
Providence	58.5	1,596 59	27 29	1,666 02	28 48	–	–	$69 43	$1 19
Woonsocket	33.8	1,100 41	32 56	1,894 48	56 05	–	–	794 07	23 49
Rhode Island and Massachusetts	14.2	178 56	12 58	306 99	21 62	–	–	128 43	9 04
Rockville	4.4	101 89	23 16	5 27	1 20	96 62	21 96	–	–
Springfield	31.9	225 19	7 06	166 66	5 22	58 53	1 84	–	–
Total	370.6	$18,344 19	$49 49	$14,489 41	$39 09	$3,854 78	$10 40	–	–

PUMPERS, COST OF.

Eastern	117.3	$3,768 79	$32 13	$3,559 35	$15 63	$1,295 00	$5 68	–	–
Western	110 5	1,085 56	9 82						
Providence	58.5	207 54	3 55	154 41	2 64	53 13	91	–	–
Woonsocket	33.8	432 08	12 78	463 46	13 71	–	–	$31 38	$ 93
Rhode Island and Massachusetts	14.2	127 40	8 97	101 78	7 17	25 62	1 80	–	–
Rockville	4.4	–	–	–	–	–	–	–	–
Springfield	31.9	451 38	14 15	161 81	5 07	289 57	9 08	–	–
Total	370.6	$6,072 75	$16 38	$4,440 81	$11 98	$1,631 94	$4 40	–	–
Totals	–	24,416 94	65 87	18,930 22	51 07	5,486 72	14 84	–	–

STATEMENT OF OIL CONSUMED IN MOTIVE-POWER DEPARTMENT FOR YEAR ENDING SEPT. 30, 1882.

Purpose used for.	Kind of Oil.	No. Galls.	Total Cost.
Locomotives: —			
Lubricating	Engine and Car	14,395⅜	$2,537 62
Cylinder	Lard and C'linder	12,150⅝	8,878 73
Signal and Cab Lights	Lantern	1,336¾	691 11
Head Lights	Headlight	6,954	816 03
Cars: —			
Coach Centre Lamps	Superior Burning	4,498	1,212 68
Shops: —			
Watchmen's Lamps	Lantern	722⅓	365 46
Round House Lights	Headlight	547½	78 12

RECAPITULATION.

Locomotives, — Total consumed	34,836⅝	12,923 49
Cars, — " "	4,498	1,212 68
Shops, — " "	1,270	443 58
Total	40,604⅝	14,579 75
Average per month	3,383	1,214 98

CAR EQUIPMENT, SEPT. 30, 1882.

PASSENGER.

	In Service Oct. 1, 1881.	Destroyed during Year.	Built during Year.	In Service Sept. 30, 1882.	Ownership.
Coaches	135	1	1	135	N. Y. & N. E. R.R.
Parlor	2	1	–	1	
Directors	1	–	–	1	
Bag., Mail, and Exp.	30	2	9	37	
Milk	5	5	–	–	
Total	173	9	10	174	

FREIGHT.

Four-wheel Box	11	1	–	10	N. Y. & N. E. R.R.
Eight-wheel Box	1,199	24	311	1,486	300 N. E. Car Trust, 1,186 N. Y. & N. E. R.R.
Flat	466	12	4	458	N. Y. & N. E. R.R.
Drop-side Coal	150	1	770	919	550 N. E. Car Trust, 250 N. Y. & N. E. Car Trust, 119 N. Y. & N. E. R.R.
Hopper-Bottom Coal,	100	–	–	100	N. Y. & N. E. R.R.
Four-wheel Dump	406	39	–	367	" "
Stock	3	–	–	3	" "
Side Dump	10	–	–	10	" "
Caboose	27	2	15	40	" "
Miscellaneous	6	–	–	6	" "
Total	2,378	79	1,100	3,399	

EIGHTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 11, 1883.

BOSTON:
CASHMAN, KEATING & COMPANY, PRINTERS,
603 WASHINGTON STREET.

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BOSTON:
CASHMAN, KEATING & COMPANY, PRINTERS,
603 WASHINGTON STREET.

DIRECTORS

OF THE

NEW YORK AND NEW ENGLAND RAILROAD CO.

FOR THE YEAR 1882-83.

JAMES H. WILSON	Boston, Mass.
WILLIAM T. HART	" "
HENRY L. HIGGINSON	" "
JONAS H. FRENCH	" "
EUSTACE C. FITZ	" "
JESSE METCALF	Providence, R. I.
W. F. SAYLES	Pawtucket, R. I.
FREDERIC J. KINGSBURY	Waterbury, Conn.
WM. E. BARROWS	Willimantic, Conn.
GEO. M. LANDERS	New Britain, Conn.
WILLIAM B. FRANKLIN	Hartford, Conn.
LeGRAND B. CANNON	New York, N. Y.
R. SUYDAM GRANT	" "
JAY GOULD	" "
SIDNEY DILLON	" "
CYRUS W. FIELD	" "
HUGH J. JEWETT	" "
RUSSELL SAGE	" "
GEORGE B. ROBERTS	Philadelphia, Pa.

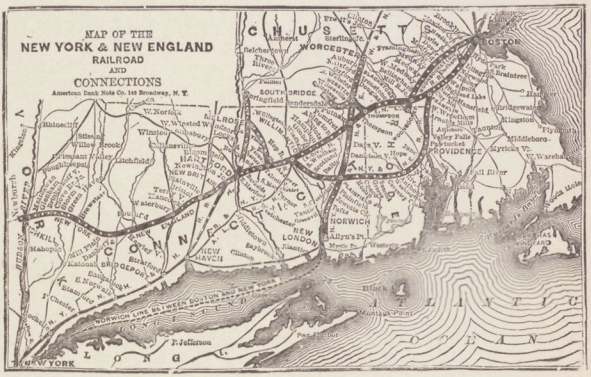
OFFICERS.

JAMES H. WILSON, *President.*
SAMUEL M. FELTON, Jr.,
General Manager.
GEORGE B. PHIPPEN, *Treasurer.*
JAMES W. PERKINS, *Secretary.*
WILLIAM CALEB LORING,
General Solicitor.
H. M. KOCHERSPERGER,
Auditor.
C. C. F. BENT,
Superintendent Eastern Division.
E. HOLBROOK,
Superintendent Western Division.
P. St. M. ANDREWS,
Sup't Norwich and Worcester Div.
L. W. PALMER,
Superintendent Providence Division.
GEORGE H. WILLIAMS,
General Freight Agent.
A. G. TUTTLE,
Assistant General Freight Agent.
A. C. KENDALL,
General Passenger Agent.
ROSS KELLS,
Superintendent Motive Power.
L. B. BIDWELL, *Chief Engineer.*
W. W. McKIM, *Purchasing Agent.*
GEORGE W. LITTLE, *Paymaster.*

MAP OF RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE

NEW YORK AND NEW ENGLAND RAILROAD COMPANY.



LINES OPERATED BY THE COMPANY.

Owned by the Company.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction . . (Hopewell Junct. to Wicopee owned by N. D. & C. R. R. Company.)	215.04	61.6	81.69	
Wicopee to Newburgh on the Hudson	2.50		4.23	
Providence to Willimantic . . .	58.50		12.23	
Cook St., Newton, to Woonsocket	28.41		5.08	
East Thompson to Southbridge .	17.37		2.58	
Elmwood to Dedham	1.52		1.19	
Charles River to Ridge Hill . . .	1.64		.23	
Dorrance St. Track, Providence .	.82		.03	
Freight Branch, Hartford . . .	.67		1.16	
Total owned and operated by this Company	326.47	61.6	108.42	496.49

Leased by the Company.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point . .	66.40		13.90	80.30
R. I. & M. R. R.				
Franklin to Valley Falls . . .	13.60		1.50	
Rockville Railroad,				
Vernon to Rockville	4.40		0.69	
Connecticut Central R. R.				
East Hartford to State Line of Mass.	20.20		2.68	
Melrose to West St., Rockville .	7.30			
Springfield & New London R. R.				
State Line of Conn. to junction with Boston & Albany R. R., in Springfield	7.27			
Total Leased Lines operated by the Company	119.17			
Running Arrangements over:				
Newburgh, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction	11.02			
Boston & Albany R. R.				
From Springfield and New London road into Springfield . .	1.73			
New London Northern R. R.				
Norwich to New London . . .	13.50			
Total	26.25			
Controlled through Lease.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York . .	125 00			

Making the total number of miles of transportation lines controlled by the Company 596.89, or 6.69 miles less than last year. This is owing to the sale of a portion of the Woonsocket Division and the taking up of a portion of the Dedham Branch.

EIGHTH ANNUAL REPORT

OF THE

BOARD OF DIRECTORS.

To the Stockholders of the New York and New England Railroad Company:

THE Board of Directors respectfully submit their eighth annual report, showing the transactions of the corporation during the fiscal year ending Sept. 30, 1883.

The earnings and expenses of the roads operated by the company (not including the Norwich and Worcester Railroad, the accounts of which are kept separately), were as follows: —

EARNINGS, EXPENSES AND FIXED CHARGES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1883.

EARNINGS.

Passenger	$1,112,641 30
Freight	2,114,524 48
Mails	46,468 01
Express	102,676 80
Miscellaneous	192,342 88
Gross Earnings	$3,568,653 47

596
125

OPERATING EXPENSES.

Conducting Transportation Passengers		$349,371 37
Conducting Transportation Freight		712,274 86
Maintenance of Way		486,168 53
Motive Power		1,110,955 40
Maintenance of Cars		259,438 22
General Expenses		95,408 07
Total Operating Expenses		$3,013,616 45
Net Earnings		555,037 02
Excess of Earnings over Operating Expenses		$555,037 02
Income from other sources		3,204 93
		$558,241 95
Deduct Boston Grain Elevator Expense	2,907 65	
Worthless Accounts	150 00	
		3,057 65
Available Net Earnings		$555,184 30

FIXED CHARGES.

Interest on First Mortgage Bonds, one Year to Sept. 30, 1883,	$660,000 00	
Interest on Second Mortgage Bonds to Sept. 30, 1883	129,788 33	
		789,788 33

FIXED CHARGES — *continued.*

Amount brought forward .		$789,788.33
Taxes	$149,908 82	
Insurance	22,852 42	
Interest on "funded indebtedness incurred for purchase of real estate secured by estate purchased"	58,276 47	
Interest on Car Trust Certificates	83,525 25	
Interest on Floating Debt .	7,594 09	
Rent of other Roads . .	74,843 75	
		$397,000 80
Total fixed charges . .		$1,186,789.13

EARNINGS AND RATES.

The gross earnings of the Company from all sources in excess of the earnings of the previous year, are $246,435.39, an increase of 7.41 per cent. This increase was almost wholly in freight earnings; the passenger earnings falling off $29,689 on account of the sale of a portion of the Woonsocket Division, and $22,464 from the withdrawal of through passenger trains to Philadelphia on account of repairs to the steamer "Maryland," for several months of the year. It will be remembered that a freight blockade occurred on our Eastern Division last year from August to the middle of December, resulting in delays and derangement of train service. This, and the diversion of business caused thereby, reduced materially the earnings of the road both in passenger and freight departments, and

was the sole cause of all the troubles through which the road has gone since August, 1882.

The earnings, as given above, do not include anything for the cost of transportation of materials for double track. If a charge had been made for this work, the earnings of the road would have been increased by $12,151.77.

The foreign tonnage of the road increased 60.69 per cent. while the local tonnage decreased $\frac{8}{10}$ths of one per cent. As the local earnings per ton per mile are always greatly in excess of the earnings on through business per ton per mile, the average rate per ton per mile was reduced from 1.772 per ton per mile to 1.38 per ton per mile, although the average rate per ton per mile on through business was increased 4.18 per cent.

During the fiscal year, ending September 30, 1882, the local freight tonnage increased 13.89 per cent. and the receipts therefrom 13.89 per cent. The tons moved one mile increased 17.05 per cent. Had this rate of increase continued through the year just closed, or had the local business increased at the same rate as did the through business, the average rate per ton per mile would have remained at 1.772, in which case your net earnings would have been $600,595 greater than they were. The failure of local business to increase was due in part to the dullness of trade and manufacturing throughout New England, but more particularly to the diversion of business from our lines by the blockade above referred to. This subject is fully considered in the General Manager's report, to which reference is made for details.

Attention was called in the last annual report to the rapid increase of the Company's through business; to

the insufficiency of its facilities for handling it; to the increase of side tracks and power, which had already been made; to the necessity for still farther increasing them during the fiscal year just ended; and also to the fact that when the new sidings, yards, engines and cars were ready for use, the management felt confident that it would be able to handle promptly and well all the business which might be offered. The result has justified this confidence, for in every month of the current calendar year we have handled more cars and tons of freight than for the corresponding months of the previous year, with promptitude and to the satisfaction of our patrons, and with increasing immunity from accidents. This is well illustrated by the fact that the peach business this year was handled without a single delayed train, and in a very satisfactory manner both to the growers and the dealers. Henceforth the freight train service of the road may be expected to meet all the just demands of its patrons.

The growth of our freight business is shown by the following statement: —

In the fiscal year		1879,	we carried	36,654,669	tons	1 mile.
"	"	1880,	"	43,678,700	"	"
"	"	1881,	"	64,562,865	"	"
"	"	1882,	"	103,668,653	"	"
"	"	1883,	"	153,213,910	"	"

It will be seen that over four times as many tons were carried in 1883 as in 1879.

It has been claimed that the Company has been doing too much business and at too low rates. If a railroad is to do business in competition with other roads, it is a well settled principle that it must do all the business that the other roads will take, and at practically

the same rates. Your road has done this and nothing more the past year. The rates obtained have been as good as those on the Boston and Albany and Fitchburg Railroads. An increase of business at present rates, is all that is needed to produce satisfactory results, as it can be handled at gradually decreasing cost, owing to the improvements which have been made. The estimated cost of moving the additional tonnage necessary to double the present through freight tonnage, is 4 mills per ton per mile. The average rate per ton per mile on through business the past year, was .773 of a cent.

The net earning up to 1st of July amounted to only $238,314.20. Since that date they have materially increased, amounting in July to $64,078.69, in August to $137,599.85, in September, $115,044.28, in October (estimated) $110,000, and it is believed that for the months of November and December they will reach $150,000, or a total of $576,722.82 for the half year ending December 31, a sum which it will be perceived will be more than sufficient to pay fixed charges including interest on the Mortgage Bonds due in January and February. The gross receipts since July show an average increase of about 10 per cent. over those of the corresponding period of last year, while the freight blockade existed, and this was to be expected. The increase for October was at the rate of 16.5 per cent., and for November, December, January and February ought to be still larger, as it was during those months of last year that the effect of the blockade was most seriously felt by this company.

EXPENSES.

The expenses of the Company have increased $654,000.43, or 27.72 per cent. caused principally by the

increased amount of business done, and also by the fact that the repairs of cars and engines had not been properly kept up in previous years, owing to deficiency of shops and shop machinery, and to the further fact that the engines and cars could not be spared from the road and were over-worked. It will be observed from the General Manager's report that while the expenses have increased 27.72 per cent. the tons of freight moved one mile, or the units of freight train work, have increased 47.79 per cent. and that the tons of through freight moved one mile have increased 93.90 per cent. When the freight blockade above referred to occurred, it was found necessary to resort to extraordinary measures for the purpose of relieving the road from the effects thereof, and also for the purpose of preventing the recurrence of such troubles in the future. To this end 23 miles of side tracks were constructed last year and 19 this year, additional engines were bought, and additional despatchers and telegraph operators were employed. These expenses were incurred in an effort to increase the safety of the trains and the efficiency of the service. The payments for loss and damage to freight and injury to persons also swelled the expenses for the year.

EXTRAORDINARY OPERATING EXPENSES.

The General Manager estimates that the increase of operating expenses due to extraordinary repairs and additions to property, work done on equipment and track, including the substitution of iron for wooden bridges, rebuilding old and defective masonry, transportation of supplies for double track extension, the labor of laying 66-pound steel rails in place of 60-pound, safety switches and frogs, improved joints and fasten-

ings, extension fronts and spark arresters on locomotives, amounted for the year to the unusually large sum of $280,028.09, all of which will come back to the company in reduced expenses hereafter.

In addition to the foregoing, the entire cost incurred on the main line and branches, of replacing iron by steel rails, is also in the nature of extraordinary expenses. It will require about three years to complete this work of substitution, and when it is done the cost of an average annual renewal of less than five per cent. of these rails will be all that will be required to be charged to this account, and no renewals will be necessary for many years.

When the Company began to construct the second track between Franklin and Willimantic, it was found that the grades on some portions of the road were much in excess of those shown upon the profiles by which it was supposed to have been constructed. In carrying forward the work for the double track it was deemed best to reduce the grades wherever it could be done without material expense, to 60 feet per mile, between Putnam and Willimantic, and to 50 feet between Putnam and Blackstone, and this, of course, added somewhat to the cost of operating the road as well as to cost of construction; but will, also, come back to the company in reduced operating expense hereafter.

TAXES.

It will be observed that the taxes paid by the Company the last year amounted to the unusual sum of $149,908.82, of which $75,000 was paid to the State of Connecticut, and $28,982.34 is still claimed as due the State on the same account for the year. In connection

with this subject it is proper to say that the law relating to taxation of railroad companies in Connecticut, in its operations on this company, is oppressive in the extreme. Efforts were made last year to secure a modification of the law, but the Governor of the State vetoed the measure which had passed successfully through both branches of the Legislature.

Steps have been taken to contest the constitutionality of the law as affecting this Company, and the balance, as above stated, should not be paid until the question has been decided. Efforts to secure a modification of the tax law should be continued.

The taxes for the present year, owing to the fall in the market value of the securities of the company, will be much less in Connecticut than last year. They have been assessed at $63,962.49.

CONSTRUCTION.

There was expended for permanent improvements during the year, $1,597,549.54, the principal items being those given below.

Extension of double track	$744,241.16
New sidings	273,048.73
Equipment	170,704.39
New buildings and additions	99,819.79
Improvements at South Boston	89,888.14
New tools and machinery	22,292.44
Coal trestles	5,540.76

The details of these and other improvements on line of the road, and of the cost of the same, may be found in the report of the General Manager hereto attached. 30.72 miles of double track and 29.07 miles

of new sidings have been laid during the year, and there has been a steady improvement in the condition of the road-bed, bridges and buildings of the Company.

DOUBLE TRACK EXTENSION.

The several portions of double track completed and put in operation during the year are as follows:

Between Franklin and South Bellingham, 5 miles, August 8, 1883.

Between South Bellingham and Woonsocket Junction, 2.3 miles, August 21, 1883.

Between Woonsocket Junction and Blackstone, 1.8 miles, September 5, 1883.

Between Willimantic and Chewink, 6.78 miles, September 7, 1883.

Between Vernon and Burnside, 8.2 miles, August 5, 1883.

Between Hartford and Newington, 5 miles, August 5, 1883.

Between Blackstone and Chewink, 42.5 miles, the work of grading is nearly completed except at a few difficult points. Earth work will necessarily be discontinued through the winter, except where steam excavators can be used, but the work on rock cuts will go on, and the whole can be finished and track laid by next July. When this is done the only portion of the road between Boston and Hartford, not double tracked, will be the portion between Air Line Junction and Vernon, 16.5 miles. This section has not been put under contract for the reason that its present location and grades are bad, and it is hoped that careful surveys will reveal a

better location and more favorable grades. This section has been amply provided with side tracks, and can be safely worked as it is, till all engineering questions connected with it can be properly solved.

TERMINAL GROUNDS, WAREHOUSES AND WHARVES

The filling of the terminal grounds at Boston has progressed as fast as the territory was required; and of the one hundred acres owned by the Company, eighty-eight acres are now in use or ready for occupancy. The remainder of the filling can be completed, as the ground is needed, for less than $75,000.

The Company has paid out for terminal freight grounds in Boston, and for improvements thereon, $1,370,442.16. It owes on account of the land purchased, $1,286,532.00. The interest upon this outstanding debt is now $46,000 per year. The interest upon the money already paid by the Company at six per cent. would be about $82,000 per year, making the annual interest on the cost of all the terminal facilities, including land and buildings in South Boston, $128,000.

The net revenue of the Company from wharfage and storage alone on the terminal grounds the past year was $30,385.68, which leaves $98,614.32, including interest upon the purchase money already paid, as the annual cost to the Company for terminal accommodations for its general business. This sum is an entirely reasonable one, and quite as small as that paid by any other railroad terminating at Boston.

The Company has expended $185,268.25 on what is known as "Pier No. 4," having leased it to the Massachusetts Fish Exchange for $30,000 per year.

Owing to trouble among the fish dealers this contract fell through, and the Company has realized no income from the expenditure, nor has it made any use of the pier; but arrangements have been made to utilize a part of it for the present as a coal wharf from which steamships will be supplied with fuel.

As a measure of economy, the outward freight house at the foot of Summer St., situated upon leased ground, has been abandoned, the lease surrendered, and all the freight business of the Company has been concentrated upon the Company's land bought from the Commonwealth and the Boston and Albany Railroad Company. The access to these grounds at the present time is by a road across the Boston Wharf Company's lands for the use of which we pay a rental of $100 per month. The road is inadequate, and in some respects inconvenient, and to remedy this, the Directors have petitioned the city of Boston to lay out and construct Northern Avenue Bridge to connect the property with the City proper by a direct avenue, thus decreasing the distance from the freight houses of the Company to the business portions of the city at least one-third of a mile. This bridge when completed will be a great convenience to the merchants of Boston, and will add much to the value of the Company's property.

While the territory owned by the Company in South Boston, and the improvements made thereon, may be in excess of the present needs, without these facilities the business of the Company could not have been increased to its present proportions, and your Directors believe that the time is immediately at hand when they will be utilized to their fullest capacity, and will be found to be worth to the Company a great deal more than they have cost.

OTHER PERMANENT IMPROVEMENTS.

At Willimantic the Company has gone forward, as required by the special law passed by the Legislature of Connecticut, and has erected a commodious Union Passenger Station, at a cost to date of $8,506.38. It was opened for the use of the public on the 19th of November.

The terminal grounds at Hopewell Junction and Fishkill-on-Hudson have been improved by filling and grading, and the laying of additional tracks, which are equal to the present demands of the Company's business, and can be added to without great expense, as may be found necessary. A passenger station has also been erected at the latter place at a cost of $5,418.28.

At East Hartford about twenty acres of land have been purchased and tracks laid thereon for the receipt and delivery of trains to and from the New York, New Haven and Hartford R. R., and the Eastern, Western and Springfield Divisions of this road; a coaling station, water station, and turn-table have also been constructed at this point. These grounds and improvements are well adapted to the purposes for which they are intended, and are so arranged that they will meet the future requirements of the Company. The General Manager considers this the proper place for the general repair shops of the Company, and recommends the immediate removal of the small car shops now in use at Hartford to this place, as a measure of economy. He also recommends the removal of the other Hartford shops, which are comparatively valueless, to this place early in the spring, and these recommendations are approved.

But little progress has been made towards obtaining

better terminal facilities in the city of Providence. The Commission appointed by the city to report a plan for the improvement of terminal facilities in that city, has been unable to make up to the present time a satisfactory report. They report progress, however, and, it is hoped, will yet present a plan which will be acceptable to all concerned.

NORWICH AND WORCESTER RAILROAD.

The Norwich and Worcester Railroad, which is leased to this Company, earned, during the past year, $780,-853.44. Its operating expenses and fixed charges amounted to $560,866.08. The net earnings were, within $400.00, sufficient to pay the dividends guaranteed by this Company. There has been laid, during the past year, on this division, 1,190 tons of steel rails, 36,139 cross ties, and 2.90 miles of sidings, at a cost of about $30,000, which, under the lease, has been charged to operating expenses. The roadway, bridges, rolling stock, and buildings on the Division are now in good condition.

The result of the lease of the Norwich and Worcester Railroad the past year, would have been still more favorable, had it not been for a reduction of coal freight rates on that division, caused by an adverse decision of the Railroad Commissioners of Massachusetts.

The stockholders of the Norwich and Worcester Road have authorized its extension, at their expense, from Allyn's Point to Groton, a distance of seven miles, and when this is done, the road will be still more valuable to your Company, as a direct connection will be made with the New York boats, and the amount paid for running over the New London Northern Road, between Norwich and New London, will be saved.

The majority of the stock in the Norwich and New York Transportation Company is owned by the Norwich and Worcester Railroad Company, and since the close of the fiscal year a dividend of six per cent. upon its stock, has been declared. This dividend will be included in the earnings of the Norwich and Worcester Road for the current fiscal year.

RHODE ISLAND AND MASSACHUSETTS R.R.

The Rhode Island and Massachusetts Railroad, 13.5 miles long, running from Franklin to Valley Falls, which was leased in 1877, has not earned during the past year the rental which this Company had to pay therefor. This was owing to the delays occasioned by the blockade of last year, to the necessity for the renewal of its iron rails with steel, and to the fact that this Company does not control the portion of the route between Valley Falls and Providence.

Authority has been obtained from the Legislature of Rhode Island to extend the road, by an independent line from Valley Falls to Providence, and to a connection with the main line of the road extending from Providence to Willimantic. Negotiations looking to the accomplishment of this object and also to the consolidation of this road with the branch road from Franklin to Milford, which we are under contract to lease at the end of two years, have been begun. When this is done, and the line is all laid with steel rails and double tracked from Franklin to Providence, it is believed that it will be one of the best paying portions of the road controlled by this Company.

CONNECTICUT CENTRAL RAILROAD.

The Connecticut Central Railroad, 27.5 miles, extending from East Hartford to Long-Meadow, on the Connecticut and Massachusetts line, with a branch from Melrose to Rockville, is operated by this Company under a lease. It did not earn its operating expenses last year, and as the interest on the bonds owned by this Company, issued under a mortgage covering that property, has not been paid for several years, the foreclosure of the mortgage should be considered.

After it is all relaid with steel rails, your Directors believe that it will prove a source of income instead of a burden.

ROCKVILLE RAILROAD.

A copy of the proposed lease of the Rockville Railroad, which is a branch of four miles in length, extending from Vernon on the main line, to Rockville, one of the most thriving manufacturing towns of Connecticut, has been sent to all of the stockholders. The result of the operations of the road in the past have demonstrated that the road will earn the amount of rental named in the lease, and the ratification of the lease by the stockholders is recommended by the directors.

SPRINGFIELD AND NEW LONDON RAILROAD.

This road, 7.27 miles in length, extending from Springfield to a junction with the Connecticut Central road at or near Long-Meadow, has been leased for a period of five years from January 1, 1881, at $5,500 per year. It has no mortgage debt upon it, and a

majority of the capital stock is owned by the city of Springfield. It should be bought or leased permanently. It would also be well to extend it to Chicopee, Holyoke and South Hadley Falls, a distance of ten miles, a practicable route for which can be obtained, and it would bring a large volume of New York business to the main line of your road.

NEW ENGLAND TRANSFER COMPANY.

The transfer steamer Maryland was withdrawn for several months during the year for repairs, and the through passenger trains to the South and West by this route were for that time interrupted, with a consequent loss of receipts in the Passenger Department of this railroad. Yet notwithstanding the time lost by the Maryland, and the large expenditures upon her for repairs, the net receipts of your Company from the New England Transfer Company for this year amounted to to $30,750.

The following is a statement of the profit received by this Company from its investment in the New England Transfer Company, and what it had to show on September 30, 1883, for said investment: —

For its half interest in N. E. Transfer Co., the N. Y. & N. E. paid .	$40,900
The R.R. Co. has received in dividends to Sept. 30, 1883 . .	97,125

Its investment is represented by one-half interest in the following :—

Steamer Maryland valued at	.	$90,000.00
Tug Watrous " "	.	28,803.33
Three Floats " "	.	36,825.06
Uncollected bills amounting to	.	20,704.00
Cash on hand	. . .	12,036.04
Total,		$188,368.43
The N. Y. & N. E. R. R. Co. owns one half,		$94,184.22

NEWBURGH TRANSFER.

It has been deemed best to sell the transfer steamer "Wm. T. Hart," used at the Newburgh Transfer, to a company specially organized for that purpose, and papers for this purpose have been prepared. It is proposed to make the capital stock of the Transfer Company equal the actual cost of the steamer now in use and the New York, Lake Erie and Western Railroad Co. has offered to take one-half of the stock of the Transfer Company at par.

WOONSOCKET DIVISION.

The sale of 5.3 miles of the Woonsocket Division (between Newton Highlands and Brookline) to the Boston and Albany R. R. Co., referred to in the last Annual Report, was consummated, and the property was transferred at noon on February 18, 1883. This Company realized from the sale $409,318.78 net, all of which was deposited with the Boston Safe Deposit and Trust Company, and was paid out by it for extension of

double track on vouchers approved by the proper officers, and on the certificate of the Chief Engineer that the amount stated thereon had actually been expended for double track work and material. The rest of this division has been operated for the year at a loss of $27,446.59; but it is believed that when it is all relaid with steel rails it will prove to be a profitable feeder to the main line.

FINANCIAL.

The following from the general balance sheet is a correct statement of the Assets and Current Liabilities of the Company, September 30, 1883.

ASSETS.

One-half interest in New England Transfer Co. cost	$90,084 22
Steamer "Wm. T. Hart" cost	177,194 33
Bonds and Stock of Connecticut Central R. R. Co. cost	283,642 37
Supplies and Materials on hand, cost	487,076 44
Due from agents	165,995 95
Due from Companies and Individuals	399,039 95
Due from Second Mortgage Trustees	240,509 64
Capital Stock in Treasurer's hands	46,000 00
Cash	73,759 60
	$1,963,302 50

CURRENT LIABILITIES.

Notes Payable	$438,018	
Overdue Coupons	7,849	00
Accrued First and Second Mortgage Interest	188,810	00
Unpaid Vouchers	680,006	46
Unpaid Pay Rolls	177,634	69
Due Companies and Individuals	64,906	60
	$1,557,216	74
Assets in excess of Current Liabilities	$406,085	76

SECOND MORTGAGE BONDS.

There are in the hands of the Second Mortgage Trustees $2,619,000 par value of the Company's 6 per cent. Second Mortgage Bonds, the proceeds of which are available for the payment of the above amount due from the Trustees, and for construction of second or double track, additions to terminal facilities, and for the purchase of rolling stock.

Of this issue of bonds $1,258,000 were advertised and sold on the 20th of February by the Finance Committee. $714,000 have been delivered and paid for up to date (Nov. 27, 1883). The proceeds have been expended in carrying on work of construction, to which they can be legally applied.

For other details of operation, and for full statistics of the Company's business, reference is made to the Report of the General Manager, and to the tables and statements prepared by the Auditor.

SUMMARY OF THE LAST FOUR YEARS' OPERATIONS.

It seems proper at this time that your Directors should review briefly the results of the operations of the road for the last four years.

When the present management came in, it was with the understanding that a policy of progress and improvement was to be adopted; that the road should be made first class in every respect; and that it should, as speedily as possible, be removed from the list of local country roads, given the character of a trunk line, and be made equal to any of its rivals. Two years later this policy was re-affirmed by the stockholders, who instructed your Directors to secure a continuous double-tracked railroad from Boston and Providence to New York, either by lease, purchase, or construction. On this policy, and for the purpose of carrying it into effect, the present Board of Directors was chosen.

Four years ago your property consisted of 263 miles of completed road, all of which was single track except about fourteen miles near Boston. The Company owned only 76 locomotives, 134 passenger and baggage cars, and about 1,000 freight cars. The Company's entire freight business at Boston was done in two houses, one of which was used jointly for freight and passenger purposes; its terminal grounds in use did not exceed six acres; its rails were nearly all iron, its bridges were mostly wooden; its cross ties did not exceed 2,200 to the mile; its passenger cars were poor and in bad repair; its freight cars were old and insufficient in number, not exceeding four per mile of road; the balances against it for mileage of cars were at the rate of about $50,000 per year.

Since that time your road has been extended to the

Hudson River, and the length of completed road owned by the Company has been increased from 263 miles to 328 miles, not including the Connecticut Central road, (27.5 miles, bonds of which are owned by this Company), covered by a mortgage which can be foreclosed at any time, and all the main line of your road has been laid with steel, 60 and 66 pounds per yard; many of the bridges have been rebuilt with iron, and substantial masonry; the cross ties have been increased to an average of over 2,800 per mile, and the road-bed generally is now in excellent condition. The stations have been rebuilt, repaired and repainted. We have secured on the most favorable terms what the Massachusetts Railroad Commissioners officially describe as the best terminal grounds on the Atlantic seaboard, consisting of 100 acres of land within less than a mile of the Boston Post Office, with an elevator and warehouses, freight houses, &c., thereon, having over 12 acres of flooring. The docks of the Company are large and well built, and we have numerous certificates from ship-masters that they are the best in the world. Sixty-one miles of double track have been completed and 44 more will be finished in the early summer, making 105 miles in all. We have large and admirably arranged freight yards at Boston, East Hartford, Hartford, New Britian, Waterbury, Danbury, Hopewell and Fishkill, with frequent and extensive sidings, the shortest of which is sufficient to accommodate and pass three long freight trains. At East Hartford there is storage and track room for 1,025 cars, or 50 trains. Our shops and shop machinery have been concentrated and enlarged, and with the additions to machinery and tools, as recommended by the General Manager, will

have sufficient capacity to keep in repair our entire equipment.

The equipment of the Company has been increased largely, and now amounts to 151 engines, 2 parlor coaches, 147 passenger and combination coaches, 41 baggage, mail and express cars, and 3,734 freight cars. The mileage balances are now in our favor instead of against us as they were four years ago. All of this equipment is owned by the Company except 50 engines, 13 passenger cars and 1,500 freight cars, which are leased from the New England Car Trust, and on which a partial payment of $100,000 has been made. The Company has 32 engines which are old-fashioned and too small for any effective or economic use; they should be sold as opportunity offers, and the proceeds should be reinvested in standard engines. When this is done the motive power of your Company will be as good as any in the country.

Your railroad has good prospects, an excellent location, and a rapidly growing business, but like other railroads, it needs the support and encouragement of its friends. With these it will become one of the best and most profitable railroads in America. For every dollar expended on the Company's road and equipment, you will find an honest dollar's worth of property.

In regard to the result of the last year's operations, your Directors regret to say that it is unsatisfactory, and to no one more so than to the management, but it is not altogether bad and discouraging. When analyzed and properly understood, there is sufficient encouragement in it to justify the management in its efforts to carry out the policy adopted by its stockholders, and approved from time to time by the Board of Directors.

You will remember that in August of last year, 1882, the first season after the extension of your road to the Hudson River, it was overwhelmed by a rush of freight business from the Erie and Pennsylvania Railroads, your engines were insufficient, your side tracks too short and not enough of them, and, as a consequence, your road was blocked from that time until about the middle of December. We had much friction and a number of accidents, with consequent loss and damage to freight and delay to passenger trains. These accidents have been greatly misrepresented and magnified to the injury of the general credit of the Company. Your Directors deem it proper to state that the life of but a single passenger has been lost on the trains of the Company in the past two years, and in that case the passenger fell from the train in passing from one car to another while the train was in motion, under conditions which relieved your Company from any charge of neglect or responsibility therefor. The accidents caused by the blockade cost the Company directly for settlement of claims for loss and damage to property, injury to persons, and for repairs of cars and engines for the two years, $79,221, all of which, was, of course, charged to operating expenses. But by far the greatest injury to the road arising from this blockade was the diversion of both through and local business to other routes. The loss of income the past year from this cause cannot be accurately computed; but it would probably amount to over $500,000. If the road had been in the condition last year that it is to-day these blockades and accidents could not have occurred, and the showing for the year would have been entirely satisfactory.

PROPOSED LEASE.

A lease of your road to the New York, Lake Erie and Western Railroad Company has been under consideration, and Hon. Hugh J. Jewett, President of that Company, has submitted a proposition, which is in substance as follows : —

The New York, Lake Erie and Western Railroad Company will lease, for the period of 99 years, the property of the New York and New England Railroad Company, and all the roads and transportation lines leased or controlled by it ; the New York, Lake Erie and Western Railroad Company to operate the leased roads so as to produce the most favorable results, to pay the cost of such operation, and to pay over to the New York and New England Railroad Company all the net earnings which may remain. If such net earnings should not in any one year equal the fixed charges of the New York and New England Railroad for that year, the New York, Lake Erie and Western Railroad Company will advance from time to time the amount necessary to pay such fixed charges, such advances with interest to be charged against any future excess of net earnings which may remain after paying the fixed charges ; this to continue until the New York and New England Railroad has been worked for one year for sixty-five per cent. of its gross receipts, from and after which time the New York, Lake Erie and Western Railroad Company shall pay over to the New York and New England Railroad Company thirty-five per cent. of such gross earnings, out of which the latter Company will be required to pay all charges other than operating expenses. The details of such lease to be agreed upon, the lease put in proper

form, and executed in accordance with the requirements of law.

In view of the fact that the New York, Lake Erie and Western Railroad Company controls a system of railroads, extending from New York City to Cincinnati and Chicago, has the shortest possible line from the anthracite coal fields into New England, and when its line from Hawley to the Wyoming Valley shall have been completed — which will be in the early spring — it will also control, in connection with the Pennsylvania railroad, the shortest line from the Clearfield bituminous coal fields to New England, it is believed that with the natural growth of our business it is fully within the power of that Company to increase the gross receipts of your road to five millions of dollars, for the first year, and that with such earnings your road can be operated for sixty-five per cent., which would yield net earnings of $1,750,000, or enough to pay all fixed charges, and three per cent. upon the capital stock. Each year thereafter the gross earnings may fairly be expected to be still larger, and consequently to yield larger dividends upon the capital stock. Your Directors therefore recommend the favorable considertion of this proposition.

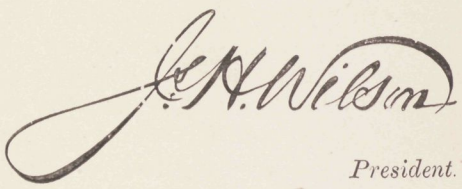
They also recommend that the stockholders at the ensuing annual meeting shall express themselves by suitable vote in favor of the proposed lease, and instruct their Directors to carry on the negotiations till they are successfully concluded.

The President, as the chief executive officer of your company, has labored for the last four years to bring about this result, believing that the lease can be completed and carried into effect without material delay, and that it promises by the incorporation of your road

into one of the great trunk lines, the substantial and immediate realization of the end aimed at in the policy heretofore adopted. This result would not have been possible, but for the extensions and improvements which have been made to your property under its present administration. He trusts and earnestly recommends, therefore, that the proposed lease to the New York, Lake Erie and Western Railroad Company will receive the cordial support of the stockholders.

It is understood that differences of opinion have arisen among the stockholders, since the last annual meeting, as to the past and future management of the Company, and while the President relies upon future developments to vindicate his management in the daily operation of your road, in pursuance of a desire entertained for the last year, and in order to relieve the stockholders and the new board of directors from any possible embarrassment in reference to these important matters, as well as to secure that harmonious and united action upon which the success of any policy depends, he declines to permit the use of his name as a candidate for director, or for any other office in the service of the Company.

For the Board of Directors,



President.

REPORT OF THE GENERAL MANAGER.

BOSTON, NOV. 20, 1883.

GEN. J. H. WILSON, *President of the New York and New England Railroad Company.*

DEAR SIR, — I submit herewith the Annual Report of the operations of the New York and New England Railroad Company for the fiscal Year ending September 30, 1883.

EARNINGS.	YEAR ENDING SEPT. 30, 1883.	YEAR ENDING SEPT. 30, 1882.	INCREASE OR DECREASE.		PER CENT.	
			I. or D.	Amount.	Inc.	Dec.
Passenger . .	$1,112,641 30	$1,171,623 02	D.	$58,981 72	–	05.03
Freight . . .	2,114,524 48	1,837,890 35	I.	276,634 13	15.05	–
Mail	46,468 01	48,898 38	D.	2,430 37	–	04.97
Express . . .	102,676 80	87,475 77	I.	15,201 03	17.38	–
Miscellaneous .	192,342 88	122,922 85	I.	69,420 03	56.47	–
Gross Earnings	$3,568,653 47	$3,268,810 37	I.	$299,843 10	9.17	–

EXPENSES.	YEAR ENDING SEPT. 30, 1883.	YEAR ENDING SEPT. 30, 1882.	INCREASE OR DECREASE.		PER CENT.	
			I. or D.	Amount.	Inc.	Dec.
Con. Trans. Pas.	$349,371 37	$295,489 87	I.	$53,881 50	18.23	
Con. Trans. Frt.	712,274 86	543,333 26	"	168,941 60	31.09	
Maint'ce of Way	486,168 53	426,223 50	"	59,945 03	14.06	
Motive Power .	1,110,955 40	822,183 91	"	288,771 49	35.12	
Maint'ce of Cars	259,438 22	185,584 67	"	73,853 55	39.79	
General Exps. .	95,408 07	86,800 81	"	8,607 26	9.92	
Total Op'g Exp.	$3,013,616 45	$2,359,616 02	I.	$654,000 43	27.72	
Net Earnings .	$555,037 02	$909,194 35	D.	$354,157 33	38.95	

The gross earnings have increased $299,843.10, or 9.17 per cent; this is made up entirely by freight, express and miscellaneous, the passenger business showing a decrease of $58,981.72, or 5.03 per cent, mail $2,430.37, or 4.97 per cent. Miscellaneous increase $69,420.03, or 56.47 per cent.

The falling off in passenger earnings is mainly accounted for as follows: —

From sale of Woonsocket Division, between Cook Street and Brookline .	$29,689 00
From withdrawal of Washington express train, between Nov. 15, 1882 and Feb. 18, 1883, account repairs to steamer Maryland	22,464 00
	$52,153 00

The balance can be accounted for by the diversion of our through business during the blockade of last fall, when the through passenger trains were often late and caused our patrons to take other lines.

In mail the apparent loss is caused by an adjustment made by the Post-Office Department during the year 1882, by which the earnings of that year were in excess of the average.

In miscellaneous earnings there is an increase of $69,420.03 or 56.47 per cent., caused principally by $11,404.73 in rents, and $15,288.22 in wharves and docks, and $30,750 in dividends from the New England Transfer Co.

Our freight earnings increased $276,634.13 or 15.05 per cent., notwithstanding a loss of $2,600, on account of the withdrawal of the Washington Express train, re-

ducing the revenue from Fish transportation, and a loss of $10,793 on Woonsocket Division, owing to the sale of part of that line. The earnings on passenger business show a decrease in the rate per mile in local of 4.18 per cent., in revenue 2.35 per cent., in passengers 5.90 per cent., in passenger mileage of 7.23 per cent. In through or foreign there is an increase of 5.94 per cent. in rate per mile, a decrease of 19.93 per cent. in revenue, a decrease of 25.44 per cent. in number carried, and of 24.56 per cent. in passenger mileage. The average earnings on both classes of business have decreased 5.01 per cent., while our train mileage shows a decrease of only 1.6 per cent.

In freight the local tonnage decreased $\frac{1}{2}$ of 1 per cent. In foreign it increased 60.69 per cent. In tons carried one mile the local increased 1.09 per cent., while in foreign it increased 93.90 per cent. Attention is directed to the fact that the year 1882 showed an increase of 17.05 per cent. in tons carried one mile local. A similar increase had continued for several years previous, and is in the class of business that yields our most profitable rates. Why a corresponding increase in local has not taken place this year, is accounted for partly by the depression in the manufacturing interests along the line, but largely from our unfortunate blockade of the summer and fall of 1882, more fully referred to hereafter.

The average earnings this year per ton per mile were 1.38 cents, against 1.772 cents last year, or a reduction of 22.56 per cent. If the average rate of the year previous had been maintained, it would have increased the gross revenue $600,595. These figures would have been materially changed had the local business increased in proportion to former years. It

is a fact that the earnings per ton per mile on through business increased 4.18 per cent.

We have already accounted for the following loss in revenue :—

Account of Woonsocket Division sale .	$40,482.00
" Withdrawal Washington Express	25,064.00
	$65,546.00
Add $11,000.00 for sidings, charged to operating expense, on N. & W. Div. and $21,600.00 for dividend N. & N. Y. Trans. Co. (earned but not paid) .	$32,600.00
Add difference in gross earnings from reduction in rates	600,595.00
A total of	$698,741.00

The increase and decrease in earnings by Divisions may in this connection be instructive :

On the Eastern Division the increase in gross earnings was $8,195.82, or .41 per cent.

On the Woonsocket Division the decrease was $38,-843.54, or 27.26 per cent.

On the Rhode Island and Massachusetts Branch $5,388.30, or 10.74 per cent.

On the Springfield Division $4,822.29, or 4.67 per cent.

On the Western Division there was an increase of $328,087.58, or 51.83 per cent.

On the Providence Division $8,603.73, or 2.65 per cent.

EXPENSES.

The expenses have been increased $654,000.43, or 27.71 per cent. The total train mileage has increased 360,503 miles or 15.8 per cent, the freight train mileage 38.2 per cent, while the tons of freight moved one mile have increased 47.79 per cent.

The expenses in detail were as follows :—Conducting Transportation Passenger, $349,371.37, an increase of $53,881.50 or 18.23 per cent. over the past year, caused by an increase in rent of depot grounds and buildings, repairs of stations, conductors, baggagemen and brakemen, telegraph expense, switchmen and yardmen, labor at stations, fuel and light for stations, cleaning and inspecting cars. The rent of depot grounds was caused by an adjustment of the rental for facilities at Springfield. The increase in conductors, baggagemen and brakemen is caused by a reduction in the amount of work required of each crew. The result of this, and the increase in telegraph, and other expenses enumerated above, has been to increase the safety of trains and the general efficiency of the service, but unfortunately for this year the benefits of such an expenditure are not felt immediately.

In conducting Transportation Freight the expenses were $712,274.86, being an increase as compared with the previous year of $168,941.60 or 31.09 per cent. This increase is made up under the following headings : clerks, foreign agencies, rent of depot grounds and buildings, repairs of stations, conductors and brakemen, telegraph expenses, loss and damage to freight, station agents, switch and yardmen, repairs and expenses of wharves and docks. The increase in clerks is accounted for by increased through business.

Foreign agencies by the expenses of fast freight lines, and a large increase in their business. Rent of depot grounds and buildings by the settlement with the Boston and Albany R.R. at Springfield, and included amounts due for several years previous. Repairs of freight stations, on account of an increased business making it necessary to do work in the nature of repairs that belonged to previous years. In conductors and brakemen the increase is accounted for by the increase in freight-train mileage, and a slight increase in wages, made in order to secure a good class of train men, as our rapidly increasing business made it necessary to go outside and hire men, after promoting all that were available.

The increase in telegraph expenses is caused by an additional number of operators and dispatchers being employed. This course was necessary in order to handle the rapidly increasing business on our single track. In addition to this, the telegraph expenses were increased by this Company assuming a portion of the expenses formerly borne by the Western Union Telegraph Company, in consideration of a large addition to the telegraphic facilities, free of other cost to this Company. This can be accounted for as follows: on account of additional operators, $19,380.00; on account of additional dispatchers, $9,000.00; on electric signals, &c., $2,160.00; on account of additional telegraphic facilities, $5,616.00.

Up to the present time the Western Union Telegraph Company, has furnished, under the contract, the following facilities, made necessary by our increasing business: —

One additional wire, Boston to Fishkill-on-Hudson.

One additional wire, Boston to Hartford.

One additional wire, Providence to Olneyville.

One four-wire cable, Fishkill-on-Hudson to Newburgh.

Supplies and instruments for exclusive railroad offices, aggregating in value about $1,000.

We now have under the contract, —

Three exclusive wires, Boston to Hudson River.

One joint wire, Boston to Hartford.

One exclusive wire, Boston to Providence, via Franklin.

One joint wire, Boston to Providence, via Woonsocket Division.

One exclusive wire, Providence to Willimantic.

One joint wire, Providence to Hartford.

One joint wire, Hartford to Springfield.

One joint wire, East Thompson to Southbridge.

One joint wire, Vernon to Rockville.

Loss and damage to freight has increased on account of settlement of many claims of the previous year in this.

Switchmen and yardmen have increased, partly on account of establishing a new yard at East Hartford, and partly on account of increased traffic.

The Maintenance of Way expenses were $486,168.53, or $1,264.85 per mile of road, being an increase of $59,945.03, or 14.06 per cent., as compared with the previous year. This increase is accounted for by an increased expense for labor repairing track, caused by putting in an additional number of ties per mile of road; renewing a large number of frogs and switches, and switch timbers, and replacing 4,262 tons of 60-pound steel with 66-pound rail, with improved joint fastenings. The increase in frogs and switches is accounted for by substituting spring-rail frogs and safety-switches for the imperfect appliances formerly in use, thus in-

creasing the safety as well as economy of maintenance. The increase in splices and bolts is caused by using improved and much heavier splices with our new rail, and providing the bolts with nut-locks.

4,262 tons of steel rail were laid, replacing 4,106 tons of steel rail and 156 tons of iron. The steel rail removed were used as follows:

702	tons	sold to Construction Department.		
717	tons	sold to Norwich and Worcester Railroad.		For Renewals of Iron Rails.
473	tons	transferred to Providence Division.		
363	"	"	" Springfield "	
249	"	"	" Woonsocket "	
96	"	"	" Southbridge Branch.	
246	"	"	" R. I. and Mass. "	
106	"	"	" Western Division.	

By means of these transfers we were enabled to relay 41.1 miles of our main track, between Boston and the Hudson River, with 66-pound rail, making a total distance of 88 miles now laid with 66-pound rail, with improved joints, frogs, switches and signals. This improvement is one of the most important made during the year, and places our track in condition for fast passenger service and the heavy freight traffic that is now upon the line. The cost of this change has all been charged to operating account, and is all in the nature of an extraordinary expense.

174,897 cross-ties have been laid; 271 frogs and 192 safety switches have been used; 182 switches have been equipped with signals and lights.

In bridge repairs a large amount of work was done. Fifty bridges on the Eastern Division and its branches; thirty-eight on Western Division; five on Providence Divison, or a total of ninety-three, received more or less extensive repairs. $7,572.65 was expended on

bridge masonry, culverts and other bridge work caused directly by the extension of double track, and made necessary at the present time by the defective character of the old masonry, while otherwise the work could have been postponed for several years.

Iron bridges were constructed, replacing wooden ones, at the following points.

Chester Park,	length,	109 feet.
Elmwood,	"	24 "
Ellis,	"	90 "
Bald Hill,	"	23 "
Ironstone,	"	23 "
Jacksons,	"	21 "
Thompson (2 of 25 each),	length	50 "
Bucklands,	length	21 "
Elmwood (on West. Div.)	length,	30 "
Cooks,	length,	24 "
Tolles	"	48 "
Summit, on Providence Div.,	length	20 "
Greene	"	26 "
Plainfield, on Providence Division, (2 of 22½ feet)		45 "

or a total of 514 feet; costing $22,135.92, of which $6,731 was charged to Construction Account, and the balance $15,404.92, which is an extraordinary expense, charged to operating account.

Seventy-six Freight and Passenger Stations on Eastern Division and Branches, thirty-nine on Western Division, and four on Providence Division received more or less extensive repairs.

Sixty-five Station Platforms were re-built, and the cost charged to operating expense.

In the Maintenance of Way Department alone, an expenditure of $68,181.00 can be charged to extraor-

dinary expenses, largely caused by the double-track work, and the improvements that should have been made more gradually in the past, but from the circumstances that surrounded us could not be postponed.

MAINTENANCE OF CARS.

The expenses on this account were $259,438.22, being an increase of $73,853.55 or 39.79 per cent. over the previous year. The increase being accounted for as follows: — Repairs of car shops and sheds an increase of $2,930.15, caused by fitting up the new car shop and paint shop, and the increase in capacity of the car shops by the addition of six new tracks, necessitating relocation of benches, and extensive repairs to building, etc.; repairs to passenger and baggage cars amounted to $91,464.59. Of this amount $49,927.67 was expended in repairing, rebuilding and painting thirty-two passenger, and twenty-one baggage, mail and express cars, work largely belonging to previous years, and not done then owing to a scarcity of equipment and a lack of facilities. $124,918.29 was expended on repairs of freight cars; this amount shows an increase of $32,589.33 or 35.29 per cent. over the previous year. This is justified by the increased car mileage, but was partly caused by the damage done in the accidents of the previous year, and the freight blockade of last fall.

In repairs of tools and machinery, there is a charge $9,266.04; being an increase of $5,229.20 over the previous year. This was caused by the necessity for re-arranging tools and overhauling them, putting them in position to do the work economically, thereby largely increasing the capacity of the shops.

The expenses on this account were $1,110,955.40, an increase of $288,771.49, or 35.12 per cent. over the previous year. 21.6 per cent. of this amount is accounted for by increased engine mileage, the balance by extraordinary repairs. $108,254.83 was expended in repairs of passenger engines, being $42,886.64 in excess of the previous year, while the passenger engine mileage shows a slight decrease. The passenger engines were in bad order, and were constantly breaking down, delaying trains and causing great dissatisfaction to our patrons. Work that should have been done before that, was postponed from time to time owing to the lack of shop facilities, and the pressing demand for the engines, and had to be done regardless of the fact that other heavy expenditures were being made. This has now been done, and with few exceptions our passenger engines are in good order, and greatly increased efficiency.

In repairs to freight locomotives, there was an increase of $89,968.46, or 159 per cent. The situation in regard to this class of engines was similar to the passenger engines; but aggravated by the fact, that a number of engines were injured in accidents during the previous year, and eight new engines, built in 1881, that had been on the line little over a year, had to receive extensive repairs to their boilers and machinery, owing to defective workmanship on the part of the manufacturers. The increase in repairs to engine houses and machinery is caused entirely by the changes necessitated in moving into the new shops at Norwood, setting up new tools, fitting up a wheel shop, tin shop, boiler shop, and brass foundry.

The increase in oil and waste, is caused by so many new engines, and engines just out of shop going into service; this combined with the excessive amount of dust from the double track grading, causing the machinery to run hot on all parts of the road where such work was in progress.

In wages of enginemen and firemen the increase over and above that accounted for by the train mileage is caused by increased pay of about 5 per cent. on an average, and by extra time allowed during the blockade of last fall.

During the year sixty-seven engines received general repairs, at an average cost of $2,000.00 per engine, and all the engines passing through the shop the latter part of the year were equipped with a successful device for the prevention of smoke and cinders, the results having demonstrated a marked economy in fuel, from the use thereof. All standard passenger and freight engines have been equipped with the Westinghouse Automatic Driver brake, as well as the extension front, so that the power that has been put in condition will compare favorably with any in this country. Twelve new cylinders, fifty-four new steel tires, and ten driving wheel centres were used in repairs. 4,812 wheels, and 2,392 axles were fitted up in the shop during the past year. All wheels, axles, springs of all kinds, and tires are now purchased under a guarantee; and, as a result, 155 wheels and 25 axles have already been replaced, without cost to the Company.

In cost of locomotives per mile run we show an increase for repairs for the reasons given above. A decrease in cost of fuel, on account of a reduction in the price and increased facilities for handling, from

$4.62 per ton in 1882 to $4.02 in 1883, or a decrease of 15 per cent.

While the average number of cars per draft has decreased 1.5 per cent., the average number of tons per train has increased from 112 to 119.79, or 6.95 per cent. This record has materially improved during the past two years, and will show a still further improvement as the percentage of empty cars hauled is reduced, and the load per car increased. It will be noticed that, while we have a large opportunity to improve in this direction, we have during the past year increased the average load per car 8.47 per cent. We have also reduced the percentage of empty cars hauled to the following figures :—

Eastern Division . .	15 per cent.
Western " . . .	27 " "
Providence " . . .	25 " "

The Eastern Division in this respect is about as low as it can be worked ; but a large improvement can be made in the Providence and Western Divisions by increasing the west-bound tonnage.

General Expenses show an increase of $8,607.26, or 9.9 per cent, made up principally in legal expenses, owing to a charge of $4,000.00 for services rendered in previous years.

EQUIPMENT.

During the past year 13 new passenger cars, of improved design, with all modern appliances, 6 baggage and express cars, 370 drop side coal cars, with a capacity of 50,000 pounds each, 29 caboose cars, and 34 new locomotives were added to the equipment

through the Car Trust. The engines are all of standard design and were built with great care and with special reference to the traffic of this road. These additions to our equipment, together with the very extensive work done in repairing and rebuilding old equipment, leaves the property in this respect, in finer condition to-day than it has ever been before. The number of standard engines has been increased from 40 last year to 74 this year. The result will be shown in an increased economy of repairs in future years.

CONSTRUCTION.

The statements herewith will give in detail the amount and kind of construction work done during the year. The most important part of the work has been the construction of the double track from Franklin to Blackstone, from Air Line Junction to Chewink, from Vernon to Burnside, and from Hartford to Newington, making a total of 29.07 miles.

During the year there was expended between,—

	Miles.	
Franklin and Blackstone .	9	. $129,421.24
Blackstone and Willimantic	50	. 301,820.78
Vernon and Burnside .	8	. 99,029.78
Hartford and Newington .	5	. 65,007,27

This work, together with the other double track expenditures, amounted to a total of $744,241.16.

Twenty-one new iron bridges for double track were contracted for and delivered, costing $27,530.25.

The old water stations being entirely inadequate, new water stations with increased capacity have been built at Hyde Park, Putnam, Willimantic, Vernon and

East Hartford, a total of $33,247.92 having been expended on this account.

New coaling stations, with proper appliances for handling coal economically, have been completed at Putnam, East Hartford and Sandy Hook, costing $17,187.76.

New passenger stations have been built at Walpole, Willimantic, Medfield, and Fishkill-on-Hudson, costing $22,067.59.

Additions and improvements to machine and car shops, engine houses and turn-tables amounted to $15,659.26.

Removals and improvements of stations amounted to $5,188.20; miscellaneous buildings, new, $5,411.57; coal trestles at important stations for facilitating the unloading of commercial coal for local consumption, $5,540.76; electric signals and safety gates, $9,084.89; new tools and machinery for shops, $22,292.44; improvements of South Boston terminal, $89,888.14.

Extensive additions to yards and side tracks have been made, the total cost being $273,048.73.

As a result, your property is now able to handle twice the amount of through freight that was handled last year, with greater economy, less friction and trouble than ever before.

LEASED LINES.

NORWICH AND WORCESTER RAILROAD.

The gross earnings of this property decreased $56,917.19, or 6.78 per cent. The operating expenses increased $26,627.84, or 6.23 per cent. The net earnings decreased $83,545.03, or 20.32 per cent. The earnings

per mile of road were $13,068.67. Freight earnings decreased $37,698.18 or 6.4 per cent., caused by a decision of the Railroad Commissioners of Massachusetts, requiring a reduction of rates to local points in Massachusetts to correspond with the through competitive rate to Worcester. This reduced the average local rate from 3.3 cents per ton mile in 1882 to 2.3 cents in 1883. The earnings were still further reduced by the failure of the Steamboat Company to pay its accustomed dividend owing to an accident to the steamer "City of Boston," which was permitted by the New York Balance Dock Company to fall from her blocking. The cost of repairs due to this accident was upwards of $60,000, and has been sued for. The transportation expenses were increased in hire of cars, conductors, brakemen and yard-men. Maintenance of way expenses in repairs of bridges, cross and switch ties, and frogs, and switches, caused by additional sidings built, by strengthening bridges, and other similar work, which was in the nature of improvements to the property, but under the lease had to be paid for out of earnings.

In motive power, the expenses were increased in repairs of passenger and freight locomotives.

In maintenance of cars, expenses were reduced in repairs of freight cars, and tools and machinery.

General expenses were increased by legal services and insurance.

The road with its loss of revenue, from causes given above, was operated for 54 per cent., an indication of its careful and economical management.

No amount has been advanced during the fiscal year on account of the guarantee, the Norwich and Worcester Railroad earning enough to pay its interest and dividend.

The property has been very much improved by an addition of 1,190 tons of steel rails replacing iron, and by the construction of a new station at Wauregan, costing $1,425, and by the addition of 11,088 feet of new sidings, at a cost of $11,000, all of which was charged to expenses.

NEW ENGLAND TRANSFER CO.

The gross earnings were . . .	$242,870.04
" " " last year . .	222,871.47
The expenses were	186,772.94
" " " last year . .	138,234.83
Leaving net earnings . . .	56,097.10

During the year, $60,908.36 was expended for repairs to the steamer Maryland; and while those repairs were being made, the steamer had to be taken off necessitating the discontinuance of the Washington Express train, causing a reduction in the number of passengers of 7,897, as compared with previous year; while the freight business, which was not disturbed, shows an increase of 7,410 cars.

The equipment of the Company is now in excellent condition, and the property can be operated at a lower cost this year than ever before.

HUDSON RIVER TRANSFER.

The Steamer Wm. T. Hart has continued to transfer the business in a most satisfactory manner, handling during the year a total of 78,400 cars; an increase of 44,394, or 130.5 per cent. over the previous year. This work was accomplished while working the boat half-time, or with one crew, and entirely without delay to

the business, even through the severe winter weather. During the year the West Shore Road has been opened, and their business has also been transferred by the steamer.

EXTRAORDINARY EXPENSES.

In conclusion, a few words might be said in reference to the loss of revenue, extraordinary expenses of the past year, and the increased difficulties in the operation of the road, arising from the large amount of construction work going on.

We have shown the loss of revenue to be as follows:

Passenger	$52,153.00
Freight	13,393.00
	$65,546.00
Loss of Steamboat Company dividend, earned but not paid .	21,600.00
Amount expended by N. & W. for new sidings . . .	11,000.00
Total . . .	$98,146.00

Increase of expenses for transporting supplies for double track extension . .	$12,151.77
For increased expenses on account of Western Union Telegraph Co. . . .	5,616.00
For repairs, repainting and rebuilding pasenger equipment, chargeable to previous years	49,927.67
Motive Power Expenses account of work belonging to previous years . .	116,114.00
Amount carried forward . .	$183,809.44

Amount brought forward . .	$183,809.44
For relaying 66 lb. rail in place of 60 lb.	14,700.00
For new joints and fastenings . .	20,287.00
For other extraordinary M. of W. expenses	28,609.00
For renewal of bridge masonry, &c., caused by doub'e track	7572.65
For moving into new shops, relocation of tools, &c.	12,000,00
For claims on account of accidents occurring in previous year	13,050.00

Making a total of extraordinary expenses of $280,028.09

When it is considered that the average cost per ton, per mile, was reduced 7.72 per cent. in the face of the extraordinary expenses of this kind, it indicates that the operations of the road were conducted with economy. With all the extraordinary conditions, surrounding the property, it was impossible, however, to bring this cost down as rapidly as the earnings — the decrease in the earnings per ton, per mile, being 22.56 per cent.

Deducting the extraordinary expenses the actual expenses for the year would have been $2,733,588.36, add to the earnings the loss in revenue mentioned above would make them $3,666,799.47, increasing the net to $933,211.11, and it is confidently believed such figures as these may be realized on business no greater than that now enjoyed by the Company from this time out. Had the rates remained the same the net earning would have shown the handsome sum of $1,533,806.11.

The conditions that have surrounded this property during the past year were exceptional and somewhat remarkable. The opening of the Western Extension during the previous year, had immediately developed a

very large business from the Erie Road. This sudden increase necessitated the establishment or enlargement of yards at Fishkill-on-Hudson, Hopewell Junction and East Hartford. These new yards required yardmen, and an organization sufficient to handle the business promptly. This organization means increased expenses and a larger increase in proportion to the business done, than would be caused by the employment of a few additional men in an old yard. The force now required can handle 50 per cent. more business with little or no increase in expense. Coupled with this state of affairs, was the freight blockade, which lasted four months, owing to our inability to move the business eastward from Hartford, on account of a lack of motive power and men to do the work, combined with an absence of sidings to pass the trains on the Eastern Division. This blockade caused delay to all our trains, contributed to accidents, and caused our local business to leave the line. The loss in revenue from this cause alone was undoubtedly very large.

The first five miles of the Woonsocket Division from Brookline west was sold to the Boston and Albany Railroad, and the amount received appropriated to the double track work on the main line. The result of this transaction was an immediate falling off in revenue as elsewhere shown, and unfortunately there was not a corresponding reduction in expenses, the law being such that we could not take off the non-paying trains, or make a material reduction in the train service of that division. The steamer Maryland, from her six years' continuous service, was found to absolutely require general repairs, and of a very extensive nature ; this in turn necessitated the withdrawal of the Washington Express train at a time when it earns the most

money. The withdrawal of this train diverted the express and fish business from our line, so while having to pay our proportion of an enormous bill for the repairs of the Maryland, we had to suffer loss in revenue from the Transfer Co. and the through train.

Just about this time, through the carelessness of the employes of the Dry Dock Co., the steamer "City of Boston," of the Norwich Line, was seriously damaged, causing the Boat Company to pass the usual dividends, which would otherwise have increased the earnings of this Company.

During this year the necessity for a large addition to our telegraph facilities became apparent. In order to secure it, a new contract with the Western Union Telegraph Co. became necessary. The consideration on the part of this company represented an increase in operating expenses. Then with all our other burdens, came a reduction in the average rate per ton per mile, that represents a large amount of money. Through all these troubles we were obliged to push to an early completion the extension of our double track. The work in the rock cuts obstructed our track and delayed our trains, and caused accidents that were more or less expensive. The grading made an excessive amount of dust along the line, causing hot boxes on engines and cars, consuming oil and waste, causing trains to miss connections, and in that way working a great injury to the passenger business.

For the coming year I would recommend the completion of the double track between Blackstone and Willimantic; the removal of the shops from Hartford to East Hartford; the construction of enough tenement houses at Norwood to accommodate the shop employes, in this way securing better and more reliable

men, and at lower wages than we are now required to pay; the purchase of $50,000 worth of new tools for shops; the construction of a lumber and hay shed at South Boston, and the construction of a new freight and passenger station at Woonsocket. These improvements will all yield an immediate return in increased revenues and reduced expenses.

Owing to the present low price of steel rails, I would recommend that the main track on our branch lines now laid with iron be renewed with steel. To do this, would require 11,900 tons of 60-pound rail. This would remove from the track about 10,000 tons of iron. The cost of this change, exclusive of track labor, which would not be increased, would be:

For rails, joint fastenings and spikes .	$502,525.00
LESS,	
For old rails and other scrap . .	245,000.00
Net cost . . .	$257,525.00

Six per cent. on this amount would be $15,400, or $122.60 per mile per annum. This amount can be saved in track labor alone.

In conclusion permit me to say that the situation at the commencement of the fiscal year was such that the expenditures on the property, that are shown in detail in this report, had to be made, or the business for which the line had been working for the past four years diverted permanently to other lines. Every item of this work was duly authorized, and no expenditures were made without your full and careful consideration.

I cannot close this report without a reference to the officers, dispatchers and other employes, who, under such

trying circumstances, worked the line, with its large increase in traffic, with much greater safety and fewer accidents in proportion to the traffic than ever before; and I wish to make my special acknowledgement to the Superintendents for their untiring energy and devotion to the Company's interests, and to the Superintendent of Motive Power, Mr. Ross Kells, to whose efforts and administrative ability are due the great improvement made in the Motive Power Department.

Very respectfully,

S. M. FELTON, Jr.,

General Manager.

APPENDIX.

THE following tables show the results in detail of the operations of the New York and New England Railroad during the fiscal year ending September 30, 1883.

EARNINGS AND EXPENSES, BY MONTHS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1883.

	Gross Earnings.	Operating Expenses.	Net Earnings
October, 1882	$304,592 65	$241,024 34	$63,568 31
November	277,061 10	256,682 78	20,378 32
December	251,131 57	259,087 40	*7,955 83
January, 1883	245,681 47	274,787 69	*29,106 22
February	237,710 84	244,444 84	*6,734 00
March	296,311 33	255,829 09	40,482 24
April	275,890 85	239,670 71	36,220 14
May	303,035 12	245,088 85	57,946 27
June	306,690 10	243,175 13	63,514 97
July	320,151 92	256,073 23	64,078 69
August	391,825 11	254,225 26	137,599 85
September	358,571 41	243,527 13	115,044 28
Total	$3,568,653 47	$3,013,616 45	$555,037 02

* Figures show excess of operating expenses over earnings.

DR. GENERAL BALANCE SHEET.

To Railroad, Equipment and Property as represented by Boston, Hartford, and Erie Railroad, "Berdell Bonds" . . .	$20,000,000 00	
" Underlying Liens paid to obtain possession, and perfect title, and equipment, and improvements on constructed road .	9,582,670 23	
" Purchase of South Boston Flats	1,549,390 00	
" Extension of road west of Waterbury . .	2,689,449 75	
" Bonds and Stock of Connecticut Central Railroad	283,642 37	
" Stock of New England Transfer Co. . .	40,900 00	
		$34,146,052 35
" Steamer Wm. T. Hart, cost , ...	. . . . .	177,194 33
" New England Transfer Co., one-half interest in equipment purchased from earnings, and cash assets	. . . . .	49,184 22
" Supplies and materials on hand	. . . . .	487,076 44
" Balance due from agents and conductors,	. . . . .	165,995 95
" Balance due from companies and individuals	. . . . .	399,039 95
" Balance due from Trustees, Second Mortgage, to reimburse the New York and New England Railroad Co., for payments made by it for construction purposes . .	. . . . .	240,509 64
" Debit balances	. . . . .	39,454 72
" Capital stock formerly held by the Commonwealth of Massachusetts in hands of Treasurer	. . . . .	46,000 00
" Cash	. . . . .	73,759 60
		$35,824,267 20

DR. PROFIT AND LOSS ACCOUNT.

To Operating expenses	. . . . .	$3,013,616 45
" Insurance	. . . . .	22,852 42
" Rent of other roads	. . . . .	74,843 75
" Taxes	. . . . .	149,908 82
" Interest:—		
First mortgage bonds, Oct. 1, 1882, to Sept. 30, 1883	$660,000 00	
Second mortgage bonds, Oct. 1, 1882, to Sept. 30, 1883	129,788 33	
	$789,788 33	
On funded indebtedness incurred for purchase of real estate secured by estate purchased "Boston Terminal Lands	58,276 47	
On car trust certificates	83,525 25	
On floating debt	7,594 09	
		$939,184 14
" Boston Grain Elevator expense	. . . . .	2,907 65
" Worthless accounts	. . . . .	150 00
" Balance Sept. 30, 1882	. . . . .	169,402 58
		$4,372,865 81

SEPTEMBER 30, 1883.		CR.
By Capital Stock:—		
Amount actually issued	$17,137,000 00	
Boston, Hartford and Erie Railroad "Berdell Bonds" convertible into stock	2,863,000 00	$20,000,000 00
" Bonded Debt:—		
First mortgage 7 per cent bonds $6,000,000 00		
First mortgage 6 per cent bonds 4,000,000 00		
	$10,000,000 00	
Second mortgage 6 per cent bonds	2,381,000 00	$12,381,000 00
" Funded indebtedness incurred for purchase of real estate secured by estate purchased:—		
Mortgage note (Drake's wharf)	$125,000 00	
Boston and Albany Railroad note (50-acre lot, South Boston Flats)	300,000 00	
Balance due State of Massachusetts (50, 25, and 12-acre lots, South Boston Flats)	986,532 00	
		$1,411,532 00
" Notes payable		438,018 99
" Coupons overdue not yet presented		7,840 00
" Accrued interest on bonded debt:—		
First mortgage bonds, July 1 to Sept. 30, 1883	$165,000 00	
Second mortgage bonds, Aug. 1 to Sept. 30, 1883	23,810 00	
		188,810 00
" Unpaid vouchers		680,006 46
" Unpaid pay rolls		177,634 69
" Balance due to companies and individuals		64,906 60
" Reimbursable payments made on construction account		240,509 64
" Credit balances		64,606 24
" Profit and loss		169,402 58
		$35,824,267 20

2,726.1

SEPTEMBER 30, 1883.		CR.
By Balance per last year's report	$930,543 19	
Deduct amounts erroneously credited to income account as follows:—		
Account of net earnings of N. and W. R.R. June 1, 1882, to Sept. 30, 1882, in excess of accrued dividend for the same period which the railroad commissioners objected to our taking credit for $53,028 68		
One half net earning N. E. Transfer Co. in excess of dividends received for the years 1880, 1881, 1882.		
Amount included in last year's income $42,527 99		
Amount that should have been deducted from last year's income $9,466 16	51,994 15	
Over-credited to miscellaneous earnings on account of excess of inventory over stock of material on hand, as shown by books	24,512 95	$129,535 78
" Correct balance from last year		$801,007 41
" Gross traffic earnings		3,568,653 47
" Income from other sources:—		
Hudson River Transfer	$2,654 93	
Dividend on notes of A. & W. Sprague Co.	550 00	3,204 93
		$4,372,865 81

RECAPITULATION OF GROSS EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1883.

GROSS EARNINGS.

Month.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellan's Earnings.	Gross Earnings.
Oct., 1882	$106,199 77	$173,636 18	$3,647 41	$7,306 18	$13,803 11	$304,592 65
Nov., "	84,973 61	166,733 96	4,900 99	6,398 76	13,963 78	277,061 10
Dec., "	83,497 20	144,778 86	3,799 27	6,682 25	12,373 99	251,131 57
Jan., 1883	73,727 63	142,154 74	3,799 27	8,640 43	17,359 40	245,681 47
Feb., "	67,058 96	144,144 23	3,799 26	8,772 27	13,936 12	237,710 84
March, "	85,828 40	186,274 80	3,799 26	5,785 31	14,623 56	296,311 33
April, "	88,093 50	164,089 39	3,799 26	7,037 29	12,871 41	275,890 85
May, "	90,870 20	187,647 25	3,724 41	6,466 11	14,327 15	303,035 12
June, "	91,700 23	185,907 00	3,777 22	5,113 73	20,191 92	306,690 10
July, "	107,774 93	176,322 10	3,777 22	18,606 31	13,671 36	320,151 92
Aug., "	123,838 40	232,865 22	3,777 22	13,503 71	17,840 56	391,825 11
Sept., "	109,078 47	209,970 75	3,777 22	8,364 45	27,380 52	358,571 41
Total, 1883	$1,112,641 30	$2,114,524 48	$46,468 01	$102,676 80	$192,342 88	$3,568,653 47
" 1882	1,171,623 02	1,837,890 35	48,898,38	87,475 77	122,922 85	3,268,810 37
Increase or Decrease.	Decrease, $58,981 72	Increase, $276,634 13	Decrease, $2,430 37	Increase, $15,201 03	Increase, $69,420 03	Increase, $299,843 10

OPERATING EXPENSES.

Month.	Con. Tr. Passenger.	Con. Tr. Freight.	M'tenance of Way.	Motive Power.	M'tenance of Cars.	General Expenses.	Total Operating Expenses.
Oct., 1882	$28,823 70	$62,465 11	$40,977 94	$84,062,70	$17,939 22	$6,755 67	$241.024 34
Nov., "	28,889 52	65,727 20	45,339 81	86,980 11	21,166 11	8,580 03	256,682 78
Dec., "	28,986 93	63,164 50	33,837 61	97,833 25	25,205 08	10,060 03	259,087 40
Jan., 1883	30,609 18	62,870 34	29,827 47	109,424 94	34,547 37	7,508 39	274,787 69
Feb., "	28,266 25	60,432 26	27,421 61	97,023 55	23,940 20	7,363 97	244,444 84
Mar., "	28,573 04	63,202 14	29,333 06	101,379 47	22,405 33	10,856 05	255,829 09
April, "	28,162 77	59,111 51	34,706 59	90,187 89	20,630 31	6 871 64	239,670 71
May, "	25,331 51	53 612 55	46,526 09	92,139 61	20,922 16	6,556 93	245,088 85
June, "	29,059 89	51,420 55	46,896 85	87,886 88	20,088 91	7,822 05	243,175 13
July, "	32 807 95	57,549 87	47,483 36	91,747 68	17,395 99	9,088 38	256,073 23
Aug., "	32,228 99	60,142 96	40,064 42	92,817 16	21,852 95	7,178 78	254 225 26
Sept., "	27,631 64	52,495 87	63,813 72	79,472 16	13,344 59	6,769 15	243,527 13
Total, 1883	$349,371 37	$712,274 86	$486,168 53	$1,110.955 40	$259,438 22	$95,408 07	$3,013,616 45
" 1882	295,489 87	543,333 26	426,223 50	822,183 91	185,584 67	86,800 81	2,359.616 02
Increase,	$53,881 50	$168,941 60	$59 945 03	$288,771 49	$73,853 55	$8,607 26	654,000 43

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1883, AFTER REDUCING THE SAME TO PASSENGER AND FREIGHT.

Apportionment	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellaneous.	Total Earnings.
Pass. Earnings .	$1,112,641 30	-	$46,468 01	$102 676 80	$61,718 93	$1,323,505 04
Fr't Earnings .	-	$2,114,524 48	-	-	1.0,623 95	2,245,148 43
Total . . .	$1,112,641 30	$2,114,524 48	$46 468 01	$102,676 80	192,342 88	$3,568,653 47

Apportionment	OPERATING EXPENSES.					
	Transport'n Department.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expenses.	Total.
Pass. Expenses	$349,371 37	$181,681 18	$407,226 83	$100,364 02	$35,463 17	$1,074,106 57
Fr t Expenses .	712,274 86	304,487 35	703,728 57	159,074 20	59,944 90	1,939,509 88
Total . . .	$1,061,646 23	$486,168 53	$1,110.955 40	$259,438 22	$95,408 07	$3,013,616 45

Gross Passenger Earnings	$1,323 505 04	
Gross Passenger Expenses	1,074,106 57	
Net Passenger Earnings		$249,398 47
Gross Freight Earnings	$2,245,148 43	
Gross Freight Expenses	1,939,509 88	
Net Freight Earnings		305,638 55
Total Net Earnings		$555,037 02

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1883.

EARNINGS.			
Freight		$2,114,524 48	
Passenger		1,112,641 30	
Mail		46,468 01	
Express		102,676 80	
Miscellaneous		192,342 88	
			$3,568,653 47
OPERATING EXPENSES.			
Conducting Transportation—Passenger.			
General Passenger Agent and Clerks	9,796 18		
Superintendence	4,801 33		
Clerks	9,381 06		
Stationery and Printing	10,267 79		
Foreign Agencies	1,444 85		
Advertising	16,034 71		
Rent of Depot, Grounds, and Buildings	24,485 73		
Repairs of Stations	13,581 68		
Oil and Waste for Cars	4,856 89		
Conductors, Baggagemen, and Brakemen	76,473 08		
Mail Expense	1,568 83		
Train Expense	6,882 31		
Fuel and Light for Cars	10,148 86		
Hire of Cars	11,819 53		
Telegraph Expense	22,002 55		
Loss and Damage to Baggage	187 21		
Loss and Damage to Property	725 41		
Personal Injuries	7,750 03		
Station Agents	33,665 75		
Switchmen and Yardmen	20,755 43		
Cleaning and Inspecting Cars	23,278 86		
Labor at Stations	16,385 45		
Expense of Stations	9,501 72		
Fuel and Lights for Stations	11,364 98		
Wrecking	1,922 82		
Stock Killed	235 00		
Watchmen	53 33		
		349,371 37	
Conducting Transportation—Freight.			
General Freight Agents and Clerks	24,778 84		
Superintendence	10,261 47		
Clerks	90,489 26		
Stationery and Printing	11,883 99		
Foreign Agencies	11,011 03		
Advertising	223 15		
Rent of Depot Grounds, and Buildings	7,660 74		
Repairs of Stations	9,050 99		
Oil and Waste for Cars	2,844 90		
Amounts carried forward	$168,204 37	$349,371 37	$3,568,653 47

STATEMENT OF EARNINGS AND EXPENDITURES, — *continued.*

Amounts brought forward . .	$168,204 37	$349,371 37	$3,568,653 47
Conductors and Brakemen . . .	142,940 54		
Train Expense	14,788 41		
Fuel and Light for Cars	3,532 66		
Hire of Cars	3,837 33		
Telegraph Expense	39,552 12		
Loss and Damage to Freight . .	29,108 26		
Loss and Damage to Property . .	4,873 25		
Personal Injuries	7,967 03		
Station Agents	43,485 74		
Switchmen and Yardmen	101,174 26		
Oiling and Inspecting Cars . . .	11,125 79		
Labor at Stations	89,489 86		
Expense of Stations	11,086 20		
Fuel and Lights for Stations . .	8,370 36		
Wrecking	10,356 30		
Watchmen	8,679 67		
Stock Killed	188 00		
Wharves and Docks, Repairs of .	3,937 59		
Wharves and Docks, Expenses of .	9,577 12		
		712,274 86	
Maintenance of Way.			
Superintendence	9,475 24		
Clerks	2,759 42		
Ballasting and Surfacing	14,067 32		
Labor Repairing Track	199,347 00		
Frogs	7,034 25		
Switches	11,565 08		
Spikes	9,134 41		
Splices and Bolts	25,073 19		
Repairs, Hand Cars	708 50		
Tools, and Repairs of	11,254 27		
Watchmen	8,100 78		
Railroad Crossings	498 07		
Oil, Fluid, and Tallow	516 41		
Steel Rails	42,419 02		
Iron Rails	654 22		
Cross Ties	64,530 57		
Switch Ties	6,294 82		
Repairs of Bridges, Labor . . .	24,008 49		
Repairs of Bridges, Material . .	21,386 15		
Culverts and Cattle Guards . .	4,781 14		
Highway Crossings and Fences .	8,994 60		
Telegraph Repairs	459 73		
Section and Watch Houses . . .	998 60		
Stationery and Printing	274 57		
Repairs of Tenement Buildings .	1,468 59		
Removing Snow and Ice	10,364 09		
		486,168 53	
Motive Power.			
Superintendence	7,717 86		
Clerks	6,610 11		
Stationery and Printing	1,053 05		
Repairs to Engine Houses and Machine Shops	12,272 51		
Amounts carried forward . .	$27,653 53	$1,547,814 76	$3,568,653 47

STATEMENT OF EARNINGS AND EXPENDITURES, — *continued.*

Amounts brought forward . .	$27,653 53	$1,547,814 76	$3,568,653 47
Repairs to Passenger Locomotives,	108,254 83		
Repairs to Freight "	146,490 59		
Repairs to Switch "	21,857 58		
Repairs to Work "	2,657 92		
Coal for Passenger "	147,853 67		
Coal for Freight "	266,577 31		
Coal for Switch "	50,690 95		
Coal for Work "	7,876 24		
Coal for Pay "	811 58		
Wood for Passenger "	421 62		
Wood for Freight "	770 50		
Wood for Switch "	170 37		
Wood for Work "	22 62		
Wood for Pay "	1 78		
Oil and Waste for Pass. "	8,370 88		
Oil and Waste for Freight "	11,931 43		
Oil and Waste for Switch "	3,172 51		
Oil and Waste for Work "	428 01		
Oil and Waste for Pay "	36 87		
Cleaning Passenger "	7,113 16		
Cleaning Freight "	7,609 99		
Cleaning Switch "	3,105 92		
Cleaning Work "	381 25		
Cleaning Pay "	22 36		
Repairs of Tools and Machinery .	23,145 50		
Fuel and Lights for Engine Houses and Machine Shops	11,536 24		
Water Station Expense	20,896 85		
Pumping	8,607 33		
Passenger Engineers and Firemen,	65,829 26		
Freight " "	97,215 17		
Switch " "	40,353 40		
Work " "	4,529 96		
Pay Trip " "	358 16		
Sand for Engines	2,823 39		
Watchmen	6,962 16		
Fuel Stations, Fixtures and Repairs	598 73		
Rent of Engines	3,815 78		
		1,110,955 40	
Maintenance of Cars.			
Superintendence	4,277 92		
Clerks	3,727 62		
Stationery and Printing	469 56		
Repairs, Car Shops and Sheds . .	5,013 73		
Repairs to Passenger and Baggage Cars	91,464 59		
Repairs to Sleeping Cars	3,800 61		
Repairs to Freight Cars	124,918 29		
Repairs to Gravel Cars	8,352 81		
Repairs to Pay Car	202 63		
Fuel and Lights for Car Shops . .	7,436 12		
Repairs, Tools and Machinery . .	9,266 04		
Watchmen	508 30		
		259,438 22	
Amounts carried forward		$2,918,208 38	$3,568,653 47

STATEMENT OF EARNINGS AND EXPENDITURES—*continued.*

Amounts brought forward		$2,918,208 38	$3,568,653 47
General Expenses.			
Salaries and Expenses of General Officers	$35,026 68		
Clerks at General Offices	17,959 88		
Attendants at General Offices . .	1,554 32		
Legal Expenses	23,958 48		
Stationery and Printing	3,857 90		
Expenses at General Offices . . .	3,799 53		
Rent of General Offices	400 00		
Fuel and Light for General Offices.	1,680 10		
Repairs of General Offices . . .	1,122 38		
Pay Trip Expenses	1,025 36		
Postage	2,835 07		
Detective Service	1,918 23		
Discount and Interest			
Advertising	270 14		
		95,408 07	
			3,013,616 45
Earnings after deducting Operating Expenses .			$555,037 02
Income from other sources			3,204 93
Total Income from all sources			$558,241 95
Taxes		$149,908 82	
Insurance		22,852 42	
Interest on "Funded Indebtedness incurred for Purchase of Real Estate secured by Estate purchased" (Boston Terminal Lands) . .		58,276 47	
Interest on Car Trust Certificates		83,525 25	
Interest on Floating Debt		7,594 09	
Rent of other Roads		74,843 75	
		$397,000 80	
Boston Grain Elevator Expense		2,907 65	
Worthless Accounts		150 00	
			400,058 45
Available Net Earnings			$158,183 50
Interest on First Mortgage Bonds one year to Sept. 30th, 1883		$660,000 00	
Interest on Second Mortgage Bonds one year to Sept. 30th, 1883		129,788 33	
			789,788 33
Deficiency for the Year			$631,604 83

COMPARISON WITH PREVIOUS YEARS OF EARNINGS, EXPENSES AND BUSINESS

	Year ending Sept. 30, 1883	Year ending Sept. 30, 1882	Year ending Sept. 30, 1881
Miles of road operated (average for the year),	384.37	380.12	325.56
Gross earnings per mile of road	$9,284.42	$8,599.43	$8,269.98
Operating expenses per mile of road	7,840.40	6,207.56	5,656.40
Net earnings per mile of road	1,444.02	2,391.87	2,613.58
Percentage of operating expenses to gross earnings	84.57%	72.25%	68%
Revenue train miles run	2,557,012	2,223,912	1,895,582
Gross earnings per revenue train mile	$ 1.395	$ 1.470	$ 1.42
Operating expenses per revenue train mile	1.178	1.061	.972
Net earnings per revenue train mile	.217	.409	.448
Expense of transportation per mile of road	2,762.04	2,266.73	2,063.64
" " " revenue train mile	.415	.377	.354
Maintenance of way per mile of road	1,264.85	1,121.29	1,080.55
" " " revenue train mile	.190	.191	.186
Motive power per mile of road	2,890.33	2,162.96	1,925.18
" " " revenue train mile	.434	.37	.331
Maintenance of cars per car for passenger cars of all kinds	545.46	401.51	329.63
Maintenance of cars per car for freight cars of all kinds	42.17	34.05	29.10
Maintenance of cars per mile of road	674.97	488.23	382.88
" " " " revenue train mile,	.101	.084	.066
General expenses per mile of road	248.22	228.35	204.15
" " " revenue train mile	.037	.039	.035
Passenger earnings per mile of road	3,443.31	3,549.97	3,572.26
" expenses " " "	2,794.46	2,464.52	2,581.82
Net passenger earnings per mile of road	648.85	1,085.45	990.44
Percentage of passenger expenses to passenger earnings	81.16%	69.56%	72%
Revenue passenger train miles run	1,277,075	1,297,838	1,225,194
Passenger earnings per revenue passenger train mile	$ 1.03	$ 1.04	$ .95
Passenger expenses per revenue passenger train mile	.84	.72	.687
Net passenger earnings per revenue passenger train mile	.19	.32	.263
Number passengers carried	4,470,331	4,536,082	3,793,180
" " " one mile	53,815,074	55,853,672	46,738,566
Earnings per passenger	$ .249	$ .257	$ .295
" " " including mail, express, etc.	.296	.297	.333
Earnings per passenger per mile	.0207	.0209	.022
" " " " including mail, express, etc.	.0246	.0241	.0254
Expenses per passenger	.240	.207	.24
" " " per mile	.0199	.0168	.0184
Average distance travelled per passenger	12.03 miles	12.32 miles	12.32 miles
Freight earnings per mile of road	$5,841.11	$5,049.45	$4,697.72
" expenses " " "	5,045.94	3,743.04	3,074.58
Net freight earnings per mile of road	795.17	1,306.41	1,623.14
Percentage of freight expenses to freight earnings	86.39%	74.12%	.65%
Revenue freight-train miles run	1,279,937	926.074	670,388
Freight earnings per revenue freight-train mile	$ 1.754	$ 2.072	$ 2.281
Freight expenses per revenue freight-train mile	1.515	1.536	1.493

COMPARISONS, ETC. — *Concluded.*

	Year ending Sept. 30, 1883	Year ending Sept. 30, 1882	Year ending Sept. 30, 1881
Net freight earnings per revenue freight-train mile.	$ .239	$ .536	$ .788
Number tons freight carried	1,801,360	1,522,374	1,176,795
" " " " one mile	153,213,010	103,668,653	64,562,865
Earnings per ton	$ 1.17	$ 1.21	$ 1.21
" " per mile	.01380	.01772	.022
" " including miscellaneous	1.246	1.260	1.30
" " per mile including miscellaneous	.01485	.01851	.0237
Expenses per ton	1.076	.935	.85
" " per mile	.01265	.01372	.0155
Average distance each ton carried, miles	85.054	68.097	54.87
Number locomotives in service	145	117	103
Mileage of passenger locomotives	1,274,178	1,335,249	1,282,402
Expense per mile of passenger locomotives	$ .2610	$ .2477	$ .2425
Mileage of freight locomotives	1,354,856	1,071,724	768,387
Expense per mile of freight locomotives	$ .3887	$ .3405	$ .3262
Total mileage of all kinds of "	3,516,041	2,971,954	2,425,977
Average expense per mile of all "	$ .3159	$ .2766	$ .2584
Number local passengers	3,677,217	3,472,290	2,801,556
" through "	793,114	1,063,792	991,624

GROSS EARNINGS BY DIVISIONS, AND EARNINGS PER MILE FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1883.

Divisions.	Gross Earnings.	No. of Miles.	Earn'gs per Mile
Eastern	$2,002,976 50	138.21	$14,492 27
Western	961,028 59	100.24	9,587 28
Providence	333,224 75	59.32	5,617 41
Woonsocket	107,601 93	32.10	3,352 09
Rhode Island and Massachusetts	44,779 27	13.60	3,292 59
Rockville	20,633 38	4.40	4,689 40
Springfield	98,409 05	36.50	2,696 14
Total	$3,568,653 47	384.37	$9,284 42

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNT DURING THE FISCAL YEAR ENDING SEPTEMBER 30, 1883.

ACCOUNTS.			Amount.
NEW BUILDINGS,—			
Additions and Improvements to Machine and Car Shops	$7,265 46		
Engine Houses and Turn Tables	8,393 80		
Water Stations,—			
East Hartford	$7,006 03		
Willimantic	5,567 79		
Vernon	5,113 40		
Hyde Park	4,773 09		
Putnam	4,584 69		
South Boston Engine House	2,268 70		
Fishkill-on-Hudson	1,431 99		
Blackstone	1,389 70		
Other Points	1,112 53	33,247 92	
Coaling Stations,—			
Putnam	$7,469 18		
East Hartford	4,746 86		
Sandy Hook	4,233 17		
Fishkill-on-Hudson	390 26		
East Thompson	348 29	17,187 76	
Section and Watch Houses		1,057 49	
Passenger Stations,—			
Willimantic	$8,506 38		
Walpole	6,085 64		
Fishkill-on-Hudson	5,418 28		
Medfield	1,745 87		
Forest Avenue, Dedham, and Wheaton's	311 42	22,067 59	
Renewals and Improvements of Stations,—			
Extension of New Britain	$1,498 52		
Springfield	1,536 61		
Bristol	360 48		
Other Points	1,792 59	5,188 20	
Miscellaneous Buildings		5,411 57	$99,819 79
COAL TRESTLES,—			
Hartford		3,062 67	
Burnside		868 57	
Danbury		643 54	
Other Points		965 98	5,540 76
NEW SIDINGS			273,048 73
NEW SAFETY GATES AND STOP SIGNALS			4,365 92
ELECTRIC BLOCK SIGNALS			5,718 97
NEW TOOLS AND MACHINERY FOR SHOPS			22,292 44
STEEL RAILS,—Difference in weight between Steel Rails of 66 and 60 lbs., and Steel and Iron of 60 and 56 lbs. weight, the former being used to replace the latter. Number of tons replacing Steel, 4,106 241/2240; " " " Iron, 2,056 300/2240			21,339 11
BRIDGES,—Difference in cost of Iron replacing Wood at various points			6,731 61
FILLING, GRADING, AND IMPROVEMENTS AT FISHKILL-ON-HUDSON			9,180 32
MISCELLANEOUS IMPROVEMENTS			5,434 12
EQUIPMENT.—Representing payments on account of Car Trust Equipment and Improvement to Equipment owned by the New York & New England Railroad Co.			
Amount carried forward			$453,471 77

NEW CONSTRUCTION AND EXPENDITURES — *continued.*

ACCOUNTS.			Amount.
Amount brought forward		$453,471 77	
Locomotives	43,161 82		
Passenger, Baggage, and Express Cars	18,872 82		
Freight Cars	93,189 60		
Caboose "	12,570 75		
Derrick and Work Cars	2,909 40		
		170,704 39	
REAL ESTATE, —			
Land purchased at East Hartford for Freight Yard	$13,705 68		
Land purchased at Millville	50 00		
" " " Union City.	48 46		
Sundry Expenses in connection with land at various points	252 78		
	$14,056 92		
Deduct the following Sales: —			
To Russell & Erwin Manf. Co. at New Britain, $1,307 00			
To J. P. Curtis at New Britain	800 00		
To Sylvester Dresser at Dudley	250 00		
	2,357 00		
	11,699 92		
Right of Way	1,412 70	13,112 62	$637,288 78
EXTENSION OF DOUBLE TRACK, —			
Engineering		19,726 90	
Grading		305,436 09	
Bridging		86,054 76	
Cross and Switch Ties		35,169 99	
Steel Rails and Fastenings		195,922 12	
Track Laying and Surfacing		71,038 45	
Miscellaneous		30,892 85	744,241 16
IMPROVEMENTS AT SOUTH BOSTON FLATS.			
Fifty Acre Lot, —			
Buildings	28,763 46		
Piers, —			
Material	$10,547 33		
Dredging and Filling	32,182 39		
Labor	2,972 03	45,701 75	
New Sidings	5,968 46		
Miscellaneous	1,650 70	82,084 37	
Twenty-five Acre Lot, —			
Buildings	6,257 14		
Miscellaneous	629 50	6,886 64	
Twelve-Acre Lot, —			
Miscellaneous		917 13	89,888 14
EXTENSION OF ROAD WEST OF WATERBURY			5,477 71
H. P. & F. R. R., payments to obtain possession			4,653 75
PIPER WHARF PROPERTY, Boston, paym't on account of			15,000 00
Commonwealth of Mass., 50 Acre Lot, South Boston Flats			101,000 00
Total charges to prop. acc't during year			$1,597,549 54
Credit by sale of 5.343 miles of Woonsocket Division to the Boston & Albany Railroad Co.			409,118 33
Net charges to property account			$1,188,431 21

CONDUCTING TRANSPORTATION.

PASSENGER EARNINGS AND COST AND AVERAGE TRIP.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1882, AND 1883.

EARNINGS AND COST PER PASSENGER PER MILE.

	1883.	1882.	Increase.	Decrease.	Per ct.
	Cts.	Cts.	Cts.	Cts.	
Local	.0229	.0239	–	.0010	4.18
Foreign	.0214	.0202	.0012	–	5.94
Average earnings	.0206	.0209	–	.0003	1.43
Average cost	.0199	.0168	.0031	–	18.45
Net	.0007	.0041	–	.0034	82.92

AVERAGE TRIP PER PASSENGER.

	1883.	1882.	Increase.	Decrease.	Per ct.
	Miles.	Miles.	Miles.	Miles.	
Local Passenger	10.71	10.58	0.13	–	1.23
Foreign Passenger	18.18	17.65	0.53	–	3.00
Average	12.03	12.32	–	.29	2.35
Average number of passengers per car	11.8	11.8	–	–	–
Average number of passengers per train	42.	43.	–	.1	2.32

PASSENGERS, NUMBER CARRIED, REVENUE, ETC.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPT. 30, 1882, AND 1883.

PASSENGERS.

	1883.	1882.	Increase.	Per ct.
Local	3,677,217	3,472,290	204,927	5.90
Foreign	793,114	1,063,792	270,678*	25.44
Total	4,470,331	4,536,082	65,751*	1.45

* Figures are a decrease.

PASSENGERS, NUMBER CARRIED, ETC.—*continued.*

PASSENGER MILEAGE.

	1883.	1882.	Increase.	Per ct.
Local	39,393,758	36,736,318	2,657,440	7.23
Foreign	14,421,316	19,117,354	4,696,038*	24.56
Total	53,815,074	55,853,672	2,038,598*	3.65

REVENUE.

	1883.	1882.	Increase.	Per ct.
Local	$800,288.23	$781,871.70	$18,416.53	2.35
Foreign	308,944.70	385,858.53	76,913.83*	19.93
Total	$1,109,232.93	$1,167,730.23	$58,497.30*	5.01

* Figures are a decrease.

TRAIN MILEAGE, STATEMENT OF, FOR THE YEARS ENDING SEPTEMBER 30, 1882, AND 1883.

	1883.	1882.	Increase.	Per Cent.
Train Miles, Passenger	1,277,075	1,297,838	*20,763	*01.6
" " Freight	1,279,937	926,074	353,863	38.2
Total	2,557,012	2,223,912	333,100	14.9
Train Miles, Work and Pay	82,932	55,529	27,403	49.3
Grand Total.	2,639,944	2,279,441	360,503	15.8

* Figures are a decrease.

SLEEPING-CAR EXPENSES.—COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPTEMBER 30, 1882, AND 1883.

	Total Mileage	For Car Service.	Cost per mile.
1883	249,141	$7,474 23	3 cents.
1882	253,385	7,601 55	3 cents.
Decrease	4,244	$127 32	

STATEMENT SHOWING AMOUNT OF REVENUE DERIVED FROM THE SALE OF SINGLE, PACKAGE, RAPID TRANSIT AND SEASON TICKETS, BETWEEN BOSTON AND STATIONS NAMED BELOW, FOR ONE YEAR ENDING SEPTEMBER 30, 1883.

STATION NAMES.	SINGLE TICKETS.			PACKAGE TICKETS.			Rapid Transit. 5 Tickets for 25 cts.	Season.	Totals.
	Boston Sales.	Station Sales.	Amount.	Boston Sales.	Station Sales.	Amount.			
Boston	–	–	–	–	–	–	$25,783 00	–	$25,783 00
Dudley Street	$125 65	$99 25	$224 90	–	–	–	7,478 00	–	7,702 90
Bird Street	110 90	62 05	172 95	–	–	–	5,420 00	–	5,592 95
Mount Bowdoin	69 60	44 03	113 63	–	–	–	4,245 00	–	4,358 63
Harvard Street	29 93	19 25	49 18	–	–	–	2,525 00	–	2,574 18
Dorchester	96 60	42 95	139 55	–	–	–	3,671 00	–	3,810 55
Forest Avenue	2 55	–	2 55	$254 80	–	$254 80	–	–	257 35
Mattapan	265 70	183 40	449 10	1,726 50	$2,414 65	4,141 15	–	$524 25	5,114 50
River Street	68 73	69 98	138 71	313 00	679 50	992 50	–	–	1,131 21
Hyde Park	1,790 70	1,082 80	2,873 50	11,687 50	13,786 00	25,473 50	–	10,804 51	39,151 51
Readville	173 03	91 63	264 66	603 00	710 00	1,313 00	–	41 25	1,618 91
Oakdale	65 55	62 40	127 95	333 80	505 30	839 10	–	535 00	1,502 05
Elmwood	69 93	69 50	139 43	150 25	379 75	530 00	–	204 96	874 39
Dedham	355 08	347 00	702 08	2,186 00	3,076 25	5,262 25	–	4,484 58	10,448 91
Islington	83 85	63 30	147 15	203 10	260 00	463 10	–	72 00	682 25
Ellis	100 70	80 33	181 03	136 05	253 00	389 05	–	256 75	826 83
Norwood	1,467 20	1,032 80	2,500 00	1,215 00	2,475 00	3,690 00	–	3,330 85	9,520 85
Norwood Central	2,142 20	1,769 80	3,912 00	1,971 00	3,627 00	5,598 00	–	944 17	10,454 17
Totals	$7,017 90	$5,120 47	$12,138 37	$20,780 00	$28,166 45	$48,946 45	$49,122 00	$21,198 32	$131,405 14

MILEAGE OF CARS IN FREIGHT TRAINS, &c. — COMPARATIVE STATEMENT FOR YEARS ENDING SEPTEMBER 30, 1882, AND 1883.

MILEAGE OF CARS IN FREIGHT TRAINS.

	1883.	1882.	Increase.	Per cent.
Loaded and empty . .	22,992,573	16,894,622	6,097,951	36.09

AVERAGE NUMBER OF FREIGHT CARS PER ENGINE.

	1883.	1882.	Decrease.	Per cent.
Loaded and empty . .	17.96	18.24	28	01.53

AVERAGE NUMBER OF PASSENGER, BAGGAGE, MAIL AND EXPRESS CARS PER ENGINE.

	1883.	1882.	Increase.	Per cent.
All kinds including Pullman sleeping cars . .	3.55	3.55	–	–

COMPANY AND REVENUE TONNAGE.—COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPT. 30, 1882, AND 1883.

DIVISIONS.	TONS CARRIED.				PER CENT.	
	1883.	1882.	Increase.	Dec.	Inc.	Dec.
Eastern	56,715	38,075	18,640	–	48.69	–
Western	85,263	47,782	37,481	–	78.44	–
Providence	7,540	6,634	906	–	13.66	–
Woonsocket	2,808	2,224	584	–	26.26	–
Rhode Island and Mass.	25	83	–	58	–	69.88
Rockville	61	118	–	57	–	48.30
Springfield	3,588	12,181	–	8,593	–	70.54
Total Co.'s supplies .	156,000	107,097	48,903	–	45.66	–
Total Paying Freight .	1,801,360	1,522,374	278,986	–	18.33	–
Grand Total . .	1,957,360	1,629,471	327,889	–	20.12	–

TON MILEAGE.

DIVISIONS.	TONS CARRIED ONE MILE.				PER CENT.	
	1883.	1882.	Increase.	Dec.	Inc.	Dec.
Eastern	2,531,134	1,748,015	783,119	–	44.80	–
Western	7,808,049	5,450,215	2,357,834	–	43.26	–
Providence	351,606	373,082	–	21,476	–	05.76
Woonsocket	65,165	50,452	14,713	–	29.16	–
Rhode Island and Mass.	341	2,001	–	1,660	–	82.96
Rockville	449	7,937	–	7,488	–	94.34
Springfield	95,621	482,573	–	386,952	–	80.19
Total Co.'s supplies .	10,852,365	8,114,275	2,738,090	–	33.74	–
Total Paying Freight .	153,213,010	103,668,653	49,544,357	–	47.79	–
Grand Total . .	164,065,375	111,782,928	52,282,447	–	46.77	–

FREIGHT.—COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPTEMBER 30th, 1882, AND 1883.

ACCOUNT OF	TONNAGE.				PER CENT.	
	1883.	1882.	Increase.	Decrease.	Inc.	Dec.
Local	1,060,288	1,061,203	–	915	–	00.00
Foreign . . .	741,072	461,171	279,901	–	60.69	–
Total . .	1,801,360	1,522,374	278,986	–	18.33	–
	TONS CARRIED ONE MILE.					
Local	49,768,136	50,319,718	–	551,582	–	01.09
Foreign . . .	103,444,874	53,348,935	50,095,939	–	93.90	–
Total . .	153,213,010	103,668,653	49,544,357	–	47.79	–
	REVENUE.					
Local	$1,263,616 58	$1,394,533 90	–	$130,917 32	–	09.32
Foreign . . .	850,907 90	443,356 45	$407,551 45	–	91.92	–
Total . .	$2,114,524 48	$1,837,890 35	$276,634 13	–	15.05	–

FREIGHT.—COMPARATIVE STATEMENT OF EARNINGS AND COST PER TON PER MILE.

ACCOUNT OF					PER CENT.	
	1883.	1882.	Increase	Dec.	Inc.	Dec.
	Cents.	Cents.				
Local	2.641	2.866	–	.225		.0785
Foreign	.773	.742	.031		04.18	
	Cents.	Cents.				
Average earnings .	1.380	1.772		.392		22.56
Average Cost . .	1.266	1.372		.106		7.72
Net	0.114	0.400		.286		71.50

FREIGHT. — COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPTEMBER 30, 1882, AND 1883. — AVERAGE HAUL.

ACCOUNT OF	MILES.				PER CENT.	
	1883.	1882.	Inc.	Dec.	Inc.	Dec.
Local Tonnage	46,938	47,417	–	.479	–	1.01
Foreign Tonnage . . .	139,588	115,681	23,907	–	20.66	–
Average	85,054	68,096	16,958	–	24.90	–

	TONS.				PER CENT.	
	1883.	1882.	Inc.	Dec.	Inc.	Dec.
Average tons per car .	6.66 tons	6.14 tons	.52	–	8.47	–
Average tons per train .	119.79 tons	112. tons	7.79	–	6.95	–

FREIGHT. — COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPTEMBER 30, 1882, AND 1883.—CLASSIFIED TONNAGE.

CLASSIFICATIONS.	TONS.				PER CENT.	
	1883.	1882.	Increase.	Decrease.	Inc.	Dec.
1. Cotton	56,292	44,426	11,866		26.71	
2. Wool	28,563	26,737	1,826		06.83	
3. Grain	118,101	78,037	40,064		51.34	
4. Flour and Meal .	103,728	78,451	25,277		32.22	
5. Coal	428,685	274,335	154,350		56.26	
6. Lumber & Timber	103,922	88,749	15,173		17.10	
7. Cattle	1,861	2,765		904		32.69
8. Horses	1,510	1,666		156		09.36
9. Hogs	1,976	1,796	180		10.02	
10. Sheep	826	1,060		234		22.07
11. Gen'l Merchandise	955,896	924,352	31,544		03.41	
Total	1,801,360	1,522,374	278,986		18.33	

CAR MOVEMENT, — COMPARATIVE STATEMENT FOR THE YEARS ENDING SEPTENBER 30, 1882, AND 1883.

EASTERN DIVISION. — WEST BOUND.

	1883.			1882.			Increse.	Decse.
	L'ded.	Empty	Total.	L'ded.	Empty	Total.		
Out Boston	46,055	3,172	49,227	46,796	1,937	48,733	494	
Into Hartford	42,336	28,297	70,633	35,559	14,943	50,542	20,091	

EAST BOUND.

Out Hartford	64,731	2,915	67,646	53,566	3,050	56,616	11,030	
Into Boston	36,736	9,933	46,663	34,160	13,311	47,471		808

WESTERN DIVISION. — WEST BOUND.

Out Hartford	16,969	19,979	36,948	11,802	8,798	20,600	16,348	
Into Fishkill-on-Hudson	10,344	27,759	38,103	5,447	10,589	16,036	22,067	

EAST BOUND.

Out Fishkill-on-Hudson	39,630	414	40,044	16,695	383	17,078	22,966	
Into Hartford	35,301	3,625	38,926	17,742	4,176	21,918	17,008	

PROVIDENCE DIVISION. — WEST BOUND.

Out Providence . . .	11,673	4,016	15,690	14,233	3,534	17,767		2,077
Into Willimantic . . .	6,410	8,390	14,800	8,272	3,224	11,496	3,304	

EAST BOUND.

Out Willimantic . . .	14,093	613	14,706	10,189	909	11,098	3,608	
Into Providence . . .	14,191	1,034	15,225	15,922	1,559	17,481		2,256

NEW ENGLAND TRANSFER CO.—STATEMENT SHOWING CARS AND PASSENGERS TRANSFERRED DURING YEAR ENDING SEPTEMBER 30, 1883.

MONTH.	CARS TRANSFERRED.											PASSENGERS TRANSFERRED.		
	FREIGHT.							PASSENGER.						
	EAST.			WEST.			Totals.	East.	West.	Total.	Grand Total.	East.	West.	Total.
	Loads.	Empties.	Total.	Loads.	Empties.	Total.								
1882.														
October . . .	4,204	91	4,295	3,145	405	3,550	7,845	124	128	252	8,097	832	1,210	2,042
November . .	4,049	79	4,128	2,827	919	3,746	7,874	60	64	124	7,998	335	427	762
December . .	3,816	65	3,881	2,395	1,338	3,733	7,614	–	–	–	7,614	–	–	–
1883.														
January . . .	3,279	59	3,338	2,317	1,424	3,741	7,079	–	–	–	7,079	–	–	–
February . . .	2,556	69	2,625	2,206	758	2,964	5,589	45	41	86	5,675	220	276	496
March	3,836	77	3,913	2,652	929	3,581	7,494	125	127	252	7,746	800	1,105	1,905
April	3,004	75	3,079	2,809	793	3,602	6,681	125	119	244	6,925	981	921	1,902
May	3,171	84	3,255	2,835	388	3,223	6,478	126	123	249	6,727	821	668	1,489
June , . . .	3,132	53	3,185	2,741	682	3,423	6,608	130	121	251	6,859	951	626	1,577
July	2,991	59	3,050	2,782	432	3,214	6,264	124	126	250	6,514	977	540	1,517
August . . .	3,850	51	3,901	2,936	765	3,701	7,602	124	124	248	7,850	798	814	1,612
September . .	3,325	75	3,400	2,801	866	3,667	7,067	120	120	240	7,307	858	1,210	2,068
Total. . . .	41,213	837	42,050	32,446	9,699	42,145	84,195	1,103	1,093	2,196	86,391	7,573	7,797	15,370
Total for fiscal year, 1882 .	37,807	924	38,731	31,622	6,432	38,054	76,785	1,482	1,496	2,978	79,763	11,394	11,873	23,267
Increase . .	3,406	–	3,319	824	3,267	4,091	7,410	–	–	–	6,628	–	–	–
Decrease . .	–	87	–	–	–	–	–	379	403	782	–	3,821	4,076	7,897

HUDSON RIVER TRANSFER STEAMER "WILLIAM T. HART."—STATEMENT SHOWING CARS TRANSFERRED DURING YEAR ENDING SEPTEMBER 30, 1883.

MONTH.	FREIGHT CARS TRANSFERRED								Totals.
	EAST.				WEST.				
	LOADS.		Empties.	Total.	LOADS.		Empties.	Total.	
	Coal.	Total.			Coal.	Total.			
1882.									
October . .	1,098	2,242	21	2,263		692	1,170	1,862	4,125
November .	1,338	2,210	49	2,259		776	1,921	2,697	4,956
December .	1,973	2,885	21	2,906		405	2,740	3,145	6,051
1883.									
January . .	1,624	3,025	28	3,053	2	424	3,006	3,430	6,483
February . .	1,803	3,112	31	3,143	3	417	3,012	3,429	6,572
March . . .	2,128	4,090	30	4,120	1	567	3,002	3,569	7,689
April . . .	1,514	3,025	26	3,051	1	532	2,848	3,380	6,431
May. . . .	1,318	3,232	41	3,273	1	838	2,042	2,880	6,153
June . . .	1,049	3,224	61	3,285		1,001	1,961	2,962	6,247
July . . .	1,388	3,394	42	3,436		1,349	1,897	3,246	6,682
August . .	2,242	4,359	43	4,402	7	1,451	2,804	4,255	8,657
September .	1,815	4,270	30	4,300		1,192	2,862	4,054	8,354
Total . .	19,290	39,068	423	39,491	15	9,644	29,265	38,909	78,400
Total from Dec., 1881, to Sept. 30, 1882,				17,831				16,175	34,006
Increase .				21,660				22,734	44,394

MAINTENANCE OF WAY.

MAINTENANCE OF WAY.—MATERIAL USED DURING THE YEAR ENDING SEPTEMBER 30, 1883.

		EASTERN DIV.	WESTERN DIV.	WOONSOCKET DIVISION.	R. I. AND MASS. DIVISION.
		Quantity.	Quantity.	Quantity.	Quantity.
Rails—Steel	Tons,	$3{,}781\frac{1116}{2240}$	$1{,}908\frac{780}{2240}$	$249\frac{1700}{2240}$	$245\frac{2080}{2240}$
" —Iron	"		$620\frac{1560}{2240}$		$4\frac{960}{2240}$
Splice Bars	No.	45,070	4,934	1,970	1,654
" Bolts	Kegs,	331 $\frac{1}{2}$	199	26 $\frac{3}{4}$	13 $\frac{1}{2}$
Nut Locks	No.	46,173	12,756	8,150	
Railroad Spikes	Kegs,	825 $\frac{1}{4}$	851	75 $\frac{3}{4}$	23
Cross Ties	No.	85,663	65,498	16,348	4,212
Switches	"	61	124	1	
Frogs	"	118	111	6	
Switch Stands	"	54	120	1	

MAINTENANCE OF WAY.—MATERIAL USED.—*continued.*

		PROVIDENCE DIVISION.	ROCKVILLE BRANCH.	SPRINGFIELD DIVISION.	TOTAL.
		Quantity.	Quantity.	Quantity.	Quantity.
Rails—Steel	Tons,	$677\frac{480}{2240}$		$335\frac{200}{2240}$	$7,197\frac{1876}{2240}$
" —Iron	"			$36\frac{1456}{2240}$	$661\frac{1726}{2240}$
Splice Bars	No.	7,000	194	3,004	63,826
" Bolts	Kegs.	56 $\frac{1}{2}$	1	41	699 $\frac{1}{4}$
Nut Locks	No.	2,861		5,424	75,364
Railroad Spikes	Kegs.	97	10	124 $\frac{1}{2}$	2,006 $\frac{1}{2}$
Cross Ties	No.	23,962	1,983	15,459	213,125
Switches	"	2		4	192
Frogs	"	32		4	271
Switch Stands	"	8		4	187

MAINTENANCE OF WAY. — AVERAGE NUMBER OF MEN PER MILE ON TRACK.

	Eastern Division.		Western Division.	Woonsocket Division.	R. I. & Mass. Division.	Southbridge Branch.	Providence Division.	Rockville Branch.	Springfield Division.
	Double Track.	Single Track.							
1883	2.05	1.34	1.08	1.00	.90	.90	.71	1.00	.59
1882	2.49	1.39	.94	1.00	.73	1.20	.92	1.05	.58
Increase	–	–	.14	–	.17	–	–	–	.01
Decrease	.44	.05	–	–	–	.30	.21	.05	–

MAINTENANCE OF WAY. — IRON RAIL TRACK, LENGTH OF, SEPEMBER 30, 1883.

	Eastern Division and Branches.		Western Division and Melrose Br.		Woonsocket Division.		R. I. & Mass. Division.		Providence Division.		Rockville Branch.		Springfield Division.		Total.	
	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.
Main Track, Sept. 30, 1883.	17	5,140	9	1,110	27	2,910	10	5,236	40	2,308	4	2,112	18	411	128	3,387
Sidings, Sept. 30, 1883 . .	47	2,662	23	2,289	5	1,651	1	2,571	12	–	–	3,630	4	688	94	2,931
Total	65	2,522	32	3,399	32	4,561	12	2.527	52	2,308	5	462	22	1,099	223	1,038

MAINTENANCE OF WAY.—MAIN TRACK, ETC., LAID IN STEEL, LENGTH OF, SEPT. 30, 1883.

MAIN TRACK.

	Eastern Division & Branches.		Western Division & Melrose Br.		Woonsocket Division.		R. I. & Mass. Division.		Providence Division.		Rockville Branch.		Springfield Division.		Total.	
	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.
Oct. 1, 1882	145	2,534	101	3,960	–	–	–	–	12	950	–	–	7	1,425	266	3,589
Laid in 1883	25	3,942	7	256	2	3,426	2	3,212	7	964	–	–	3	4,500	49	460
Total, Sept. 30, 1883 .	171	1,196	108	4,216	2	3,426	2	3,212	19	1,914	–	–	11	645	315	4,049

SIDINGS.

Oct. 1, 1882		3,084	1	744	–	–	–	–	–	–	–	–	–	–	1	3,828
Laid in 1883	8	1,624	6	2,387	–	–	–	–	–	–	–	–	–	–	14	4,011
Total, Sept. 30, 1883 .	8	4,708	7	3,131	–	–	–	–	–	–	–	–	–	–	16	2,559

TRACKS AND SIDINGS.

Total, Sept. 30, 1883 .	180	624	116	2,067	2	3,426	2	3,212	19	1,914	–	–	11	645	332	1,328

MAINTENANCE OF WAY. — TRACKS AND SIDINGS, LENGTH OF, SEPTEMBER 30, 1883.

TRACKS.

	Eastern Division.		Western Division.		Woonsocket Division.		R. I. & Mass Division.		Providence Division.		Rockville Branch.		Springfield Division.		Total.	
	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.	Miles.	Feet.
Single Main Track . .	133	3,168	110	3.168	30	1,056	13	3,168	59	4,222	4	2,112	29	1,056	381	2,110
Second Main Track . .	55	3,168	7	2,158	–	–	–	–	–	–	–	–	–	–	63	46
Total	189	1,056	118	46	30	1,056	13	3,168	59	4,222	4	2,112	29	1,056	444	2,156

SIDINGS.

October 1, 1882	50	3,572	20	97	6	524	1	2,571	10	2,488	–	3,630	2	3,599	92	641
Laid in 1883	5	3,798	11	43	–	1,287	–	–	1	2,792	–	–	1	2,369	18	4,849
					*6	1,811										
					1	160										
Total	56	2,090	31	140	5	1,651	1	2,571	12	–	–	3,630	4	688	111	210

TRACKS AND SIDINGS.

Total September 30, 1883.	245	3,146	149	186	35	2,707	15	459	71	4,222	5	462	33	1,744	555	2,366

* Discontinued.

MOTIVE POWER.

LOCOMOTIVE EQUIPMENT, SEPTEMBER 30, 1883.

OWNER.	OCT. 1, 1882.			BUILT AND PURCHASED DURING THE YEAR.			SEPT. 30, 1883.		
	Total No.	Vacant.	No. in Existence.	Vacant Nos	New Nos.	Total.	Total No.	Vacant.	No. in Existence.
N. Y. & N. E. R. R. . .	109	8	101	–	–	–	101	6*	95
New England Car Trust .	16	–	16	2	32	34	50	–	50
Total	125	8	117	2	32	34	151	6	145

* Engines 6, 13, 20, 43 and 46 laid up for rebuilding. Engine 26 sold to H. M. & W. R. R.

CONDITION OF LOCOMOTIVES, SEPTEMBER 30, 1883.

DIVISIONS ON WHICH ENGINES ARE IN SERVICE.	In Good Order.	REQUIRING REPAIRS.			IN SHOP FOR REPAIRS.			Totals.
		General.	Slight.	Total.	General.	Slight.	Total.	
Eastern	47	14	3	17	10	3	13	77
Western	30	7	–	7	8	2	10	47
Providence . . .	7	4	–	4	4	1	5	16
Woonsocket . .	4	1	–	1	–	–	–	5
Total . . .	88	26	3	29	22	6	28	145

STATEMENT OF ENGINES.—CLASSIFIED BY CYLINDERS AND BUILDERS.

CYLINDERS.	BUILDERS.												
	Taunton Loco. Works.	R. I. Loco. Works.	Grant Loco. Works.	Hinckley Loco. Co.	Mason Machine Works.	Schenectady Loco. Wks.	Baldwin Loco. Works.	H. P. & F. R. R.	N. Y. & N. E. R. R.	McKay & Aldus.	Norris & Son.	Chubbuck & Son.	Totals.
Inches.													
11 x 14½	–	–	–	–	–	–	–	–	–	–	–	1	1
12 x 24	3	–	–	–	–	–	–	–	–	–	–	–	3
14 x 22	–	1	–	1	4	–	–	1	–	1	1	–	9
14 x 24	–	1	–	–	–	–	–	–	–	–	–	–	1
15 x 20	–	–	–	–	4	–	–	–	–	–	–	–	4
15 x 22	2	1	–	6	–	–	–	–	1	–	–	–	10
15 x 24	–	–	–	1	–	1	–	–	–	–	–	–	2
16 x 22	3	–	–	–	–	1	–	3	2	1	–	–	10
16 x 24	8	–	–	2	–	1	–	2	–	1	–	–	14
17 x 22	–	–	–	–	–	–	–	–	1	–	–	–	1
17 x 24	3	1	–	6	2	2	2	1	–	–	–	–	17
18 x 22	–	–	–	2	–	–	–	–	–	–	–	–	2
18 x 24	1	36	14	2	–	–	–	–	–	–	–	–	53
19 x 24	–	2	–	–	–	–	–	–	–	–	–	–	2
20 x 22	–	–	–	2	–	–	–	–	–	–	–	–	2
22 x 22	–	–	–	14	–	–	–	–	–	–	–	–	14
Totals	20	42	14	36	10	5	2	7	4	3	1	1	145

MOTIVE POWER, COST PER MILE RUN.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPTTEMBER 30, 1882, AND 1883.

	1883.	1882.	Increase.	Decrease.	PER CENT.	
					Increase.	Decrease.
Repairs	.0816	.0488	.0328	–	67.21	–
Fuel	.1386	.1401	–	.0015	–	.0107
Enginemen, Firemen, and Wipers	.0665	.0581	.0084	–	14.45	–
Stores	.0070	.0053	.0017	–	32.08	–
Other Motive Power Accounts	.0308	.0243	.0065	–	26.74	–
Total	.3245	.2766	.0479	–	17.32	–
Engine Mileage	3,516,041	2,971,954	644,087	–	21.6	–
Passenger Car Mileage	4,542,129	4,746,532	–	204,403	–	4.3
Freight Car Mileage	22,992,573	16,894,622	6,097,951	–	36.09	–

MOTIVE-POWER DEPARTMENT.—WATER SUPPLY, COST OF.—COMPARATIVE STATEMENT FOR YEARS ENDING SEPTEMBER 30, 1882, AND 1883.

COST OF WATER STATIONS.

DIVISIONS.	Length of Road.	1883.		1882.			
		Total.	Per Mile.	Total.	Per Mile.	Increase.	Decrease.
Eastern	136.1	$15,037 74	$110 49	$12,956 26	$110 45	$2,081 48	–
Western	110.5	3,919 28	35 46	2,185 29	19 78	1,733 99	–
Providence	58.5	1,191 51	20 36	1,596 59	27 29	–	$405 08
Woonsocket	28.5	715 12	25 09	1,100 41	32 56	–	385 29
Rhode Island and Massachusetts	14.2	70 09	4 93	178 56	12 58	–	108 47
Rockville	4.4	87 33	19 85	101 89	23 16	–	14 56
Springfield	31.9	325 03	10 19	225 19	7 06	99 84	–
Total	384.1	$21,346 10	$55 56	$18,344 19	$49 49	$3,001 91	

COST OF PUMPERS.

Eastern	136.1	$4,617 99	$33 93	$3,768 79	$32 13	$849 20	–
Western	110.5	2,668 89	24 15	1,085 56	9 82	1,583 33	–
Providence	58.5	427 16	7 30	207 54	3 55	219 62	–
Woonsocket	28.5	339 41	11 91	432 08	12 78	–	$92 67
Rhode Island and Massachusetts	14.2	148 94	10 49	127 40	8 97	21 54	–
Rockville	4.4	86 25	19 60	–	–	86 25	–
Springfield	31.9	433 83	13 60	451 38	14 15	–	17 55
Total	384.1	$8,722 47	$22 71	$6,072 75	$16 38	$2,649 72	
Totals		30,068 57	78 27	24,416 94	65 87	5,651 63	

STATEMENT OF OIL CONSUMED IN MOTIVE-POWER DEPARTMENT FOR YEAR ENDING SEPTEMBER 30, 1883.

Purpose used for	No. Galls.	Cost.	Kinds of Oil.	Total Cost.
Locomotives:—				
Lubricating	22,584¼	$6,144,73	Engine and Car	
Cylinders	20,084½	12,983 05	Lard and Valve	
Signal and Cab Lights	1,948¾	996 31	Lantern	
Head Lights	10,890¼	1,490 59	Headlight	$21,614 68
Cars:—				
Coach Centre Lamps	5,087½	895 83	300° Test	895 83
Shops:—				
Inside Lamps	2,938	813 21	Lant. and Headl't	
Outside Lamps	374	46 75	Headlight	
Office Lamps	37	4 98	"	
Watchmen's Lamps	642¾	246 43	Lant. and Headl't	1,111 37
Rnd. Hse. Lights in use,				

RECAPITULATION.

Locomotives, — Total consumption	55,507¾	21,614 68
Cars, — " "	5,087½	895 83
Shops, — " "	3,991¾	1,111 37
Totals	64,587	23,621 88
Average per month	5,382¼	1,968 49

CAR EQUIPMENT, SEPTEMBER 30, 1883.

PASSENGER.

	In Service Oct. 1, 1882.	Destroyed and Sold during year.	Built and Purchased during year.	In Service Sept. 30, 1883.	Ownership.
Coaches	135	4	13	144	N. & N. E. R.R. except 13 coaches and 6 bag. cars, which were purchased through Car Trust.
Parlor	1			1	
Directors	1			1	
Bag, Mail, and Ex.	39	4	6	41	
Total	176	8	19	187	

FREIGHT.

Four-wheel Box .	10	–	–	10	N. Y. & N. E. R.R. except 300 8-wheel box, 1,170 8-wheel coal and 39 4-wheel caboose cars, which have been purchased through Car Trust.
Eight-wheel Box .	1,474	12	–	1,462	
Eight-wheel Flat .	458	13	3	448	
Eight-wheel Coal.	1,019	5	402	1,416	
Four-wheel Dump	367	32	5	340	
Eight-wheel Stock	3	–	–	3	
Caboose	49	7	35	77	
Miscellaneous . .	16	2	2	16	
Total	3,396	71	447	3,772	

GROWTH OF ROAD OWNED BY THE NEW YORK AND NEW ENGLAND RAILROAD COMPANY.

The following table shows the date of the opening for public travel of the road now (1883) owned by the New York and New England Railroad Company, and the names of the companies by which the several portions were completed:—

Date of Opening.	Stations between which road was opened.	Miles Added.	Company by which addition was completed.	Total Length	
				Year.	Miles.
May, 1849.	Islington and Blackstone . .	23.9	Norfolk County .		
Dec. 1, 1849.	Hartford and Willimantic . . .	31.5	Hartford, Prov., and Fishkill .	1849	55.4
Jan. 1, 1850.	Hartford and Bristol	17.9	Hartford, Prov., and Fishkill .	1850	63.3
Nov., 1852.	Cook St. and Newton Upper Falls,	.9	Charles River Branch . . .	1852	64.2
June, 1853.	Newton U. Falls and Needham .	2.3	Charles River . .	1853	66.5
July, 1854.	Blackstone and Mechanicsville .	23.0	Boston and New York Central .		
Oct. 2, 1854.	Willimantic and Providence . .	58.5	Hartford, Prov., and Fishkill .	1854	148.
July 11, 1855.	Bristol and Waterbury	14.5	Hartford, Prov., and Fishkill ,		
Jan., 1855.	Boston to Islington	12.6	Boston and New York Central .	1855	185.1
Nov., 1861.	Needham and Medway	12.8	New York and Boston . . .	1861	197.9
Sept., 1862.	Medway and West Medway . . .	1.6	New York and Boston . . .	1862	199.5
Oct., 1863.	West Medway and Woonsocket . .	10.9	New York and Boston . . .	1863	210.4
1865,	Dorrance St. track Providence . .	.82	Hartford, Prov. and Fishkill .	1865	211.22
Feb., 1867.	E. Thompson and Southbridge . .	17.4	Boston, Hartford and Erie . . .	1867	228.62
1869.	Mechanicsville and Putnam . .	1.7	Boston, Hartford and Erie . . .	1869	230.32
Aug., 1872.	Putnam and Willimantic	24.6	Trustees under Berdell mort. .	1872	254.92
1873.	Freight Branch, Hartford . . .	.67	Trustees H., P., and F.	1873	255.59
1879.	Charles River to Ridge Hill . .	1.64	New York and New England .	1879	257.23
July, 1881.	Waterbury and Danbury . . .	30.6	New York and New England .	1881	287.83
Jan., 1882.	Danb'y and Hopewell Junction .	34.6	New York and New England .		
1882.	Elmwood and Dedham	1.52	New York and New England .		
Jan., 1882.	Wicopee Junction and Newburg .	2.5	New York and New England .	1883	326.45

1885 Report is with leases

NINTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 9, 1884.

BOSTON:
PRINTED BY CASHMAN, KEATING & CO.
603 WASHINGTON STREET.

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DIRECTORS, — Elected Dec. 11, 1883.

WILLIAM T. HART	Boston, Mass.
CHARLES P. CLARK	Newton, Mass.
FRANCIS L. HIGGINSON	Boston, Mass.
*THOMAS NICKERSON	" "
JONAS H. FRENCH	" "
EUSTACE C. FITZ	" "
JESSE METCALF	Providence, R.I.
W. F. SAYLES	Pawtucket, R.I.
FREDERIC J. KINGSBURY	Waterbury, Conn.
GEO. M. LANDERS	New Britain, Conn.
HENRY C. ROBINSON	Hartford, Conn.
GEORGE G. HAVEN	New York, N.Y.
CHARLES G. FRANCKLYN	" "
WILLIAM SEWARD WEBB	" "
*JAY GOULD	" "
CYRUS W. FIELD	" "
*HUGH J. JEWETT	" "
RUSSELL SAGE	" "
*GEORGE B. ROBERTS	Philadelphia, Pa.

* Resigned, and the following gentlemen elected to fill the vacancies: —

GEORGE. M. RICE	Worcester, Mass.
ROBERT C. MARTIN	New York, N.Y.
CHESTER GRISWOLD	" "
STANTON BLAKE	Boston, Mass.

OFFICERS OF THE COMPANY.

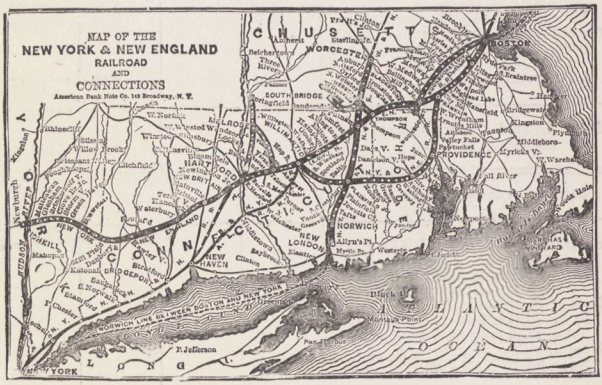
WILLIAM T. HART	President.
GEORGE B. PHIPPEN	Treasurer.
JAMES W. PERKINS	Secretary.

Note. — Charles P. Clark was first chosen President by the Board elected at the Annual Meeting, Dec. 11, 1883, and remained so until he was appointed Receiver on Jan. 1, 1884. Eustace C. Fitz was then chosen President, but resigned on account of ill health, and Wm. T. Hart has been president since Sept. 10, 1884.

MAP OF RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE

NEW YORK AND NEW ENGLAND RAILROAD COMPANY.



LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction.... (Hopewell Junct. to Wicopee owned by N. D. & C. R. R. Company.)	215.04	108.1	85.69	
Wicopee to Newburgh on the Hudson.....	2.50		5.38	
Providence to Willimantic.....	58.50		13.16	
Cook St., Newton, to Woonsocket	28.41		5.32	
East Thompson to Southbridge..	17.37		2.52	
Elmwood to Dedham,.....	1.52		1.19	
Charles River to Ridge Hill.....	1.64		.23	
Dorrance St. Track, Providence	.82		.03	
Freight Branch, Hartford.....	.67		1.75	
Total owned and operated by this Company.....	326.47	108.1	115.27	549.84

Leased by the Company.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point.....	66.40		17.47	83.87
R. I. & M. R. R.				
Franklin to Valley Falls.	13.60		1.37	14.97
Rockville Railroad,				
Vernon to Rockville.....	4.40		0.63	5.03
Connecticut Central R. R.				
East Hartford to State Line of Mass.....	20.20		1.46	21.66
Melrose to West St., Rockville..	7.30		0.24	7.54
Springfield & New London R. R.				
State Line of Conn. to junction with Boston & Albany R. R., in Springfield.....	7.27		2.90	10.17
Total Leased Lines operated by the Company.....	119.17		24.07	143.24
Running Arrangements over:				
Newburgh, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction.....	11.02			
Boston & Albany R. R.				
From Springfield and New London road into Springfield.....	1.31			
New London Northern R. R.				
Norwich to New London.....	13.50			
Total.....	25.83			
Controlled through Lease.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York.....	125.00			

Making the total number of miles of transportation lines controlled by the Company, 596.47.

NINTH ANNUAL REPORT

To the Stockholders of the New York and New England Railroad Company.

As your property has been in the hands of a Receiver for the greater part of the last year, your Directors will confine their report mainly to a statement of the reasons for a Receivership, and to the action taken by the Company to regain possession of its property; leaving to the Receiver to give the customary information in regard to the actual operation of the road.

Immediately after the adjournment of your Annual Meeting on the 11th of December last, the Directors organized (electing Mr. Charles P. Clark as President) and appointed a Committee to consider and report upon the financial condition of the Company.

At the request of this Committee the President made a written statement to its Chairman showing the unfunded debt of the Company due on or before January 1st 1884, to be about $1,700,000.

Upon consideration the Committee recommended, at a meeting of the Board on December 19th, that the Directors undertake to raise immediately by personal application to the security holders, one million dollars on twelve months' notes of the Company. The Directors authorized the Committee in behalf of the Company to raise the money as proposed and to do all acts necessary to carry out their recommendation.

A copy of the President's statement and of the report of the Committee, with a subscription paper attached, was placed in the hands of each Director for the purpose of obtaining subscriptions and the Board adjourned to meet again on the 28th of December.

On this latter date, the Board reassembled and it was unanimously agreed that it was impossible to secure subscriptions for any considerable portion of the one million dollars required. As it was necessary, however, to provide immediately in some way for the interest on the First Mortgage Bonds of the Company maturing January 1st, only three days thereafter, authority was given to the President to arrange with third parties for the cashing of the coupons due on that day.

As the Board was about to adjourn the President stated that in view of the embarrassed condition of the Company and of the regulation in the By-Laws which required five days' notice before a special meeting of the Board could be legally held, he did not wish to take the responsibility of meeting an exigency which might arise at any hour, and suggested the appointment of a special committee who might exercise the powers of the full Board. After some discussion, the Board voted that when it adjourned it adjourn "subject to the immediate call of the President at any time and place."

You were advised by the Eighth Annual Report that 1,258 of your Second Mortgage Bonds were sold on the 20th of February 1883, of which 714 had been delivered and paid for up to Nov. 27th. As Construction work (to which the proceeds of the bonds were applicable) justified the issue of a further amount of 544 bonds, delivery was made on the 14th of December of 308 and on the 21st of 66 bonds under this contract, leaving undelivered 170. The facts warranting the delivery of this remaining 170 bonds, they were tendered by the Treasurer on the 31st of December to the purchaser, who declined to take them, and the Company was thus deprived of the means of continuing the work which was in progress in the construction of the second track. Indeed it was without funds to pay for the work already done.

Under these circumstances, and in pursuance of the authority given on the 28th of December, the President

called a meeting at Hartford, on the evening of the 31st of December. At this meeting he stated that arrangements for cashing the coupons on the First Mortgage Bonds of the Company due the following morning, had not been completed, only about $100,000 of the $330,000 required having been secured; that the purchasers of Second Mortgage Bonds had that day declined to take the balance required by their contract; that threats had been made by attorneys in personal injury cases in which there was no defense, to attach the property of the Company; that there were hundreds of fire claims unaudited, bills for supplies running back for twelve months, and large railroad balances pressed for payment; that the Company would be in imminent peril after committing on the next day, as it must, a technical act of bankruptcy in passing its First Mortgage coupons; that he was unwilling to take the responsibility of drifting along, for if one attachment was made others would follow so rapidly that the operation of the road would be stopped, and the value of the entire property seriously impaired; that notice had been served of an application in behalf of Henry A. Brassey, a holder of Second Mortgage Bonds, for the appointment of a temporary receiver; that he had just been warned by a private letter from New York that the Company was in more danger than appeared; that he believed that within the next forty-eight hours attacks would be made upon the property which could not be successfully resisted in justice or in law; — that under these circumstances he had called the Board together to decide what course it was best to take.

After a full discussion the following preamble and vote was passed: —

"*Whereas*, a notice has been served on this Company of a motion for the appointment of a Receiver, in a suit brought by Henry A. Brassey, in behalf of himself and all other holders of the Second Mortgage Bonds of the Company;

And whereas, this Company is at present without funds to meet its current obligations as they mature, and in order to

keep its railroad in continued operation and free from attachments, the appointment of a temporary Receiver seems to this Board necessary for the protection of the public, as well as of the creditors and stockholders of the Company, and all parties concerned;

Voted, that the counsel of the Company be instructed to appear and assent to the granting of said motion, and the immediate appointment of a temporary Receiver of this Company."

In accordance with this vote, several members of the Board together with Counsel, appeared before the Hon. Nathaniel Shipman, one of the Justices of the Circuit Court of the United States, for the District of Connecticut, and after a full presentation of the facts, an order was issued by Judge Shipman appointing Mr. Clark Receiver of the entire property.

The appointment of a Receiver was a surprise to the stockholders, but its necessity has been clearly demonstrated. Your Directors believe that but for a Receivership your property would, by attachment and otherwise, have become lost to you beyond the possibility of recovery, its unity destroyed and its operations embarrassed, to the serious inconvenience of the travelling and business public.

The next meeting of your Directors was held in Boston on the 7th of January, at which meeting Mr. Clark's resignation as President, (handed to your Secretary on the 31st of December,) was accepted and Hon. Eustace C. Fitz was elected President. Mr. Fitz continued to serve until the 10th of September, when his resignation, tendered on account of ill health, was accepted, and William T. Hart was made President.

Since the date of the Receivership, the principal duty of your Board has been to arrange for a funding of the Company's indebtedness in some form with a view to resuming control of its property. As the money necessary for the

purpose could not be obtained by assessments upon the stockholders, and as the Company's Second Mortgage Bonds, still unissued, could not, under then existing legislation, be used except for the purpose of "procuring equipment, increasing terminal facilities and laying a second track," application was made for legislative authority to issue preferred stock and to use the proceeds of the sale of such stock and of second Mortgage Bonds for the payment of its debts. The Receivership enabled the Company without embarrassment to take the necessary time to do this, and to procure the passage of Acts by the States of Massachusetts, Rhode Island and Connecticut granting the requisite authority. At a special meeting of the stockholders held June 25th, these several Acts were accepted by the stockholders, and a committee was appointed to formulate and present to the stockholders a plan for the extrication of their property from its financial embarrassment, to report at an adjourned meeting to be held on the 7th of October.

At this adjourned meeting the committee recommended that the Company should use the preferred stock lately authorized by the legislatures and the two millions of Second Mortgage Bonds still in its hands in settling the debts of the Company. The report containing this recommendation was referred to a second special meeting of the stockholders which had been duly called for the same day.

At this second meeting the stockholders passed a vote in accordance with the recommendation of Committee, and authorized the directors to extinguish the floating debt of the Company by issuing preferred stock or Second Mortgage Bonds at their discretion.

But as the Act passed by the General Assembly of Connecticut required that a majority in interest of all stockholders should assent to an issue of preferred stock before the same could be made, the meeting was adjourned from day to day until the expression of the wishes of a majority in interest could be obtained. The polls were closed on October 25th, and by a unanimous vote of 110,660 shares, the necessary authority was given.

At a meeting of the Directors held the same day the same Committee was requested to further consider the matter of settling with creditors, and to report a plan therefor.

The matter of the settlement with the creditors of the Company is still in the hands of this Committee, which consists of Messrs. French, Rice, Higginson and Martin, of the Board of Directors, and Mr. A. J. Leith, a stockholder.

The interest due on the First and Second Mortgages on the first of January and the first of February last was paid under the direction of the Court by the Receiver from funds in his hands. The interest due on the first of July and the first of August is still in default. Under the terms of your mortgages, if the interest which became due on the first of July is not paid before the first of January, the principal of the First Mortgage (ten million of dollars) will become due, and the Trustees for the holders of the First Mortgage Bonds will be entitled to possession for purposes of foreclosure. And if the interest which became due on the first of August is not paid before the first of February, 1885, the principal of the Second Mortgage (two million eight hundred and thirty-three thousand dollars) will become due, and the Trustees under that mortgage will have similar rights.

The financial situation of the company on the 30th of September is shown by the balance sheet accompanying this report, in which the unfunded debt of the Company on this date is stated to be $2,181,319 83

The available means of the Company for the payment of this unfunded debt were in the hands of the Receiver, and included (in addition to supplies on hand) quick assets as given in the Balance Sheet, to the amount of $458,001 51

This would leave as the net unfunded debt of the Company, September 30, 1884 . 1,723,318 32

To show approximately what the unfunded debt of the Company will be on the 1st of January must be added:

Ten per cent of the principal of the Car Trust due April 1st, payment of which was extended to October 1st 129,000 00

Three months' interest on First Mortgage, September 30, to January 1, 1885 . .	165,000 00
Three months' interest on Second Mortgage, September 30, 1884, to January 1, 1885	42,495 00
Showing a total of	$2,059,813 32
Less estimated net earnings of the property for three months, to January 1st, 1885 .	159,813 32
Leaving as the net debt of the Company, January 1, 1885 . . .	1,900,000 00

It will be seen by these figures that in some way $1,900,000 is needed to free your Company from debt on January 1st, 1885. Of this amount $660,000 will be due to the holders of First Mortgage coupons, ($330,000 due July 1, 1884, and $330,000 due January 1, 1885:) $155,000 to the holders of Second Mortgage coupons ($85,000 due August 1, 1884, and $70,000 accrued January 1, 1885), and the balance, about $1,100,000, will be due the general creditors of the Company, including holders of Car Trust certificates.

The earnings and expenses of the roads operated by the Company and the Receiver (not including the Norwich and Worcester Railroad, the accounts of which are kept separately) during the fiscal year ending September 30, 1884, are as follows: —

EARNINGS.

	1884.	1883.
From local passengers	$799,524.47	$800,288.23
" through passengers (to and from other roads)	290,962.91	318,944.70
" express and extra baggage	104,313.41	106,085.17
" mails	45,627.18	46,468.01
Total earnings from passenger department	$1,240,427.97	$1,261,786.11
From local freight	638,241.38	632,649.24
" through freight (to and from other roads)	1,317,444.45	1,481,875.24
Total earnings from freight department	$1,955,685.83	$2,114,524.48
Total transportation earnings	3,196,113.80	3,376,310.59
From miscellaneous sources	165,919.17	195,547.81
Total income from all sources	$3,362,032.97	$3,571,858.40

EXPENSES.

	1884.	1883.
Conducting transportation passengers	$319,777.24	$349,371.37
" " freight	657,697.94	712,274.86
Maintenance of way	454,226.08	486,168.53
Motive power	1,025,164.93	1,110,955.40
Maintenance of cars	234,114.24	259,438.22
General expenses	106,387.06	95,408.07
Total operating expenses	$2,797,367.49	$3,013,616.45
Taxes	125,016.40	149,908.82
Insurance	19,242.15	22,852.42
Net earnings available for the payment of fixed charges	420,406.93	385,480.71

It will be seen that the gross earnings of the property are less than those of the previous year and that the loss is principally in freight earnings. This was due in part to the general depression of business, in part to the low rates prevailing on through freight, and in part to the discontinuance of a portion of the through freight business, which was the only radical change made by the Receiver in the management of the property after it was placed in his hands.

The net earnings of the property are slightly larger than those of the previous year. We believe that the property has been well managed while in the Receiver's hands.

We respectfully refer the stockholders to the statement of the Receiver hereto attached, for information of interest in regard to the operations, improvements, and present physical condition of their property.

Respectfully submitted,

By order of the Board of Directors.

WILLIAM T. HART,

President.

From the judgment of the Board upon the necessity and effect of a receivership as expressed in the third paragraph on the eighth page, and the management of the property by the Receiver as stated in the second paragraph on the twelfth page of the foregoing report, Director Jonas H. French dissents.

OFFICERS OF THE RECEIVER.

CHARLES P. CLARK . . . . . Receiver.
JAMES W. PERKINS . . . . . Ass't to Receiver.
WM. CALEB LORING . . . . . General Solicitor.
GEORGE B. PHIPPEN . . . . . Cashier.
H. M. KOCHERSPERGER . . . . Auditor.
WILLIAM H. TURNER . . . . . Gen'l Superintendent.
P. St. M. ANDREWS . . . . . Sup't Norwich and Worces. Div.
E. G. ALLEN . . . . . Superintendent Eastern Div.
E. HOLBROOK . . . . . Superintendent Hartford Div.
L. W. PALMER . . . . . Superintendent Providence Div.
C. H. PLATT . . . . . Superintendent Western Div.
E. H. TUCKER . . . . . Superintendent Woonsocket Div.
GEORGE H. WILLIAMS . . . . General Freight Agent.
A. G. TUTTLE . . . . . Division Freight Agent.
J. A. ACKLEY . . . . . Division Freight Agent.
GEORGE A. HARRIS . . . . . Division Freight Agent.
A. C. KENDALL . . . . . General Passenger Agent.
J. B. HENNEY . . . . . Superintendent Motive Power.
L. B. BIDWELL . . . . . Chief Engineer.
W. W. McKIM . . . . . Purchasing Agent.
GEORGE W. LITTLE . . . . . Paymaster.

RECEIVER'S STATEMENT.

To the Stockholders of the New York and New England Railroad Company:

The undersigned, since the 1st of January last, has been operating your property as Receiver under an order made by the Circuit Court of the United States for the District of Connecticut, and in accordance with the suggestion of your Board, submits the following statement:

It is a gratifying fact, and to the credit of the General Superintendent and his assistants in the transportation department, that both the passenger and freight trains of the road have been run with marked freedom from delays and accidents.

RELATIONS WITH OTHER ROADS.

The relations of this property with its connections are in a much more satisfactory condition than existed at the time of your last annual meeting.

There is now no active attempt to divert from it business of any kind which naturally belongs to it. And as to that which may be fairly competed for by this and other lines a spirit of fairness and good faith has been generally manifested. By this I do not mean to say that any connection of ours has been willing to surrender its own business for our benefit, but only that they have not unreasonably deprived us of the advantages of our situation by severe competition.

CONDITION OF THE PROPERTY.

The road-bed, bridges, buildings and other structures have been fully maintained throughout the year in the same good condition in which they were found. It is a common expres-

sion that there is no better track in New England than the main line of your road from Boston to the Hudson River. Other parts of the Road have been improved by the laying of seventeen hundred and fourteen tons of steel rails during the year. Much of the equipment needed thorough repairs, which have been made at considerable outlay.

CAR TRUST EQUIPMENT.

There are two hundred and fifty eight-wheel coal cars in use by the Company to become its property upon the payment of the balance due under a contract with E. W. Clark & Co., the title to pass on the payment of the eighty-fourth instalment. Seventeen of these instalments had been paid; the Company had acquired a valuable equity in the contract, and payments have therefore been continued by the Receiver to prevent this equity from being forfeited.

NEW ENGLAND CAR TRUST.

In addition, there are 50 locomotives, 18 coaches, 2 baggage cars, 4 express cars, 36 cabooses, 300 eight-wheel box cars, and 920 eight-wheel coal cars in possession of the road under contracts with the owners represented by a car-trust association. This association has issued its certificates, amounting to about a million and a quarter of dollars and an important question arose as to the duty of the Receiver in respect to this property. By the terms of the contract, the owners of the equipment were entitled to remove it from the road upon failure to pay any instalment of principal or interest. Anticipating such a contingency, and believing it to be my duty to make the Railroad independent of the Car Trust contract, I hastened to repair the engines belonging to the Company and to place them again at work in its service.

Twenty-five of the 93 locomotives owned by the Company had done no work for six months, on the average. The local passenger trains were being hauled by engines heavier and

more expensive to run than was necessary, while freight trains were moved largely by locomotives belonging to the Car Trust.

As the shops of the Company were fully occupied in making current repairs to its engines and cars, proposals were invited from the different locomotive builders for doing the work; and the lowest bid being that of the Hinkley Locomotive Works, the engines were sent to them for repairs under the direction of an inspector appointed by the Receiver. These engines have now been repaired and are doing good service. They are sufficient to meet the requirements of our local trains on the main line and are especially adapted for service on the branches. Their restoration to the service relieved heavier engines and saved wear and tear of track. These heavy engines are now doing more appropriate work, and in turn have relieved from service about thirty of the Car Trust engines, which have been put in order and stored either for delivery to their owners, or for future use, as the event may prove.

By another of the provisions of the Car Trust contract, no title can be acquired to any of the property until the last instalment due eight and nine years hence has been paid. The Mortgagees are in no wise bound by this contract, and it would not be for their interest to assume it because new equipment of the same character and quality can be bought for less money. As a Receiver under a bill to foreclose the Second Mortgage it was not proper that I should make any payment on account of the principal, but it was right that I should pay its owners, the Car Trust Association, for the use made of it by me. An instalment of one hundred and twenty-nine thousand dollars, being ten per cent of the principal, matured on the first of April.

I could not properly pay this instalment, but it was desirable to maintain the relations between the Company and the Car Trust Association unchanged. I therefore offered to pay to the Association on that date, as rent, a sum equal to the accrued interest upon the certificates upon condition: 1st, that the instalment of principal should be extended six

months to the 1st of October; and 2d, that the payment should be received in full of all demands upon the Receiver for the use of Car Trust equipment since he had been in possession. This offer was accepted and carried out.

In September, no change having taken place in the situation, I offered to pay on October 1st, for the use of the equipment to that date the amount of the accrued interest upon all outstanding certificates, upon condition that the instalment of the principal already extended for six months should be further extended to the first of April 1885, and also upon condition that this amount should be received in full of all claims against the Receiver for the use of the equipment during the six months from April to October.

The Car Trust Association signified its willingness to extend the instalment of principal, but declined to receive the interest as in full of all claims against the Receiver. Therefore the payment offered for the first of October was not made. The Receiver has stated his willingness to join in an application to the Court for an adjudication upon the amount due from him for his use of the equipment. That so large a proportion of it has been out of service will be important in the determination of this question.

It was for the purpose of operating the road economically and of saving the transportation department from possible embarrassment in case the Car Trust equipment should be withdrawn by its owners that I repaired and used the engines belonging to the Company.

If the railroad is returned to the stockholders no wrong has been done the owners of the Car Trust certificates as they will be entitled to interest according to the contract; nor will the Company be injured by using its own engines, instead of laying them up and using those belonging to the Car Trust.

If it becomes necessary to turn over this property to the mortgagees for foreclosure, their rights will have been protected for they will be free to reject a contract by which

they would be obliged to pay for the Car Trust equipment more than what new equipment of the same kind would now cost; and they will be under no obligation to pay for the use of any more of the Car Trust equipment than has been in service.

The cars belonging to the Association have been used indiscriminately with our own. No doubt mileage upon these cars, whether in use upon our road or upon those of our connections, will be due the owners upon an accounting, less the cost of repairs for ordinary wear and tear, which the owners of equipment are always supposed to defray. Whether or not the amount expended by the Receiver in putting the Car Trust locomotives in order before storing them, will be allowed by the Court in an accounting, time alone can determine.

The Company needing more heavy passenger engines for express service, a contract made in 1883 for the purchase of four locomotives from the Grant Locomotive Works, was cancelled by agreement as to two; and the other two have been delivered, paid for, and are in daily use.

DOUBLE TRACK.

Your last annual report stated that between Blackstone and Chewink, 42.5 miles, the work of grading for a second track was nearly completed except at a few difficult points. The purchasers having failed to take all the Second Mortgage bonds, stated in the last report as having been sold to provide the means for this work, the Court authorized its completion by the Receiver, and two hundred thousand dollars in cash have been expended by him for this purpose out of the earnings of the property. The saving in the single item of telegraphic train despatching will more than equal the amount of interest on this expenditure.

Finding a contract already made for the purchase of steel rails of the Lackawanna Iron and Coal Company, the Re-

ceiver under the direction of the Court joined with the Corporation in executing a lease of the quantity needed for the double track, at an annual rental of twelve thousand dollars. Payments on account of this rental are credited upon the purchase money with an equitable adjustment of interest. About one hundred thousand dollars is still owing for these rails. The double track was opened at the following date: —

Chaplin's Crossing to Chewink	April 8, 1884	.	2.8	miles
Blackstone to West Switch, Millville	" 19, "	.	2.8	"
East Douglas to Stone Arch	May 5, "	.	3.1	"
Abington to Hampton	" 6, "	.	1.4	"
West Switch, Millville to Jacksons	" 12, "	.	3.6	"
Pomfret to Abington	" 12, "	.	2.3	"
Jacksons to East Douglas	" 19, "	.	3.5	"
Hampton to Chaplin's Crossing	" 22, "	.	1.1	"
East Thompson to cross over switch Thompson	" 23, "	.	4.4	"
Thompson to West of Putnam	" 23, "	.	4.5	"
Stone Arch to East Thompson	June 1, "	.	3.1	"
West of Putnam to Pomfret	" 7, "	.	4.5	"

The second track west of Hartford was opened on the fifth of August, 1883, to Newington, which made it necessary to maintain telegraph operators at that point. Between this and New Britain, a distance of about five miles, there were two long sidings. New Britain being a city of nearly 20,000 inhabitants and entitled to the best train service, the second track was extended to that city and put in use on the fifteenth day of June, 1884. A further extension to Plainville, about five miles, will probably be the next needed, but no construction work of any kind is now in contemplation or progres

EXPENDITURES.

No extraordinary expenditures will be required of the Company during the year to come with perhaps a single exception. The Connecticut Legislature passed an act at its last session requiring the construction of a bridge over the railroad at Asylum Street in Hartford, which has been needed

for years. A portion of the expense will fall upon this road. An outlay of twenty thousand dollars may be required as our proportion. When this work is done the Railroad will be saved the expense of two gatemen at this point, besides the liability to accident at a crowded thoroughfare.

RHODE ISLAND.

It is only during the present year that your Company has obtained the full legal title to its property in the State of Rhode Island. The final deed from the Trustees of the Rhode Island mortgage of the Hartford, Providence and Fishkill Railroad Company was delivered on the twenty-fifth day of July and immediately recorded. This entitles us to all the privileges of a home corporation in that State, and brings us face to face with questions of boundary in regard to the real estate granted to that Company in the city of Providence, which has been in dispute for more than twenty years. I hope that an adjustment may be reached by a friendly reference of the matter to arbitrators to be agreed upon by the city of Providence and by this Company, and that a plan for a union station may be adopted consistent with our gaining convenient access to that city both from Boston and from Willimantic, and provide ample facilities for the transaction of our business. As no plan proposed can be adopted which does not include property belonging to this Company, the question of the boundary of its real estate in that city must be settled before the contemplated improvement can be made. Recognizing our embarrassed financial condition the act passed by the Legislature of Rhode Island has empowered the city of Providence to advance the funds necessary to make these improvements upon our paying the interest. With the friendly feeling now existing towards this property in thacity, I shall hope for such an adjustment of terminal matt ters there as will recognize the benefit this road has been and can be to its business interests.

BOSTON TERMINALS.

I have felt it my duty to pay from time to time the interest falling due upon the entire terminal property in Boston. Although provision has been made largely in excess of present wants it seems to me that an effort should be made to retain the whole of it for future uses. When we consider the increasing needs of railroads, and remember that the whole system has developed within fifty years, it would seem to be unwise to give up the magnificent property to which we are now entitled if it can possibly be avoided.

LEASED ROADS.

The Norwich and Worcester road (under lease to this Company) has been operated with economy and success. It has felt to some extent the general depression in business, and the omission of a dividend by the Norwich and New York Transportation Company, because of some extraordinary expenses in repairs to its boats, may necessitate a payment by the Receiver in January to maintain the lease.

The lease of the Rockville Railroad was authorized at your last annual meeting, and the results have thus far justified the expectation expressed at that time.

The situation with regard to the Rhode Island and Massachusetts Railroad is the same as that reported last year. It has not earned during the year the rental which this Company has to pay. Whether the rental can be reduced, or whether the line can be extended into Providence either by use of existing tracks, or independently, as has been proposed, is not yet decided. One of these courses must be adopted or the lease should be abandoned.

The line from East Hartford to Springfield, including the Connecticut Central, the Springfield and New London, and a portion of the old Athol and Northeastern Road, now leased from the Boston and Albany Railroad Company, has

been worked during the past year, as heretofore, at a loss. Measures should be taken to reduce the charges upon the Treasury arising from the leases and operating expenses of these roads.

TRANSFER STEAMERS.

The transfer steamer Maryland together with the tug and floats also belonging to the New England Transfer Company, in which your company owns a half interest, has been operated successfully and satisfactorily during the past year.

The transfer steamer "William T. Hart," running between Newburgh and Fishkill, was early in the spring placed upon the dry-dock at New York, repaired and painted, and has since performed efficient service. The title to her, which remained in the builders at the date of your last annual report, has been put in the name of this Company, to which she belongs. By agreement with the New York, Lake Erie and Western Railroad Company, a redivision of joint earnings has been made upon the basis of a delivery of freight at Newburgh, and the "William T. Hart" is now operated by the Receiver as a part of the property of the New York and New England Railroad Company. This is the only railroad ferry between Albany and New York City and its business promises to increase steadily.

PASSENGER BUSINESS—SUBURBAN SERVICE FROM BOSTON.

At the commencement of the year the suburban business between Boston and Dorchester was being done at a fare of five cents for five miles or less. This rate seemed unprofitable, and it was advanced twenty-five per cent, sixteen tickets instead of twenty being sold for one dollar. The result has been a gain in revenue of about twelve per cent. The table printed in the appendix to this report will show in detail the increase in revenue and the decrease in number of passengers carried. The advanced rate, being only six and a quarter cents, has been cheerfully accepted by our customers, who recognize the necessity of increased revenue in order that the service may be continued.

DEDHAM TRAINS.

At the time of your last annual meeting, twenty-four trains were running daily between Boston and Dedham at a serious loss, and it seemed to be my duty to discontinue this service entirely. After a conference with a committee of the citizens of Dedham it was decided to reduce the number of trains to six, and to continue the service for three months in the hope that it might prove self-sustaining; but at the close of the quarter, the accounts showing that there was still a loss, the committee acquiesced in the propriety of withdrawing the trains altogether, and this was done on the the 1st of July.

REDUCTION OF PASSENGER RATES.

Changes in passenger rates by our competitors had reduced the fare from Boston to common points below the passenger tariff of this road, which was on a basis of three cents per mile. A reduction to these competitive points had been made by this Company by the issue of special tickets. Our passenger fares for a shorter were, therefore, in some instances more than for a longer distance. The subject was brought to the attention of your Board, who concurred in establishing a uniform rate of two and a half cents per mile over the entire road, and branches; and it is satisfactory to see by the report of the passenger earnings that our local business, notwithstanding the general depression, has held its own; the effect of the reduction of local rates having been to increase local travel.

WASHINGTON TRAIN.

The Washington Express from Boston to Washington without change of cars has continued to run via Hartford through the entire year. The travel by it has reached such proportions that the express freight formerly hauled

with it has been withdrawn and sent by special train to New York via Willimantic, and the Washington Express has since been punctual in making its connections. The line is a favorite one from New England to the South, and with the approaching change in the national administration, which is likely to increase travel to Washington this winter, and with the World's Exposition at New Orleans, to which this line forms part of the shortest route, there is every reason to believe that the train will prove more profitable than ever before.

NEW ENGLAND LIMITED.

Before the completion of the double track between Boston and Willimantic, the last section of which was opened on the seventh of June, application was made to the New York New Haven and Hartford Railroad Company to unite in the establishment of two passenger trains between the cities of New York and Boston to be run over the short line via Middletown. Efforts to this end were continued through the summer without success. Upon the tenth of November however a limited express train was established, leaving each city at 3 P. M. and making the passage in six hours. The run between Boston and Willimantic in both directions is made without a stop, and as far as one can judge from the results obtained in the first two weeks the train may be considered a success. It earned its expenses from the start and will probably add materially to the net revenue of the Company during the year to come. Our line via Willimantic being about twenty miles shorter than any other between Boston and New York must eventually become the main passenger route between these two cities.

FREIGHT EARNINGS.

The gross earnings of the freight department during the fiscal year are $158,000 less than those reported for the previous year. More than fifty thousand dollars of it repre-

cents rebates on business reported as earned in the previous year; low rates have prevailed on through business from the west by all our connections; there has been a general depression in local manufacturing industries; and a portion of the through business, mainly that done in connection with the Erie Railroad to Boston, has been discontinued for the past five or six months, for reasons which will next be stated.

THROUGH FREIGHT.

Grain rates from Chicago to New York substantially govern all heavy freights to the seaboard. Ordinarily East bound rates are five cents per hundred pounds more to Boston than to New York. But upon freight exported from Boston a rebate of five cents is allowed and the export rate is therefore the same to either port. For several years grain rates were profitable to the railroads, because the demand from Europe was large and our crops were good. This has not been the case during this year nor will it be so during the year to come. The demand from the consuming centres of Europe has been and may be supplied from various quarters at such figures as to leave a very narrow margin for transportation. While the quantity of freight offered has not materially increased, the number of railroads wanting business has been added to by the construction of new roads and the extension of old ones. Grain has been carried during the summer from Chicago to Boston for export for less than fifteen cents per hundred pounds.

This yields a trifle less than three mills per ton per mile, to the line via New York Central and Boston and Albany Railroads, their distance from Buffalo to Boston being 500 miles.

It is plain that any line east of Buffalo, wanting to share this business must do it for as small a proportion of the through rate as the original one via New York Central and Boston and Albany is willing to accept. As the distance

by our line from Buffalo to Boston, via Fishkill, is 617 miles, the same freight would yield us less than two and one-half mills per ton per mile. It can not be pretended that this would defray the movement expense.

Nor is competition for Chicago business confined to the route by the New York Central and Boston and Albany Railroads. There are also two other lines, one running by the West Shore and the other by the Erie (as far as Binghamton) both reaching Boston through the Tunnel. These lines are 475 and 540 miles in length, respectively. Either of them is materially shorter than ours via Fishkill.

It was known before our road was constructed to the Hudson River that its line via Fishkill must always compete for Western business at a disadvantage in distance. As long as the rates yield less than the cost of doing the business *by our line*, we cannot afford to compete for it even if other and shorter lines can do it at a profit; for we should tax our other net revenue (already insufficient to pay our fixed charges) by the amount of our loss in doing it, and the more of such business we do the greater will be the tax.

It is not probable that the net revenue to be expected from this description of business can ever be relied upon to contribute materially to our fixed charges. The question is more likely to be whether we can get the cost of handling.

A railroad can do some business as incidental to its train service at very low rates. The policy has been invariably to take all freights which would contribute towards our net revenue, but in the present state of freight tariffs in determining the question of what will yield net money it is necessary to be assured that no contribution will be subsequently required for rebate. In the present state of transportation business, it is well nigh impossible for a terminal road to say what the rebate vouchers will be. I have undertaken to bring about twenty thousand tons of steel rails from Fishkill into New England this winter at rates which will pay us but little more than half a cent a ton a mile; upon these there

will be neither rebate nor expense of loading nor unloading; but general freight which must be housed or handled, if brought at this rate, would not I think repay the cost.

This Company's printed reports of freight expenses per ton per mile for the last five years, have been as follows: —

For the year ending Sept. 30,			1884 . . .	$.01254
"	"	"	1883 . . .	.01265
"	"	"	1882 . . .	.01372
"	"	"	1881 . . .	.0155
"	"	"	1880 . . .	.0192

As these figures include a proportion of the general expenses which are fixed, they are larger than the movement expense of additional tonnage, and should not determine, although they may properly influence, a decision as to the price at which an increased tonnage can be carried without loss.

There is, however, one consideration which modifies all I have said on the subject of through business. Our road must be supported mainly by the communities served by it, and the growth of these communities should be an object of our deepest solicitude. It is certainly possible to operate the road so as to wring from it for a time a larger revenue, but at the expense of its permanent interest. Wherever an individual or a community is dependent upon our road for supplies, either of food or material for manufacturing, he has been put on an equality with his competitors in the same business upon other roads. And there is a propriety in doing this regardless of the question of profit derived from transportation of these materials or supplies. To do otherwise is to encourage emigration from the line of our road to those of our competitors; to discourage manufacturers from enlarging or rebuilding their mills, and to warn capital from engaging in enterprises on the line of our property.

What passes over our terminal docks on its way to Europe contributes to our prosperity only by the net earn-

ings derived from its transportation, but the material left for our local manufacturers, and the food for their operatives, benefit us subsequently by enabling these communities to contribute to our prosperity. And so while the unprofitable competitive and export traffic has been discontinued, every local station has enjoyed the benefits of through rates, low though they are. Further than this every station of the road has remained open upon equitable and agreed on terms and in both directions to the local business of the Erie Railroad.

COAL TRAFFIC.

Great anticipations have been entertained of the profit to be derived from the transportation of coal direct from the mines, made possible by the extension of your road to the Hudson River. These anticipations have not yet been realized, but a full development of this traffic cannot be accomplished in a single year, or in two, or three. Every important point upon the line of our road had received coal by routes existing before its completion, and it was not to be expected that the old routes would yield the business to a new comer without a struggle. The efforts of the management from the opening of the road were directed towards getting a portion of this traffic, and vigorous competition was instituted at junction and common points. Indeed your road was made to compete with itself by bringing coal all rail from the Hudson River to its local points where it controlled the entire tonnage, and could have secured more profitable rates from its water connections without increased cost to its customers. My efforts were early directed to the establishment of a uniform price from the river to all points as far East as Hartford, that being the territory in which we can most profitably compete. This was impossible without losing tonnage at junction points unless by arrangement with our competitors. But it has been effected and the price charged is now uniform over the district named to all points whether local or competitive, by which we shall gain both in revenue and in tonnage.

We are however unable to bring coal at this rate for use in the city of Hartford because the Connecticut River is navigable to that point and furnishes an avenue for cheap water transportation. Coal freights to that city have therefore been fixed at a figure which perhaps pays a trifle more than cost, but adds little to the net revenue of the road. If the Connecticut Legislature forbids the transportation of the same class of freight for a longer distance for less than is charged for a shorter, we cannot profitably bring coal to Hartford itself. Its inhabitants, however, will then lose the advantages they derive from the competition of railroads with the Connecticut River water rates. But they will be obliged to pay more for their coal, especially in the winter, as was the case before our road was extended to the Hudson.

The territory east of Hartford is affected by different considerations from those already mentioned. Before our extension to the river and before the construction of the Connecticut Western Railroad, from Hartford to Rhinebeck, this territory was supplied by water and rail via New Haven, and later by water and rail via Saybrook. These two latter routes are now managed in the same interest.

It is manifestly unjust to give either of these connections a lower rate than another, but it has been better for us to take coal from either one of them loaded on cars and haul it to our local points than to join in their competition by hauling the coal from Fishkill to Hartford at cost or less.

To the district covered by our various roads east of Bolton the rate on coal from the river has been made such that we can realize a fair profit on its transportation whether it comes all rail, or from our water termini at Boston, Providence or Norwich. At competitive points in this district it has been more profitable to meet the rates of our competitors by our rail and water routes than by all rail; Willimantic, the westernmost of these points, being 125 miles from the Hudson river, and less than forty miles by our line to tide-water at Norwich.

considerable business has been done since the opening of the line by way of our Springfield Division to Holyoke and other points north. With this business I have not yet thought it best to interfere.

So that while the statistics of all rail coal show a falling off in tonnage, we have been doing a more profitable business on what we have done and have been hauling other coal at good rates from tide-water.

This change of policy, in regard to the coal business, has naturally created some dissatisfaction with parties interested in the sale of all rail coal upon the line of our road. It does not give them a practically exclusive market; but they decline to sell coal to go on the line of our road at less prices than they can get for it in other markets, and cannot fairly complain that we take coal from other sources because we get more profit by so doing. In other words, admitting, as we must, their right to market their coal where it pays them best, we claim the same right in selling our transportation.

CONCLUSION.

The result of the year's business is unsatisfactory; but the figures under consideration which record the transactions of the whole year from Oct. 1st, 1883, to the same date in 1884, are more discouraging than the situation warrants. Practically three months of it had elapsed before your last Annual Meeting, and substantially half the year had passed before changes of policy could produce much effect. The year has been one of general depression, and our local business has not quite held its own instead of showing an increase as I am sure it would otherwise have done. It has been already stated that this year's gross freight earnings have been diminished by more than fifty thousand dollars of rebates properly chargeable to the preceeding one. The expenses of operation, although materially reduced, include the cost of repairs which do not properly belong to the year's work. The double track was not opened to Willimantic until June, and the resultant economies were enjoyed only for the last three months of the year.

But for this general depression, which still continues, — and the duration of it will exercise a very important influence upon the future of your property, — I should anticipate a very large improvement in the net results of the year upon which we have entered. In any probable case they must be decidedly better than the last. The problem is to earn an average nett revenue of one hundred thousand dollars a month; evidently we need all the paying business we can get, and we cannot afford to work at a loss. I am certain that we are pursuing the right course; that the interest of your property is not being subordinated to any other — external or internal. I am also sure that it will not be subordinated to any other while I continue to occupy the responsible position in regard to it, let my official title be what it may. I have not thought it necessary to reply to anonymous criticisms which have recently appeared. So far as they contain insinuations against my motives, these articles are not true; so far as they criticise my policy you will decide after knowing the facts whether it is one calculated to protect your interest or not. It must be a question of judgment until the verdict of time is rendered. Everything in my power, has been, is being, and will be done to promote the prosperity of your property in every respect. But to insure it does not depend upon me alone. The good will of the managers of our connections; fair treatment by our competitors; the co-operation of the public not simply of Boston but of all the points reached by our Lines; the active agency of our stockholders and of our bondholders in influencing business for our trains; the forbearance of our creditors, — to be expected only as long as an honest effort is being made to pay every debt according to its priority, — all these are needed to extricate the New York and New England Railroad Company from its embarrassment.

Respectfully submitted,

CHARLES P. CLARK.

Boston, 26 Nov., 1884.

APPENDIX.

STATEMENT OF EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1884, AS REPORTED FROM MONTH TO MONTH.

	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1883	$365,877 84	$260,455 51	$105,422 33
November, "	310,092 25	267,908 70	42,183 55
December, "	259,053 03	254,902 18	4,150 85
January, 1884	246,765 28	225,141 50	21,623 78
February, "	252,513 46	213,159 43	39,354 04
March, "	259,481 61	207,456 60	52,025 01
April, "	275,507 37	214,124 39	61,382 98
May, "	273,702 02	222,067 00	51,635 02
June, "	283,530 46	215,363 81	68,166 65
July, "	276,217 18	221,125 97	55,091 21
August, "	300,794 16	211,169 12	89,625 04
September, "	281,638 11	208,622 38	73,015 73
	$3,385,172 77	$2,721,496 58	$663,676 19

STATEMENT OF EARNINGS AND OPERATING EXPENSES, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1884, AS SHOWN BY THE BOOKS.

	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1883	$365,877 84	$260,455 51	$105,422 33
November, "	310,092 25	267,908 70	42,183 55
December, "	215,421 60	330,601 75	*115,180 15
January, 1884	243,046 59	226,117 49	16,929 10
Febuary, "	252,603 27	212,354 77	40,248 50
March, "	259,471 61	207,456 60	52,015 01
April, "	275,507 37	214,124 39	61,382 98
May, "	273,702 02	222,067 00	51,635 02
June, "	283,530 46	215,363 81	68,166 65
July, "	276,217 18	221,125 97	55,091 21
August, "	300,794 16	211,169 12	89,625 04
September, "	281,638 11	208,622 38	73,015 73
Total	$3,337,902 46	$2,797,367 49	$540,534 97

* The difference between the above tables is mainly in the figures for the month of December, 1883. The excess of operating expenses over earnings in December is occasioned by the auditing of liabilities of the New York and New England Railroad Company arising from causes prior to the appointment of the Receiver. The accounts for the months of October and November, 1883, having been closed, the charges against earnings and expenses were necessarily made in that month.

The slight variations in the figures given for other months arise from settlements made after the monthly statements were issued.

DR. CONDENSED GENERAL BALANCE SHEET,

PERMANENT INVESTMENTS.			
To Railroad, Equipment and Property as represented by Boston, Hartford, and Erie Railroad "Berdell" bonds.....		$20,000,000 00	
" Expenditures for underlying Liens, equipment, and improvement of property, including terminal facilities.....			
Underlying Liens (including payments to obtain possession of H. P. & F. R.R.), ...	$4,482,653 89		
Construction and improvement of property	5,596,603 01	10,079,256 90	
" Equipment purchased through and still belonging to car trusts		1,471,000 24	
" Extension of road west of Waterbury..		2,689,217 71	
" Purchase of South Boston Flats.....		1,549,390 00	
" Purchase of Drake's Wharf.....		131,000 00	
" Purchase of Piper Wharf		260,000 00	
" Transfer Steamer Wm. T. Hart, at Newburgh, cost	$177,194 33		
Less estimated depreciation...	24,281 62	152,912 71	
Total cost of Road and Equipment..		36,332,777 56	
" Investment in Connecticut Central R.R. Co., principally Bonds and Stock of that Company.....		290,377 69	
" Stock of New England Transfer Co.....		40,900 00	
Total permanent investments			$36,664,055 25
ACCOUNTS IN THE NATURE OF ASSETS.			
" Due from agents and conductors.....		132,978 55	
" Due from companies and individuals ...		238,712 92	
" Debit balances.....		7,248 83	
" Cash.....		79,061 21	
		458,001 51	
" Capital Stock formerly held by the Commonwealth of Massachusetts, in hands Trustee, pledged for indemnity of reties on bonds, to dissolve attachments on property of the Company, 920 shares at $50.....		46,000 00	
" Supplies and materials on hand.		314,706 77	818,708 28
" PROFIT AND LOSS.....			499,874 18
			$37,982,637 71

SEPTEMBER 30, 1884. CR.

CAPITAL STOCK.			
By Amount for which certificates have been actually issued		$18,120,000 00	
Boston Hartford & Erie R. R., "Berdell Bonds," convertible into stock.		1,880,000 00	$20,000,000 00
BONDED DEBT.			
First mortgage 7 per cent bonds	$6,000,000 00		
First mortgage 6 per cent bonds	4,000,000 00	10,000,000 00	
Second mortgage 6 per cent bonds		2,833,000 00	
			12,833,000 00
FUNDED INDEBTEDNESS.			
Incurred for purchase of property secured by property purchased.			
Real Estate:			
Mortgage Note, Drake's Wharf	$125,000 00		
Balance due on purchase of Piper Wharf	235,000 00		
Boston & Albany R.R. note (50 acre lot, South Boston Flats)	300,000 00		
Balance due State of Mass. (56, 25, and 12 acre lots, South Boston Flats)	986,532 00	1,646,532 00	
Equipment:			
New England Car Trust (principal),	1,241,000 00		
E. W. Clark & Co. Car Trust (principal),	80,785 88	1,321,785 88	
			2,968,317 88
UNFUNDED DEBT.			
Coupons overdue, not yet presented		565 00	
Overdue interest:			
On First mortgage bonds, due July 1, 1884	$330,000 00		
On Second mortgage bonds due August 1, 1884	84,990 00	414,990 00	
Accrued interest:			
On First mortgage bonds, July 1 to Sept. 30, 1884	$165,000 00		
On Second mortgage bonds, Aug. 1, to Sept. 30, 1884	28,330 00		
	$193,330 00		
On car trust certificates, April 1 to Sept. 30, 1884.	37,230 00		
On funded indebtedness incurred for purchase of real estate	17,781 98	248,341 98	
Notes payable		385,367 65	
Unpaid vouchers		622,896 79	
Pay roll, mainly for September		136,723 98	
Due sundry companies on traffic balances and other accounts		372,434 43	
			2,181,319 83
			$37,982,637 71

DR. PROFIT AND LOSS ACCOUNT.

To Operating Expenses		$2,797,367 49
" Insurance		19,242 15
" Rent of other roads		88,903 14
" Taxes		125,016 40
" Interest:—		
First Mortgage bonds, Oct. 1, 1883, to Sept. 30, 1884	$660,000 00	
Second Mortgage bonds, Oct. 1, 1883, to Sept. 30, 1884	174,500 00	
	$834,500 00	
On car trust certificates	82,108 54	
On funded indebtedness incurred for purchase of real estate	81,773 26	
On floating debt	10,113 91	
		1,008,495 71
		$4,039,024 89

SUMMARY OF SUBURBAN BUSINESS BETWEEN BOSTON AND DORCHESTER,

	1884.		1883.	
	No. of Passengers.	Revenue.	No. of Passengers.	Revenue.
October	92,545	$4,627.25	83,115	$4,155.75
November	91,480	4,574.00	85,910	4,295.50
December	95,125	4,756.25	88,035	4,401.75
January	86,932	5,102.19	94,270	4,713.50
February	74,304	4,644.00	84,580	4,229.00
March	82,944	5,184.00	96,190	4,809.50
April	77,504	4,844.00	90,210	4,510.50
May	80,480	5,030.00	88,805	4,440.25
June	65,216	4,076.00	70,085	3,504.25
July	61,376	3,836.00	64,065	3,203.25
August	59,232	3,702.00	63,245	3,162.25
September	67,600	4,225.00	73,930	3,696.50
Total	934,738	$54,600.69	982,440	$49,122.00

On January 9th, 1884, the rate of fare was changed, sixteen tickets being sold for one dollar, instead of twenty, as in the year 1883.

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By Balance per last year's report		$ 169,402 58
" Gross traffic earnings		3,337,902 46
" Income from other sources :—		
Hudson River Transfer	$22,643 17	
Boston Grain Elevator	937 34	
Received on notes of A. & W. Sprague Co.	550 00	
Sundry credits on account of decrease of Liabilities	7,715 16	
		31,845 67
" Balance (deficit) September 30, 1884 . .		499,874 18
		$4,039,024 89

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1884, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

EARNINGS.

Apportionment.	Passenger.	Freight.	Mail.	Express.	Miscellaneous.	Total Earnings.
Passenger Earnings...	$1,095,530.38	.....	$45,627.18	$99,270.41	$46,752.23	$1,287,180.20
Freight Earnings	.....	$1,955,685.83	.....	.....	95,036.43	2,050,722.26
	$1,095,530.38	$1,955,685.83	$45,627.18	$99,270.41	$141,788.16	$3,337,902.46

OPERATING EXPENSES.

Apportionment.	Transp'n Department.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expenses.	Total.
Passenger Expense ...	$319,777.24	$176.285.14	$427,762.82	$96,303.11	$41,022.85	$1,061,151.16
Freight Expense.....	657,697.94	277,940.94	597,402.11	137,811.13	65,364.21	1,736,216.33
Total.....	$977,475.18	$454,226.08	$1,025,164.93	$234,114.24	$106,387.06	$2,797,367.49

Gross Passenger Earnings	$1,287,180.20	
Gross Passenger Expenses	1,061,151.16	
Net Passenger Earnings		$226,029.04
Gross Freight Earnings	$2,050,722.26	
Gross Freight Expenses	1,736,216.33	
Net Freight Earnings		314,505.93
Total Net Earnings		$540,534.97

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1884.

EARNINGS.			
Passenger		1,095,530 38	
Freight		1,955,685 83	
Mail		45,627 18	
Express		99,270 41	
Miscellaneous		141,788 66	
			3,337,902 46
OPERATING EXPENSES.			
Conducting Transportation–Pass.			
General Passenger Ag't & Clerks.	$ 9,547 42		
Superintendence	4,800 65		
Clerks	6,797 58		
Stationery and Printing	8,502 02		
Foreign Agencies	845 35		
Advertising	13,100 38		
Rent of Depot Grounds & Bdgs,	22,270 35		
Repairs of Stations	9,368 63		
Oil and Waste for Cars	5,038 37		
Conductors, Bagg'men & Brakemen	68,619 29		
Mail Expense	1,320 21		
Train Expense	3,560 88		
Fuel and Light for Cars	9,428 87		
Hire of Cars	13,655 95		
Telegraph Expense	16,781 31		
Loss and Damage to Baggage	5 00		
Loss and Damage to Property	4,708 14		
Personal Injuries	8,738 73		
Station Agents	31,147 79		
Switchmen and Yardmen	24,973 52		
Cleaning and Inspecting Cars	24,015 82		
Labor at Stations	15,890 15		
Expense of Stations	5,472 75		
Fuel and Lights for Stations	9,930 53		
Wrecking	864 42		
Stock Killed	132 50		
Watchmen	54 49		
Signals	1,424 65		
Repairs, Wharves and Docks	781 49		
		319,777 24	
Conducting Transportation–Fr't			
General Freight Agent & Clerks,	24,034 86		
Superintendence	7,399 27		
Clerks	76,800 38		
Stationery and Printing	11,361 90		
Foreign Agencies	13,738 33		
Advertising	42 92		
Rent of Depot Grounds & Bldgs,	3,568 27		
Repairs of Stations	9,034 71		
Oil and Waste for Cars	2,625 76		
Amounts carried forward	$148,606 40	$319,777 24	3,337,902 46

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward . .	$148,606 40	$319,777 24	$3,337,902 46
Conductors and Brakemen . . .	117,428 04		
Train Expense	9,831 35		
Fuel and Light for Cars	2,202 60		
Hire of Cars	10,548 60		
Telegraph Expense	31,548 76		
Loss and Damage to Freight . .	19,692 12		
Loss and Damage to Property .	3,452 88		
Personal Injuries	19,791 95		
Station Agents	41,032 88		
Switchmen and Yardmen . . .	89,477 78		
Oiling and Inspecting Cars . .	10,476 04		
Labor at Stations	102,167 08		
Expense of Stations	17,440 70		
Fuel and Lights for Stations . .	6,377 22		
Wrecking	2,493 78		
Watchmen	7,476 45		
Stock Killed	135 00		
Wharves and Docks, Repairs of	6,319 66		
" " Expenses of .	8,492 88		
Signals	2,705 77	657,697 94	
Maintenance of Way.			
Superintendence	8,216 62		
Clerks	2,547 60		
Ballasting and Surfacing . . .	8,793 55		
Labor repairing Track	205,543 63		
Frogs	4,520 06		
Switches	8,855 10		
Spikes	6,400 45		
Splices and Bolts	7,744 09		
Repairs, Hand Cars	1,387 89		
Tools, and Repairs of	7,596 21		
Watchmen	10,596 75		
Railroad Crossings	2,251 37		
Oil, Fluid and Tallow	762 49		
Steel Rails	23,783 00		
Iron Rails	1,632 66		
Cross Ties	67,479 49		
Switch Ties	5,774 90		
Repairs of Bridges — Labor . .	28,142 95		
Repairs of Bridges — Material .	16,442 84		
Culverts and Cattle Guards . .	5,521 94		
Highway Crossings and Fences .	15,303 87		
Telegraph Repairs	667 53		
Section and Watch Houses . . .	1,325 75		
Stationery and Printing	259 85		
Repairs of Tenement Buildings	1,328 02		
Removing Snow and Ice	11,347 38		
		454,226 08	
Motive Power.			
Superintendence	6,460 33		
Clerks	6,999 23		
Stationery and Printing	574 42		
Reps. to Eng. H'ses & Mac. Sh'ps.	8,600 37		
Amounts carried forward.	$22,634 35	$1,431,701 26	$3,337,902 46

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward.	$22,634 35	$1,431,701 26	$3,337,902 46
Repairs to Pass. Locomotives,	154,815 36		
Repairs to Freight "	103,947 20		
Repairs to Switch "	32,895 66		
Repairs to Work "	1,566 03		
Coal for Passenger Locomotives,	128,177 33		
Coal for Freight "	228,314 23		
Coal for Switch "	51,793 94		
Coal for Work "	5,126 79		
Coal for Pay "	742 00		
Wood for Passenger, "	442 80		
Wood for Freight "	674 12		
Wood for Switch "	172 91		
Wood for Work "	14 39		
Wood for Pay "	5 95		
Oil & Waste for Pass. "	6,420 29		
Oil & Waste for Freight "	7,834 18		
Oil & Waste for Switch "	2,266 10		
Oil & Waste for Work "	248 16		
Oil & Waste for Pay "	34 80		
Cleaning Passenger "	7,392 17		
Cleaning Freight "	7,310 55		
Cleaning Switch "	3,136 16		
Cleaning Work "	303 25		
Cleaning Pay "	29 84		
Repairs of Tools and Machinery	15,573 10		
Fuel & Lights for E. H. & M. S.	9,039 15		
Water Station Expense . . .	15,874 33		
Pumping	7,948 88		
Passenger Engineers and Firemen	63,444 42		
Freight " "	82,021 97		
Switch " "	36,401 72		
Work " "	3,143 84		
Pay Trip " "	409 39		
Sand for Engines	2,755 37		
Watchmen	6,593 95		
Fuel Stations—Fixtures and Rep	1,782 20		
Rent of Engines	Cr. 152 80		
Laborers	14,032 85	1,025,164 93	
Maintenance of Cars.			
Superintendence	3,882 12		
Clerks	3,696 92		
Stationery and Printing	171 54		
Repairs, Car Shops and Sheds .	1,017 18		
Repairs to Pass. & Baggage Cars	90,599 22		
Repairs to Sleeping Cars . . .	619 08		
Repairs to Freight Cars	111,149 43		
Repairs to Gravel Cars	2,337 51		
Repairs to Pay Car	93 68		
Fuel and Lights for Car Shops .	5,007 81		
Repairs, Tools and Machinery .	5,736 18		
Watchmen	770 45		
Laborers	9,033 12	234,114 24	
Amounts carried forward.		2,690,980 43	3,337,902 46

STATEMENT OF EARNINGS AND EXPENDTIURE.—*Continued.*

Amounts brought forward.		$2,690,980 43	$3,337,902 46
General Expenses			
Salaries and Exp. of Gen'l Officers	$35,318 57		
Clerks at Gen'l Offices	17,418 44		
Attendants at Gen'l Offices	2,026 70		
Legal Expenses	36,099 12		
Stationery and Printing	5,288 78		
Expenses at General Offices	1,986 55		
Rent of General Offices	400 00		
Fuel and Light for General Offices	1,379 53		
Repairs of General Offices	703 16		
Pay Trip Expenses,	805 14		
Postage	2,328 17		
Detective Service	1,916 96		
Discount and Interest	89 93		
Advertising	626 01	106,387 06	2,797,367 49
Earnings after deducting Operating Expenses			540,534 97
Income from Other Sources			31,845 67
Total Income from all Sources			572,380 64
Taxes		125,016 40	
Insurance		19,242 15	
Interest on Funded Indebtedness incurred for Purchase of Real Estate Secured by Estate Purchased. (Boston Terminal Lands)		81,773 26	
Interest on Car Trust Certificates		82,108 54	
Interest on Floating Debt,		10,113 91	
Rent of Other Roads,		88,903 14	407,157 40
Available Net Earnings			165,223 24
Interest on First Mortgage Bonds one year to Sept. 30, 1884		660,000 00	
Interest on Second Mortgage Bonds one year to Sept. 30, 1884		174,500 00	834,500 00
Deficiency for the year			669,276 76

COMPARISON WITH PREVIOUS YEARS OF EARNINGS, EXPENSES, AND BUSINESS.

	Year Ending Sept. 30, 1884.	Year Ending Sept. 30, 1883.	Year Ending Sept. 30, 1882.
Miles of road Operated (average for the year)	382.32	384.37	380.12
Gross Earnings, per mile of road	$8,730.65	$9,284.42	$8,599.43
Operating Expenses, per mile of road	7,316.82	7,840.40	6,207.56
Net Earnings, per mile of road	1,413.83	1,444.02	2,391.87
Percentage of Operating Expenses to Gross Earnings	83.81	84.57	72.25
Revenue Train miles run	2,350,058	2,557,012	2,223,912
Gross Earnings, per revenue train mile	$ 1.420	$ 1.395	$ 1.470
Operating Expenses, per revenue train mile	1.190	1.178	1.061
Net Earnings, per revenue train mile,	.230	.217	.409
Expenses of Transportation, per mile of road	$ 2,556.69	$ 2,762.04	$ 2,206.73
Expenses of Transportation, per revenue train mile	.416	.415	.377
Maintenance of Way, per mile of road	$ 1,188 08	$1,264.85	$1,121.29
Maintenance of Way, per revenue train mile	.193	.190	.191
Motive power, per mile of road	$ 2,681.43	$2,890.33	$ 2,162.96
Motive Power, per revenue train mile	.436	.434	.37
Maintenance of Cars, per car for passenger cars, all kinds	$ 504.20	$ 545.46	$ 401.51
Maintenance of Cars, per car for freight cars, all kinds	$ 36.55	$ 42.17	$ 34.05
Maintenance of Cars, per mile of road	$ 612.35	$ 674.97	$ 488.23
Maintenance of Cars, per revenue train mile	.10	.101	.084
General Expenses, per mile of road	$ 278.27	$ 248.22	$ 228.35
General Expenses, per revenue train mile	.045	.037	.039
Passenger Earnings, per mile of road,	$ 3,366.76	$ 3,443.31	$ 3,549.97
Passenger Expenses, per mile of road,	$ 2,775.56	$ 2,794.46	$ 2,464.52
Net Passenger Earnings, per mile of road	$ 591.20	$ 648.85	$ 1,085.45
Percentage of Passenger Expenses to Passenger Earnings	82.44	81.16	69.56
Revenue Passenger Train miles run	1,218,675	1,277,075	1,297,838
Passenger Earnings, per revenue passenger train mile	$ 1.06	$ 1.03	$1.04
Passenger Expenses, per revenue passenger train mile	.87	.84	.72
Net Passenger Earnings, per revenue passenger train mile	.19	.19	.32
Number of Passenger carried	4,368,090	4,470,331	4,536,082
Number of Passengers carried one mile	54,299,316	53,815,074	55,853.672
Earnings per Passenger	$ .251	$ .249	$ .257
Earnings per Passenger, including mail, express, etc	.295	.296	.297
Earnings per Passenger, per mile	.0202	.0207	.0209
Earnings per Passenger, per mile, including mail, express, etc	.0237	.0246	.0241
Expenses per Passenger	.243	.240	.207
Expenses per Passenger, per mile	.0195	.0199	.0168
Average Distance Travelled per Passenger, miles	12.43	12.03	12.32
Freight Earnings, per mile of road	$5,363.89	$5,841.11	$5,049.45

COMPARISON, ETC.

	Year Ending Sept. 30, 1884.	Year Ending Sept. 30, 1883.	Year Ending Sept. 30, 1882.
Freight Expenses, per mile of road	$ 4,541.26	$ 5,045.94	$ 3,743.04
Net Freight Earnings, per mile of road	822.63	795.17	1,306.41
Percentage Freight Expenses to Frg't Earnings	84.67	86.39	74.12
Revenue Freight Train miles run	1,131,383	1,279,937	926,074
Freight Earnings, per revenue freight train mile	$ 1.813	$ 1.754	$ 2.072
Freight Expenses, per revenue freight train mile	1.535	1.515	1.536
Net Freight Earnings, per revenue freight train mile	.278	.239	.536
Number of Tons of Freight carried	1,786,531	1,801,360	1,522.374
Number of Tons of Freight carried one mile	138,534,292	153,213,010	103,668,653
Earnings per ton	$ 1.09	$ 1.17	$ 1.21
Earnings per ton, per mile	.01412	.01380	.01772
Earnings per ton, including miscellaneous	1.15	1,246	1.260
Earnings per ton, per mile, including miscellaneous	.01480	.01485	.01851
Expenses per ton	.97	1.076	.935
Expenses per ton, per mile	.01254	.01265	.01372
Average distance each ton carried, miles	77.543	85.054	68.097
Number of Locomotives in service	141	145	117
Mileage of Passenger Locomotives	1,216,547	1,274,178	1,335,249
Expense, per mile, of passenger locomotives	$ .2925	$ .2610	$ .2477
Mileage of Freight Locomotives	1,169,087	1,354.856	1,071,724
Expense, per mile, of freight locomotives	$ .3620	$ .3887	$ .3405
Total Mileage of all kinds of locomotives	3,205,341	3,516,041	2,971,954
Average Expense, per mile, of all locomotives	$ .2740	$ .3159	.2766
Number of Local Passengers	3,764,400	3,677,217	3,472,290
Number of Through Passengers	603,690	793,114	1,063,792

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNT DURING THE FISCAL YEAR ENDING SEPTEMBER 30, 1884.

ACCOUNTS.			Amount.
NEW BUILDINGS,—			
Additions and Improvements to Machine and Car Shops	$ 83 50		
Engine Houses and Turn Tables	3,848 96		
Water Stations,—			
East Hartford	$ 235 00		
Willimantic	1,878 68		
Vernon	1,609 29		
Hyde Park	307 54		
Putnam	7,071 10		
Fishkill-on-Hudson	754 05		
Blackstone	2,379 72		
Other Points	2,097 53	16,332 91	
Coaling Stations,—			
Putnam	$ 1,062 37		
Millville	514 08	1,576 45	
Passenger Stations,—			
Willimantic	$ 2,892 73		
Walpole	19 38		
Fishkill-on-Hudson	195 00		
Medfield Junction	40 67		
Medway	3,066 88		
Springfield	132 00		
Forest Avenue	215 99	6,562 65	
Renewals and Improvements to Stations,—			
Bristol		76 75	
COAL TRESTLES,—			
Bristol	$ 153 20		
Danbury	68 42		
Other Points	134 58	356 20	
Miscellaneous Buildings and Structures		7,482 25	$36,319 67
NEW SIDINGS			63,646 29
SAFETY GATES AND STOP SIGNALS			710 09
ELECRIC BLOCK SIGNALS			7,416 70
STEEL RAILS,—Difference in weight between Steel Rails laid and Steel and Iron Rails taken up			3,999 08
NEW TOOLS, MACHINERY			1,281 77
FILLING, GRADING AND IMPROVEMENTS AT FISHKILL-ON-HUDSON			70 70
BRIDGES,—Difference in cost of Iron replacing Wood at various points			20,189 23
INTERLOCKING SIGNALS			4,052 80
MISCELLANEOUS IMPROVEMENTS			5,722 58
EQUIPMENT, — Representing expenditures on account of Car Trust Equipment and Equipment owned by the New York and New England Railroad Company,			
Locomotives	$10,510 47		
Passenger, Baggage and Express Cars	838 30		
Freight Cars	10,592 85		
Derrick and Work Cars	966 12		22,907 74
RIGHT OF WAY		2,201 10	
REAL ESTATE,—			
Land sold to the Russell & Erwin Manf. Co. at New Britain	*Cr.* $1,500 00		
Less land purchased at Thompson	75 00	*Cr.* 1,425 00	776 10	$167,092.75

NEW CONSTRUCTION AND EQUIPMENT—*Continued.*

ACCOUNTS.			Amount.
Amount brought forward			$167,092 75
EXTENSION OF DOUBLE TRACK,—			
Engineering		13,057 68	
Grading		223,129 63	
Bridging		91,243 98	
Cross and Switch Ties		60,109 92	
Steel Rails and Fastenings		124,821 08	
Track Laying and Surfacing		79,199 63	
Miscellaneous		39,111 73	
			630,673 65
IMPROVEMENT SO. BOSTON FLATS,—			
Fifty Acre Lot,—			
Buildings	*Cr.* 9,823 12		
Piers,—			
Material $352 42			
Dredging and Filling 1,380 86			
Labor 147 09	1,880 37		
New Sidings	465 50		
Miscellaneous	1,747 03		
		Cr. 5,730 22	
Twenty-five Acre Lot,—			
Buildings	113 58		
Miscellaneous	1,766 99		
		1,880 57	
Twelve Acre Lot,—			
Miscellaneous		4,300 77	
			451 12
HARTFORD, PROVIDENCE & FISHKILL R. R.—			
Payments to obtain possession			771 01
HIGHLAND LAKE GROVE,—			
Additions to Improvements			2,812 50
			801,801 03
Less Credit on account of Extension West of Waterbury			*Cr.* 232 04
Net charge to Property Acct. for year			801,568 99
Add the following Amounts chargeable to Property Account:—			
CAR TRUST EQUIPMENT, representing completed delivery of Cars and Engines:			
Series A: 40 Locomotives, 39 Caboose Cars, 6 Baggage and Express Cars, 850 Freight Cars	886,000 00		
Series B: 10 Locomotives, 18 Coaches, 370 Freight Cars	355,000 00		
	1,241,000 00		
E. W. Clark & Co., 250 Gondola Cars	80,785 88		
[This equipment belongs to the Car Trust, and only passes to the Company on payment of indebtedness shown on the condensed General Balance Sheet.]		1,321,785 88	
PIPER WHARF,—			
Balance due on purchase of Piper Wharf, not formerly included as a Property Account (This indebtedness appears in the liabilities on the Condensed General Balance Sheet)		235,000 00	
Amounts included as Cash Assets in previous years, now classified as property accounts.			
Connecticut Central R. R.	6,735 32		
Steamer Wm. T. Hart	152,912 71	159,648 03	1,716,132 91
Total charges to property account			$2,518,002 90

PASSENGER STATISTICS.

EARNINGS AND COST PER PASSENGER PER MILE.

	1884. Cents.	1883. Cents.	Decrease. Cents.	Per Cent.
Local	.0219	.0229	.0010	.0437
Foreign	.0210	.0214	.0004	.0187
Average earnings	.0200	.0206	.0006	.0291
Average Cost	.0195	.0199	.0004	.0201
Net	.0005	.0007	.0002	.2857

AVERAGE TRIP PER PASSENGER.

	1884. Miles.	1883. Miles.	Increase. Miles.	Per Cent.
Local Passengers	10.75	10.71	.04	.0037
Foreign	22.89	18.18	4.71	.2591
Average	12.43	12.03	.40	.0333
Aver. no. of Pass. per car	12.4	11.8	.6	.0508
" " " " " tr'n	44	42	2.	.0477

NUMBER OF PASSENGERS CARRIED, REVENUE, ETC.

Passengers.

	1884.	1883.	Increase or Decrease.	Per Cent.
Local	3,764,400	3,677,217	In. 87,183	.0237
Foreign	603,690	793,114	Dec. 189,424	2388
Total	4,368,090	4,470,331	Dec. 102,241	.0229

Passenger Mileage.

	1884.	1883.	Increase or Decrease.	Per Cent.
Local	40,477,233	39,393,758	In. 1,083,475	.0275
Foreign	13,822,083	14, 421,316	Dec. 599,233	.0416
Total	54,299,316	53,815,074	In. 484,242	In. .0089

Revenue.

	1884.	1883.	Decrease.	Per Cent,
Local	799,524.47	800,288.23	763.76	.0009
Foreign	290,962.91	308,944.70	17,981.79	.0582
Total.	1,090,487.38	1,109,232.93	18,745 55	Dec. .0169

FREIGHT STATISTICS.

Account of	TONNAGE.				Per Cent.	
	1884.	1883.	Inc.	Decrease.	Inc.	Dec.
Local	947,578	924,051	23,527		.0255	
Through	838,754	877,309		38,555		.0439
Total	1,786,332	1,801,360		15,028		.0083

TONS CARRIED ONE MILE.

Local	36,740,690	37,171,607		430,917		.0116
Through	101,793,602	116,041,403		14,247,801		.1228
Total	138,534,292	153,213,010		14,678,718		.0958

REVENUE.

Local	$1,135,007.91	$1,148,840.47		13,832.56		.0120
Through	820,677.92	965,684.01		145,006.09		.1501
Total	1,955,685.83	2,114,524.48		158,838.85		.0751

EARNINGS AND COST PER TON PER MILE.

Account of					Per Cent.	
	1884.	1883.	Inc.	Decrease.	Inc.	Dec.
	Cents.	Cents.				
Local	3.089	3.090		.0001		.0003
Through	.806	.832		.0026		.0312
Average earnings	1.411	1.380	.0031		.0224	
Average Cost	1.254	1.266		.0012		.0095
Net	0.157	0.114	.0043		.3772	

RECAPITULATION OF GROSS EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1884.

Gross Earnings.

Month.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellaneous Earnings.	Gross Earnings.
October, 1883	$114,441.59	$230,272.73	$3,777.22	$8,854.23	$8,532.07	$365,877.84
November, "	89,286.52	199,222.11	3,777.22	7,468.31	10,338.09	310,092.25
December, "	84,360.64	114,692.12	3,758.54	7,474.97	5,225.33	215,421.60
January, 1884	73,957.63	149,745.87	3,777.22	6,869.50	8,696.37	243,046.59
February, "	70,251.52	149,017.47	3,777.22	6,286.36	23,270.70	252,603.27
March, "	83,857.68	153,004.15	3,777.22	6,955.27	11,877.29	259,471.61
April, "	88,727.64	165,997.00	3,777.22	6,995.27	10,010.24	275,507.37
May, "	90,776.02	162,711.79	3,777.22	7,904.97	8,532.02	273,702.02
June, "	93,945.58	150,680.64	3,777.22	15,850.76	19,276.26	283,530.46
July, "	101,783.73	153,655.17	3,774.24	8,593.36	8,410.68	276,217.18
August, "	106,380.73	171,783.39	3,777.22	7,930.17	10,922.65	300,794.16
September, "	97,761.10	154,993.39	4,099.42	8,087.24	16,696.96	281,638.11
Total, 1884	$1,095,530.38	$1,955,685.83	$45,627.18	$99,270.41	$141,788.66	$3,337,902.46
Total, 1883	1,112,641.30	2,114,524.48	46,468.01	102,676.80	192,342.88	3,568,653.47
Decrease . .	$17,110.92	$158,838.65	$840.83	$3,406.39	$50,554.22	$230,751.01

Operating Expenses.

Month.	Conducting Transp'tn, Pass'ger.	Conducting Transpt'n, Freight.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expenses.	Total Operating Expenses.
Oct., 1883	$31,581.94	$68,570.56	$31,684.80	$96,684.51	$21,412.15	$10,521.55	$260,455.51
Nov., "	29,250.81	67,428.26	39,019.37	96,637.15	22,964.46	12,608.65	267,908.70
Dec., "	41,414.04	109,782.58	29,210.47	98,439.13	29,108.57	22,646.96	330,601.75
Jan., 1884	24,326.03	54,580.53	23,714.65	93,174.84	23,037.34	7,284.10	226,117.49
Feb., "	23,531.71	46,783.44	31,176.29	82,140.62	23,192.22	5,530.49	212,354.77
March, "	23,191.30	48,150.62	25,113.40	81,319.93	22,123.85	7,557.50	207,456.60
April, "	22,409.74	45,356.47	36,077.87	79,169.35	24,999.93	6,111.03	214,124.39
May, "	23,097.93	46,519.04	45,670.37	83,447.14	17,042.11	6,290.41	222,067.00
June, "	23,968.24	44,637.54	43,506.70	83,459.03	12,948.05	6,844.25	215,363.81
July, "	23,279.33	44,021.81	55,533.26	76,202.26	13,254.32	8,744.99	221,125.97
Aug., "	25,103.44	41,570.38	48,665.52	74,026.49	16,025.66	5,777.63	211,169.12
Sept., "	28,622.73	40,296.71	44,853.38	80,374.48	8,005.58	6,469.50	208,622.38
Total, 1884	$319,777.24	$657,697.94	$454,226.08	$1,025,164.93	$234,114.24	$106,387.06	$2,797,367.49
Total, 1883	349,371.37	712,274.80	486,168.53	1,110,955.40	259,488.22	95,408.07	3,013,616.45
Increase ...	.....	.....	.....	.....	.....	$10,978.99	.....
Decrease...	$29,594.13	$54,576.92	$31,942.45	$85,790.47	$25,323.98	.....	$216,248.96

Norwich & Worcester Lea

Pages 13 to 14

TENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 8, 1885.

BOSTON:
PRINTED BY CASHMAN, KEATING & CO.
603 WASHINGTON STREET.

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DIRECTORS.

ELECTED DECEMBER 9, 1884.

WILLIAM T. HART	BOSTON, MASS.
CHARLES P. CLARK	NEWTON, MASS.
FRANCIS L. HIGGINSON	BOSTON, MASS.
STANTON BLAKE	" "
WILLIAM A. TOWER	" "
EUSTACE C. FITZ	CHELSEA, MASS.
GEORGE M. RICE	WORCESTER, MASS.
JESSE METCALF	PROVIDENCE, R.I.
W. F. SAYLES	PAWTUCKET, R.I.
FREDERICK J. KINGSBURY	WATERBURY, CONN.
GEO. M. LANDERS	NEW BRITAIN, CONN.
GEORGE G. HAVEN	NEW YORK, N.Y.
WILLIAM SEWARD WEBB	" "
CYRUS W. FIELD	" "
RUSSELL SAGE	" "
ROBERT C. MARTIN	" "
CHESTER GRISWOLD	" "
WM. B. DINSMORE	" "
A. J. LEITH	" "

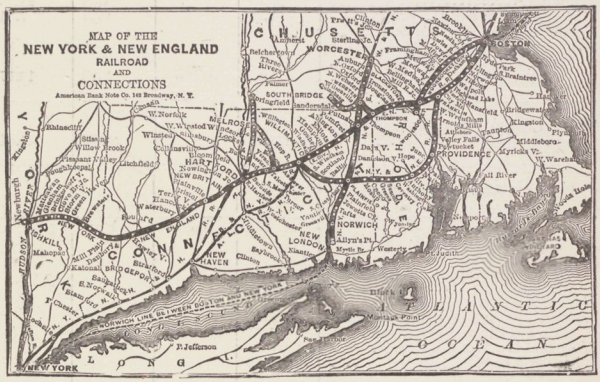
OFFICERS OF THE COMPANY.

WILLIAM T. HART	PRESIDENT.
GEORGE B. PHIPPEN	TREASURER.
JAMES W. PERKINS	SECRETARY.

MAP OF RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE

NEW YORK AND NEW ENGLAND RAILROAD COMPANY.



LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction....	215.04	108.1	86.98	
(Hopewell Junct. to Wicopee owned by N. D. & C. R. R. Company.)				
Wicopee to Newburgh on the Hudson.....	2.50		5.38	
Providence to Willimantic.....	58.50		13.16	
Cook St., Newton, to Woonsocket	28.41		5.66	
East Thompson to Southbridge..	17.37		2.73	
Dedham Junction to Dedham....	1.52		1.76	
Charles River to Ridge Hill.....	1.64		.23	
Dorrance St. Track, Providence..	.82		.03	
Freight Branch, Hartford.....	.67		1.75	
Total owned and operated by this Company.....	326.47	108.1	117.68	552.25

Leased by the Company.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point	66.40		19.17	85.57
R. I. & M. R. R.				
Franklin to Valley Falls.....	13.60		1.37	14.97
Rockville Railroad.				
Vernon to Rockville.....	4.40		0.63	5.03
Connecticut Central R. R.				
East Hartford to State Line of Mass.*.....	20.20		1.56	21.76
Melrose to West St., Rockville..	7.30		0.24	7.54
Springfield & New London R. R..				
State Line of Conn. to junction with Boston & Albany R. R., in Springfield.....	7.27		2.90	10.17
Total Leased Lines operated by the Company	119.17		25.87	145.04
Running Arrangements over:				
Newburgh, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction.....	11.02			
Boston & Albany R. R.				
From Springfield and New London road into Springfield.....	1.31			
New London Northern R. R.				
Norwich to New London.....	13.50			
Total	25.83			
Controlled through Lease.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York.....	125.00			

Making the total number of miles of transportation lines controlled by the Company, 596.47.

TENTH ANNUAL REPORT.

To the Stockholders of the New York and New England Railroad Company.

Since the last annual report was made, your property has remained in the hands of the Receiver appointed by the United States Circuit Court on the 1st of January, 1884.

The result of the operations of the road for the fiscal year ending September 30, 1885, is shown in the tables hereto appended.

It appears that

The operating earnings were		$3,288,946 08
Income from other sources		23,473 04
Total income		3,312,419 12
Operating expenses		2,207,579 10
Total net income		$1,104,840 02
During the year the following charges accrued against the property :—		
Taxes	$82,303 47	
Insurance	11,834 08	
Interest on cost of Boston Terminal Lands	73,891 28	
Interest on Car Trusts	30,545 68	
Other interest	28,768 76	
Rent of other Roads	130,132 16	
Amounts carried forward	$357,475 43	$1,104,840 02

Amounts brought forward	$357,475 43	$1,104,840 02
Boston Grain Elevator expense	1,007 10	
Worthless accounts	488 06	
	358,970 59	
Interest on First Mortgage Bonds, one year, to September 30, 1885	660,000 00	
Interest on Second Mortgage Bonds (issued at different times), to Sept. 30, 1885	199,330 00	
		1,218,300 59
Deficit for the year		$113,460 57

It is true that the charges payable out of income for the year are less than this amount by $44,000, representing coupons funded by the Company in its Second Mortgage Bonds, and if considering only the Receiver's income and disbursements, the deficit should be reduced by this amount, and so be stated at $69,460.57.

The amount charged to "Rent of other roads" includes a payment of $72,675.58 to the Norwich & Worcester Road during the year. This may not be expected as a future charge, the rental of that road having been reduced, as is explained in this Report. A fair statement of the matter is, that your road has substantially earned its fixed charges, although technically it has failed to do so by $113,460.57.

The most important question is whether these net results have been obtained by neglecting repairs and renewals, and thereby lessening the value of the property. Upon this it may be stated that the Railroad Commissioners of the several States, in giving the result of their official examinations of your road, speak very highly of its condition, and it is believed that the increased net out of smaller gross earnings is not the result of any starving of the plant, but because

the volume of traffic which barely pays expenses has been lessened (thereby affecting the ratio of net to gross), and also because the prices of labor and supplies, especially coal, have been low, which has reduced the absolute expense of operating the road.

HISTORY OF THE YEAR.

The attention of your Directors has been mainly devoted to the payment of the debts of the Company, and the restoration of the property to the Company's control. The result of their efforts is given below.

The matter of the settlement with creditors was fully considered by the Committee appointed at the Stockholders' Meeting of last year, and was then referred to the Finance Committee, consisting of Messrs. Higginson, Martin, Blake, Leith and Tower, with full power.

CAR TRUST.

As a settlement with the New England Car Trust Association was necessary before the floating debt could be funded, the Committee immediately opened negotiations with its managers. The result was the publication by the managers, on the 27th day of January, of the following circular, which gives the terms of settlement agreed upon.

BOSTON, January 27, 1885.

To the Holders of New England Car Trust Certificates.

Your Board of Managers beg leave to submit the following proposition from the New York & New England R.R. Co., and unanimously recommend its acceptance:—

PROPOSITION.

BOSTON January 22d, 1885.

To the Chairman and Board of Managers New England Car Trust Association.

As the result of our latest interview with the Committee appointed by your Board, the N. Y. & N. E. R. R Co. now submits the following as its final proposition for the settlement of the Car Trust indebtedness:—

1st. The Car Trust Association to be dissolved and merged into the N. Y. & N. E. R.R. Co.

2d. The R.R. Company to issue in place of the $1,241,000 Car Trust Certificates now outstanding, Second Mortgage Bonds, payable August 1st, 1902, to

the same amount, and bearing interest from February 1st, 1885, at the rate of 3 per cent per annum for 5 years, then 5 per cent per annum for the next two years, and 6 per cent for the remaining period.

3d. The R.R. Company to pay in cash, in lieu of all claims on the Receiver, the overdue interest to February 1st, 1885, on the outstanding Car Trust Certificates, at the time of the exchange, the said payment amounting to $50 on each Certificate.

4th. In addition, the R.R. Company will also settle any small bills which may be outstanding that belonged to the Trust.

In conclusion, we beg to say that the speedy acceptance and conclusion of the above proposition will greatly assist the Finance Committee in their endeavor to restore the property to the Corporation.

We beg also to say, since the Company has no cash with which to meet this indebtedness, and since its First Mortgage Bonds are all issued, we have therefore offered to the Car Trust Holders, the very best settlement which the Company can make.

Yours truly,

(Signed) F. L. HIGGINSON,

Chairman Finance Committee N.Y. & N. E. R.R. Co.

This is the most favorable offer which the Board of Managers, after long negotiation, has been able to obtain; and although there is a temporary reduction of interest, the undersigned believe that with the Company again in the hands of its Stockholders, the Second Mortgage Bonds will appreciate in value, and protect the holders of the Car Trust from ultimate loss.

A brief summary of the reasons which have influenced the Board of Managers to advise the acceptance of the above proposition, is presented for your information.

1st. The Company is in the hands of a Receiver, who claims that he does not need the Rolling Stock, and will ask the court to order it removed.

2d. If the Trustees should take the property and sell it, there would be a protracted litigation to recover the large deficiency.

3d. At the present time nearly all Railroads have a surplus of Rolling Stock, and there would be a great difficulty in finding customers or storage for 50 locomotives, and nearly 1,300 cars.

4th. The Treasury of the Company is empty; there are no First Mortgage Bonds unissued, and the Second Mortgage Bonds, which are offered in settlement, will have, as additional security, the Rolling Stock, now held by the Car Trust, as it becomes the property of the Corporation.

5th. As the First Mortgage amounts to but $10,000,000, the Second Mortgage of $5,000,000 is considered by those best acquainted with the property, as amply secured.

Under these circumstances the Board of Managers did not care to assume the responsibility of resorting to a tedious and expensive litigation, when such a favorable settlement could be made.

Holders are requested to deposit their Car Trust Certificates, on February 1st, with the American Loan and Trust Co., No. 55 Congress Street, and the receipts given therefor will be converted into Second Mortgage Bonds, as soon as they can be prepared.

Fifty dollars in cash will be paid on each Car Trust Certificate, at the time of its deposit with the Trust Co., in adjustment of accrued interest to February 1st.

Respectfully submitted,

CHARLES A. VIALLE,
JONAS H. FRENCH,
HENRY D. HYDE,
GEORGE M. RICE,
CLARENCE H. VENNER,

Board of Managers New England Car Trust.

To carry out the above arrangement, the Directors, on the 28th of January, voted to issue twelve hundred and forty-one Second Mortgage Bonds in exchange for the outstanding certificates of the New England Car Trust, and that the bonds and coupons be properly stamped, to show the reduced rate of interest.

It was hoped that all of the holders of Car Trust Certificates would exchange them for Second Mortgage Bonds under this offer, and that the Car Trust Association would be wound up in this manner.

After the offer had remained open for about five months, quite a large amount of the certificates remained unexchanged. The Company being still in default under the lease, the Car Trust had a right to take possession of its property ; but as the property was in the actual custody of the Receiver, under an order of the United States Court, it was necessary to bring suit in that Court. The Board of Managers therefore directed that a suit be brought to take possession of the property leased, and to have it sold, and the proceeds distributed among the certificate holders. The Court granted this petition, and after an appraisal ordered a sale of the entire property to be made on September 24 and 25, and October 22. The appraiser appointed by the Court fixed the value of the equipment paid for with Series A certificates at 52.6 per cent of the face value of the certificates, and of the equipment paid for with Series B certificates at 67.3 per cent of the face value of those certificates. All the certificates of Series "A," 886 in number, have been exchanged for Second Mortgage Bonds under the terms of the above circular. Of Series "B," 311 have been exchanged and 44 have not been exchanged.

The Second Mortgage Trustees, the holders of the Car Trust Certificates which had been exchanged, purchased nearly all of the property covered by the Car Trust, payment to be made with the certificates, and the balance of the equipment was purchased by parties in sympathy with the railroad, to be paid for in cash. A report of the sale has been made to the Court, but no final action has been taken upon it.

PREFERRED STOCK.

The Car Trust indebtedness having been practically disposed of, the Finance Committee reported to the Directors, on the 29th of September last, that they believed it not only right and proper but also advisable, to make a strenuous endeavor to fund the floating debt of the Company and restore the property to the control of the Company. They therefore recommended that $2,000,000 of the preferred stock of the Company be offered to the holders of common stock, and that if the whole amount was not taken, the balance should be offered to the creditors of the Company.

The Directors therefore voted to issue twenty thousand shares of its proposed capital stock for the purpose of paying its debts, and authorized the issuing of a circular to the stockholders in regard to the same. In pursuance of this authority, the following circular was issued: —

NEW YORK AND NEW ENGLAND RAILROAD CO.

244 FEDERAL STREET, BOSTON, MASS., Oct. 2, 1885

To the Stockholders.

Since your last annual meeting great improvement has been shown in the net results of the operation of your property by the Receiver. The gain in net earnings for the last two or three months is mainly due to an improvement in the general business situation; and, if this improvement continues, the net earnings of your property for 1886 will equal or exceed its fixed charges.

Your Directors believe that the time has now come to settle the floating debt of your Company and to resume control of your property.

This floating debt is substantially $2,000,000, and it is proposed to fund it by an issue of twenty thousand preferred shares at par for cash. This debt, as well as that already funded, you owe as stockholders, and your property is certainly worth much more.

The fixed charges for the current fiscal year are about $1,150,000. The net earnings will be about $1,075,000. For the year to come the charges will be about the same.

Nearly all the Car Trust Certificates have been exchanged for scaled Second Mortgage Bonds, and it is hoped that the Trust may be wound up by the end of the month. The matter is so far settled that it need no longer be considered an embarrassment.

Your Directors, therefore, confident of the future prosperity of the Road, have subscribed individually, and have voted unanimously to invite all stockholders to take these preferred shares in the proportion of one share of preferred to ten of common stock. Under the acts of the Legislatures accepted by yourselves at a special meeting called for the purpose, these preferred shares are entitled to 7 per cent. cumulative dividends before any is paid on the common stock.

The subscription and payment of the entire amount will liquidate all your floating debts, provide for coupon interest falling due on the 1st of January, and insure the discharge of the receivership, and the restoration of the property to your own control.

By vote of the Board, the option to take these shares is offered to stockholders of record Oct. 3, and expires Oct. 26, when, if all are not taken, your Directors will be at liberty to issue the balance to holders of floating debt or to others at their discretion.

All subscriptions will be considered void if an amount sufficient to accomplish the object proposed is not obtained.

Payment in full to be made in cash on or before Oct. 31, at the Treasurer's Office, 244 Federal Street, Boston, when certificates will be issued bearing dividend from Oct. 1, 1885.

Rights belonging to any number of shares may be assigned, and for this purpose additional blanks may be obtained at the Office.

The transfer books will be closed Oct. 3, and remain closed until further ordered by the Board.

WILLIAM T. HART, PRESIDENT.

F. L. HIGGINSON,
W. A. TOWER,
STANTON BLAKE,
R. C. MARTIN,
A. J. LEITH,
} *Finance Committee.*

In response to this circular, the Stockholders subscribed for about $600,000 of the preferred stock; but this amount not being sufficient to carry out the purposes indicated in the circular, the subscription was not binding upon the Stockholders, and they were so notified on October 27th.

The Directors then under the authority of another vote passed at the meeting on September 29th, offered the preferred stock to the creditors of the Company in settlement of their claims. The circular issued for this purpose was as follows. —

NEW YORK AND NEW ENGLAND RAILROAD CO.

244 FEDERAL STREET, BOSTON, Oct. 27, 1885

.....

DEAR SIR:

The New York and New England Railroad Company can now offer to its creditors its preferred shares, in settlement of its audited debt. You appear to be a creditor to the amount of $, to which ten per cent. will be added as interest to the first day of October, 1885, that being the date from which the preferred stock is entitled to share in the earnings of the property.

The Company will also pay in cash any fractional part of a share to which any creditor may be entitled.

You are therefore offered shares of the Company's preferred stock and dollars in cash in full settlement of your claim against the New York and New England Railroad Company. This stock is entitled to a cumulative dividend of seven per cent. per annum, payable when earned.

By an order of the Circuit Court of the United States for the District of Connecticut, a Receiver of the Company's property was appointed on the first of

January, 1884, in a suit brought for the purpose of foreclosing its Second Mortgage, and its railroad has, since that date, been managed by the Receiver.

There were then no securities available upon which to raise money, and it was necessary to obtain authority from the Legislatures of Massachusetts, Rhode Island and Connecticut, for the issue of the preferred shares, which are now offered to you. When the authority was first obtained, it seemed uncertain whether the net earnings of the property would be sufficient to pay the interest upon the bonded debt and the other fixed charges. The directors, therefore, thought it unwise to issue a security which might prove valueless.

Indeed, a great annual burden of nearly $200,000 existed in the form of leases of rolling-stock known as a car trust, and it seemed absolutely necessary to reduce the fixed charges, by the amount payable under these leases, before it was wise to issue the preferred stock. Nearly all of the Car Trust Certificates have now been exchanged for Scaled Second Mortgage Bonds, and the Car Trust matter is so far settled that it need no longer be considered an embarrassment.

With the improvement of business the earnings of the property have materially increased, so that for the fiscal year ending September 30, 1885, it is found that the net earnings are over eleven hundred thousand dollars; an amount nearly sufficient to pay all existing fixed charges. At the rate of improvement for the last three months there seems to be little doubt of the capacity of the property to earn the dividend upon the preferred shares in the time to come. The Board of Directors thought it proper to first offer these preferred shares to the holders of common stock pro rata, and with the proceeds of a full subscription, they would have been enabled to pay the debts of the Company in cash. It was, however, disclosed to-day, that but six hundred thousand dollars had been subscribed by the stockholders for preferred shares.

The unfunded debt of the Company is approximately two million of dollars. Of this, substantially one-half consists of taxes and over-due and accrued interest upon its mortgages; while the remaining million comprises debt incurred for materials and supplies, judgments, etc. It is evident that the amount of the stockholders' subscriptions should be applied to the payment of the first million mentioned, for your protection as well as for that of all concerned, that being the debt upon which foreclosure and consequent litigation and loss is to be apprehended.

The subscriptions of the shareholders are therefore not available for the payment of the debts of the class of which you are one. The Directors offer these preferred shares to you upon the same terms as to the Shareholders, and they do so in the belief that the Certificates represent exactly and adequately the interest you have in the present value or the future earnings of the property, and will insure the ultimate payment of your debt in full, principal and interest, and this before the Shareholders can hope to receive any income whatever.

Negotiations with parties holding large amounts of the Company's debt, induce the belief that these preferred shares will be accepted by them; but as it is expedient that the whole debt be funded before application is made to the court to relieve the property from the receivership, you are requested to signify your acceptance of the above proposition as early as possible.

The Acts authorizing the issue of this preferred stock provide that it shall be paid for in cash at par. It will be necessary, therefore, to meet this requirement of the law, that you should signify your acceptance of the Company's proposition by signing the enclosed form.

By order of the Board of Directors,

WM. T. HART,

President.

The subscriptions to the preferred stock by stockholders and creditors were sufficient to pay off the entire floating debt of the Company, and at this date, December 5th, it has all been paid except a few vouchers still in the Auditor's hands for adjustment. These amount to less than twenty thousand dollars.

N+W. lease p 1344 - see leases in safe

THE RECEIVER.

Your Directors cannot close this report without expressing their very high appreciation of the services rendered to your property by Charles P. Clark, as President and as Receiver. He was chosen President at a time when the Company, having failed to earn its fixed charges for the previous year by over six hundred thousand dollars, could not borrow the money needed to meet its current expenses. Convinced that sooner or later a Receivership was necessary to protect your property from disintegration, he demonstrated that necessity to the Directors, and obtained their assent to the appointment of a Receiver when a suit was brought for that purpose. Although a difference of opinion existed as to the wisdom and expediency of this course, subsequent events have proved beyond a doubt that a Receivership was absolutely necessary for the preservation of the property, and that delay would have seriously endangered its safety.

Simultaneously with his appointment as Receiver, Mr. Clark resigned as President, but remained on the Board of Directors, and continued to consult and act in harmony with them in all things affecting the interests of the property. He has always taken the lead in suggesting plans to relieve the property from its debt and from the Receivership, and in all efforts to that end has cordially coöperated with the Finance Committee having the matter in charge. He has taken an active part in obtaining subscriptions for the preferred stock, and has negotiated settlements with some of the largest creditors.

The Car Trust matter received his early attention, and it was largely through his individual efforts that the scheme for exchanging Car Trust Certificates for Second Mortgage Bonds was carried through successfully, and the fixed annual charges of the Company for the next ten years thereby reduced about one hundred and twenty-five thousand dollars.

Acting with the Finance Committee, the negotiations for the reduction from ten to eight per cent in the rental of the

Norwich and Worcester Road were consummated, in the face of an empty treasury and poor credit, and over fifty thousand dollars a year for eighty years to come thereby saved to this Company.

The discontinuance by the Receiver of unprofitable through business, the intelligent and hearty coöperation of every man in his employ, the restoration of public confidence, the renewal of friendly relations with connecting roads, and the revival of business, have produced results which are better than the most sanguine expected, and cannot fail to be satisfactory to you all.

The figures presented in the annexed tables show that the net earnings of the road for the year ending Sept. 30, 1885, were nearly sufficient to meet the fixed charges for the year. The increased earnings enabled the Company to sell its securities at par and to pay off its floating debt. This debt having been paid, the Court will undoubtedly pass an order restoring the property to your own control at an early day.

Respectfully submitted.

Per order of the Board,

WILLIAM T. HART,
President.

APPENDIX.

EARNINGS AND EXPENSES, BY MONTHS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1885.

Months.	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1884	$306,734 08	$201,024 45	$105,709 63
November, "	254,420 72	186,116 98	68,303 74
December, "	239,049 49	188,029 94	51,019 55
January, 1885	230,420 17	180,628 05	49,792 12
February, "	226,097 36	152,601 93	73,495 43
March, "	263,934 09	165,298 44	98,635 65
April, "	262,102 56	189,865 31	72,237 25
May, "	260,305 13	197,336 81	62,968 32
June, "	271,057 21	189,794 22	81,262 99
July, "	295,966 76	186,222 50	109,744 26
August, "	327,247 56	173,517 17	153,730 39
September, "	351,610 95	197,143 30	154,467 65
Total	$3,288,946 08	$2,207,579 10	$1,081,366 98
*Corrections	— 8,535 41	+ 54,742 77	— 63,278 18
	$3,280,410 67	$2,262,321 87	$1,018,088 80

* NOTE.— The above figures represent the actual results of the operation of the road for the fiscal year ending September 30, 1885. The corrections shown are necessary because of sundry claims against the Corporation arising from the operation of the road in previous years, but which were not audited until this year.

DR. CONDENSED GENERAL BALANCE SHEET,

PERMANENT INVESTMENTS.		
To Railroad, Equipment and Property as represented by Boston, Hartford & Erie Railroad Bonds	$20,000,000 00	
" Expenditures for underlying liens, equipment and improvement of property, including terminal facilities:		
Underlying liens, including payments to obtain possession of H. P. & F. R.R. $4,485,302 14		
Construction and improvement of property 5,637 940 23	10,123.242 37	
" Equipment purchased through and still belonging to car trusts	1,471,000 24	
" Extension of road west of Waterbury	2,689,217 71	
" Purchase of South Boston Flats	1,549,390 00	
" Purchase of Drake's Wharf	131,000 00	
" Purchase of Piper Wharf	260,000 00	
" Transfer Steamer Wm. T. Hart, at Newburgh, cost $177,194 33		
Less estimated depreciation 24,281 62	152,912 71	
Total cost of road and equipment	36,376,763 03	
" Investment in Connecticut Central R.R. Co., principally bonds and stock of that Company	290,377 69	
" Stock of New England Transfer Co	40,900 00	
Total permanent investments		36,708,040 72
ACCOUNTS IN THE NATURE OF ASSETS.		
" Supplies and materials on hand	219,651 08	
" Due from agents and conductors	172,981 16	
" Due from companies and individuals	251,127 96	
" Debit balances	2,344 00	
" Cash	45,060 98	
" Capital Stock formerly held by the Commonwealth of Massachusetts, in hands of Trustee, 920 shares at $50	46,000 00	
		737,165 18
" PROFIT AND LOSS		693,781 77
		38,138,987 67

CAPITAL STOCK.			
By Amount for which certificates have been actually issued		$18,699,000 00	
Boston, Hartford & Erie R. R. Berdell Bonds convertible into stock		1,301,000 00	
			$20,000,000 00
BONDED DEBT.			
First mortgage 7 % bonds due Jan. 1, 1905	$6,000,000 00		
First mortgage 6 % bonds, due Jan. 1. 1905	4,000,000 00	10,000,000 00	
Second mortgage 6 % bonds, due Aug. 1, 1902,		4,031,000 00	
			14,031,000 00
FUNDED INDEBTEDNESS.			
Incurred for purchase of property secured by property purchased:			
Real Estate. Mortgage Note, Drake's Wharf, due Nov. 28, 1885,	$125,000 00		
Balance due on purchase of Piper Wharf, due Dec. 1, 1887	235,000 00		
Boston & Albany R. R. note (50 acre lot South Boston Flats,) due Feb. 7, 1889	300,000 00		
Balance due State of Mass. (25 acre lot South Boston Flats,) due May 1, 1891	800,000 00		
Balance due State of Mass. (50 acre lot South Boston Flats,) due May 1, 1892	100,000 00		
Balance due State of Mass. (12 acre lot South Boston Flats,) due July 1, 1890	86,532 00	1,646,532 00	
Equipment: New England Car Trust Certificates still unexch'd	194,000 00		
E. W. Clark & Co. (principal)	64,071 56	258,071 56	
			1 904,603 56
UNFUNDED DEBT.			
Coupons due prior to July 1, 1885, not yet presented		4,665 00	
Overdue Interest: On First mortgage bonds, due July 1, 1885	319,200 00		
On Second mortgage bonds due August 1, 1885	91,065 00	410,265 00	
Accrued Interest: On First mortgage bonds, July 1 to Sept. 30, 1885	165,000 00		
On Second mortgage bonds Aug. 1, to Sept. 30, 1885.	35,075 00		
	$200,075 00		
On Funded indebtedness incurred for purchase of Real Estate	19,281 98	219,356 98	
Notes Payable		385,367 65	
Unpaid Vouchers		547,754 68	
Unpaid Pay-roll		129,563 84	
Due sundry companies on traffic balances and other accounts		476,143 79	
Credit balances,		30,267 17	2,203,384 11
			$38,138,987 67

DR. PROFIT AND LOSS ACCOUNT.

To Balance per last year's report		$499,874.18
" Operating Expenses		2,262,321.87
" Insurance.		11,834.08
" Rent of Other Roads		130,132.16
" Taxes.		82,303.47
" Interest		
First Mortgage Bonds, Oct. 1, 1884, to Sept. 30, 1885	$660,000.00	
On Second Mortgage Bonds :—		
On $2,833,00, at 6%, 1 year	$169,980.00	
On $79,000 Bonds, issued in funding interest maturing Aug. 1, '84, 6%, 1 year 2 mos.	5,530.00	
On $72,000 Bonds, issued in funding interest maturing Feb. 1, '85, 6%, 8 months	2,880.00	
On $1,047,000 Bonds, issued in exchange for Car Trust Certificates, 3%, 8 months	20,940.00	
	199,330.00	
	$859,330.00	
On Car Trust Certificates	30,545.68	
On Funded Indebtedness incurred for purchase of Real Estate	73,891.28	
Other interest	28,768.76	
		992,535.72
" Judgment on Contract for Commissions on sale of 1st Mortgage Bonds		21,991.51
" Boston Grain Elevator Expense		1,007.10
" Worthless Accounts		671.53
		$4,002,671.62

SEPTEMBER 30, 1885.		CR.
By Gross Traffic Earnings		$3,280,410.67
" Income from other sources.		
Hudson River Transfer	$7,793.94	
Car Mileage	15,470.45	
Credits on account of decrease of liabilities, — discounts effected in settlement of corporation debts	5,214.79	28,479.18
" Balance (deficit) September 30, 1885 . . .		693,781.77
		$4,002,671.62

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1885.

SOURCE OF EARNINGS.			
Passenger		$1,139,915 56	
Freight		1,850,266 05	
Mail		45,928 19	
Express		98.461 00	
Miscellaneous		154,375 28	
Gross Earnings			$3,288,946 08
OPERATING EXPENSES.			
Conducting Transportation—Passenger.			
General Passenger Agent and Clerks	$ 9,678 68		
Superintendence	4,416 13		
Clerks	6,137 90		
Stationery and Printing	8,130 04		
Foreign Agencies	86 50		
Advertising	13,430 86		
Rent of Depot, Grounds and Buildings	21,404 07		
Repairs of Stations	11,074 32		
Oil and Waste for Cars	2,554 55		
Conductors, Baggagemen and Brakemen	65,736 72		
Mail Expense	1,432 90		
Train Expense	2,870 10		
Fuel and Light for Cars	9,935 41		
Hire of Cars	9,437 18		
Telegraph Expense	12,390 15		
Loss and Damage to Baggage	36 68		
Loss and Damage to Property	1,030 30		
Personal Injuries	2,288 90		
Station Agents	31,412 62		
Switchmen and Yardmen	21,588 01		
Cleaning and Inspecting Cars	21,818 26		
Labor at Stations	17,196 64		
Expense of Stations	4,842 77		
Fuel and Lights for Stations	9,513 84		
Wrecking	239 30		
Stock Killed	396 67		
Signals	1,698 09		
Watchmen	522 75		
		291,300 34	
Conducting Transportation—Freight.			
General Freight Agent and Clerks	25,342 33		
Superintendence	6.428 15		
Clerks	64,990 39		
Stationery and Printing	8,792 16		
Foreign Agencies	2,185 85		
Advertising	18 57		
Rent of Depot, Grounds and Buildings	3,882 39		
Repairs of Stations	8,801 46		
Oil and Waste for Cars	1,835 53		
Conductors and Brakemen	92,888 84		
Amounts carried forward	$215,165 67	$291,300 34	$3,288,946 08

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward, . .	$215,105 67	$291,300 34	$3,288,946 08
Train Expense	5,316 11		
Fuel and Light for Cars	1,214 76		
Hire of Cars	2,474 44		
Telegraph Expense	23,720 64		
Loss and Damage to Freight . .	2,458 49		
Loss and Damage to Property . .	537 30		
Personal Injuries	1,342 20		
Station Agents	40,510 82		
Switchmen and Yardmen . . .	73,732 34		
Oiling and Inspecting Cars . . .	9,734 34		
Labor at Stations	89,572 66		
Expense of Stations	12,424 84		
Fuel and Lights for Stations . .	6,013 19		
Wrecking	822 96		
Watchmen	6,271 65		
Stock Killed	125 83		
Wharves and Docks, Repairs of	7,860 52		
" " Expenses of	9,377 13		
Signals	3,133 46		
		511,809 35	
Maintenance of Way.			
Superintendence	12,384 06		
Clerks	1,870 35		
Ballasting and Surfacing	40,103 92		
Labor repairing Track	190,835 75		
Frogs	3,135 97		
Switches	6,694 23		
Spikes	3,339 37		
Splices and Bolts	4,183 99		
Repairs, Hand Cars	1,300 82		
Tools, and Repairs of	4,119 52		
Watchmen	10,962 83		
Railroad Crossings	1,673 82		
Oil, Fluid and Tallow	1,039 69		
Steel Rails (1,645 tons)	18,507 07		
Iron Rails	3,668 04		
Cross Ties (130,614 ties)	50,798 30		
Switch Ties	2,434 79		
Repairs of Bridges, Labor . . .	10,913 22		
Repairs of Bridges, Material . .	4,706 84		
Culverts and Cattle Guards . . .	1,983 93		
Highway Crossings and Fences .	21,203 33		
Telegraph Repairs	35 46		
Section and Watch Houses . . .	5,283 09		
Stationery and Printing	73 72		
Repairs of Tenement Buildings .	4,202 29		
Removing Snow and Ice	8,017 67		
Signals	3,603 02		
Track Tank, Repairs and Exp. of	4,954 00		
		422,029 09	
Motive Power.			
Superintendence	5,132 97		
Clerks	6,628 93		
Stationery and Printing	597 49		
Reps. to Eng. H'ses & Mac. Sh'ps	15,720 02		
Repairs to Pass. Locomotives, . .	68,945 67		
Repairs to Freight " . .	58,904 08		
Repairs to Switch " . .	25,655 25		
Repairs to Work " . .	909 05		
Coal for Passenger " . .	104,090 82		
Coal for Freight " . .	132,395 25		
Coal for Switch " . .	40,392 23		
Amounts carried forward, . .	$459,371 76	$1,215,138 78	$3,288,946 08

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward, . .	$459,371 76	$1,215,138 78	$3,288,946 08
Coal for Work Locomotives, . .	3,944 32		
Coal for Pay " . .	501 90		
Wood for Passenger " . .	257 54		
Wood for Freight " . .	270 68		
Wood for Switch " . .	149 02		
Wood for Work " . .	14 66		
Wood for Pay " . .	14 05		
Oil & Waste for Pass. " . .	4,228 17		
Oil & Waste for Fr'ght " . .	3,661 17		
Oil & Waste for Switch " . .	1,423 33		
Oil & Waste for Work " . .	171 22		
Oil & Waste for Pay " . .	30 23		
Cleaning Passenger " . .	7,717 64		
Cleaning Freight " . .	6,747 12		
Cleaning Switch " . .	3,267 29		
Cleaning Work " . .	345 33		
Cleaning Pay " . .	83 89		
Repairs of Tools and Machinery.	18,135 17		
Fuel & Lights for the E. H. & M.S.	9,849 12		
Water Station Expense, ...	13 628 83		
Pumping, ...	6,806 88		
Passenger Engineers and Firemen,	62,698 11		
Freight " " "	62,108 08		
Switch " " "	28,136 01		
Work " " "	3,392 73		
Pay Trip " " "	383 14		
Sand for Engines, ...	2,333 46		
Watchmen, ...	5,387 97		
Fuel Stations — Fixtures and Rep.	39 92		
Laborers	10,317 48		
Rent of Engines, ...	1,339 20		
		716,755 42	
Maintenance of Cars.			
Superintendence, ...	3,587 34		
Clerks, ...	3,758 93		
Stationery and Printing, ...	294 83		
Repairs, Car Shops and Sheds, . .	1,531 10		
Repairs to Pass. and Baggage Cars	74,584 36		
Repairs to Sleeping Cars, ...	225 82		
Repairs to Freight Cars, ...	67,723 79		
Repairs to Gravel Cars, ...	1,657 43		
Repairs to Pay Car, ...	168 16		
Fuel and Lights for Car Shops, . .	5,499 13		
Repairs, Tools and Machinery, . .	8,565 85		
Watchmen, ...	967 23		
Laborers, ...	6,205 57		
		174,769 54	
General Expenses.			
Salaries and Exp. of Gen'l Officers	35.830 52		
Clerks at Offices	14,485 60		
Attendants at Offices	2,326 35		
Legal Expenses	26,526 85		
Stationery and Printing	2,840 30		
Expenses at General Offices . . .	2,122 82		
Rent of General Offices	400 00		
Fuel and Light for General Offices	1,135 25		
Repairs of General Offices	798 12		
Pay Trip Expenses	960 60		
Postage	1,902 43		
Amounts carried forward, . .	$89,328 84	$2,116,663 74	$3,288,946 08

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward . . .	$89,328 84	$2,116,663 74	$3,288,946 08
Detective Service	1,109 89		
Discount and Interest	29 87		
Advertising	446 76	90,915 36	2,207,579 10
Earnings after deducting Operating Expenses			1,081,366 98
Income from other sources . . .			23,473 04
Total Income of the Receiver from all sources			1,104,840 02
Charges Against Income.			
Taxes		82,303 47	
Insurance		11,834 08	
Interest on Funded Indebtedness incurred for purchase of Real Estate, secured by Estate purchased (Boston Terminal Lands)		73,891 28	
Interest on Car Trusts		30,545 68	
Other Interest		28,768 76	
Rent of other Roads		130,132 16	
		357,475 43	
Boston Grain Elevator Expense .		1,007 10	
Worthless Accounts		488 06	
			358,970 59
Available Net Earnings			745,869 43
Interest on First Mortgage Bonds, one year to September 30, 1885 .		660,000 00	
Interest on Second Mortgage Bonds, on $2,833,000, 6% one year	169,980 00		
on $79,000 Bonds issued in funding interest maturing August 1, 1884, 6% one year two months	5,530 00		
on $72,000 Bonds issued in funding interest maturing February 1, 1885, 6% eight months	2,880 00		
on $1,047,000 Bonds issued in exchange for Car Trust Certificates, 3% eight mos. .	20,940 00	*199,330 00	859,330 00
Deficiency of Receiver's Income to meet all charges			113,460 57
Charges to Income on account of debts of the N. Y. & N. E. R. R. Co. audited during the fiscal year ending September 30, 1885.		85,478 34	
Worthless Accounts charged off .		183 47	
		85,661 81	
Less credits on account of Decrease of Liabilities		5,214 79	80,447 02
Amount carried to the debit of Profit and Loss Account for the year ending September 30, 1885.			$193,907 59

* Of the interest on Second Mortgage Bonds, as given above, $44,000 was funded by the issue of bonds, and did not have to be paid out of the income for the year. There is also included in the amount two months' interest, which accrued during the previous year on some of the Second Mortgage Bonds.

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR, ENDING SEPTEMBER 30, 1885, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellan's	Total Earn's.
Pass. Earnings . .	$1,139,915 56	–	$45,928 19	$98,461 00	$54,444 57	$1,338,749 32
Freight Earnings .	–	$1,850,266 05	–	–	99,930 71	1,950,196 76
Total	$1,139,915 56	$1,850,266 05	$45,928 19	$98,461 00	$154,375 28	$3,288,946 08

Apportionment.	OPERATING EXPENSES.					
	Transp'tation Department.	Maintenance of Way.	Motive Power.	Mainten'ce of Cars.	General Expenses.	Total.
Passenger Expenses,	$291,300 34	$172,905 32	$307,208 16	$81,097 05	$37,011 64	$889 522 51
Freight Expenses .	511,809 35	249,123 77	409,547 26	93,672 49	53,903 72	1,318.056 59
Total	$803,109 69	$422,029 09	$716,755 42	$174,769 54	$90,915 36	$2,207,579 10

Gross Passenger Earnings	$1,338,749 32	
Gross Passenger Expenses	889,522 5	
Net Passenger Earnings		$449,226 81
Gross Freight Earnings	$1,950,196 76	
Gross Freight Expenses	1,318,056 59	
Net Freight Earnings		632,140 17
Total Net Earnings		$1,081,366 98

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNT DURING THE FISCAL YEAR ENDING SEPTEMBER 30th, 1885.

Receiver's Account.			
Extension of Double Track,—			
Grading	$324 75		
Cross and Switch Ties	347 50		
Steel Rails and Fastenings	12,000 00		
Miscellaneous	981 15		
		$13,653 40	
Right of Way		1,854 05	
Improvements to Depot Grounds, Willimantic		10,657 38	
Interlocking Signals		6,515 52	
Real Estate,—			
Land at Windham		1,063 40	
New Transfer Wharf and Float, Boston		12,523 69	
Total Charges to Property Account for expenditures during the year			$46,267 44
New York and New England Railroad Account.			
Credits to Property Accounts as follows:			
Amount received from State of Connecticut, same having been deposited with State Treasurer for land condemned at New Britain	$3,111 00		
Amount transferred to Operating Expenses, same having been included in previous year's charges to New Bridges.	2,343 96		
Amount received from sale of old material charged in previous years to New Buildings	40 00		
Value of Material from Side Tracks taken up previously. included in charges to Construction	2,163 96		
		$7,658 92	
Less Charges as follows:			
Extension of Double Track.—			
Right of Way and Depot Grounds, $100 00			
Bridging	763 61		
	$863 61		
Right of Way	1,865 09		
Underlying Liens purchased	2,648 25	5,376 95	
Net Credit to Property Accounts			2,281 97
Net Charge to Property Accounts for the year			$43,985 47

COMPARISON WITH PREVIOUS YEARS OF EARNINGS, EXPENSES AND BUSINESS.

	Year Ending Sept. 30, 1885. Receiver's Operations.	Year Ending Sept. 30, 1884.	Year Ending Sept. 30, 1883.
Miles of Road Operated (average for the year)	379.76	382.32	384.37
Gross Earnings, per mile of road	$8,660.59	$8,730.65	$9,284.42
Operating Expenses, per mile of road,	$5,813.09	$7,316.82	$7,840.40
Net Earnings, per mile of road	$2,847.50	$1,413.83	$1,444.02
Percentage of Operating Expenses to Gross Earnings	67.12%	83.81%	84.57%
Revenue Train, miles run	2,106,764	2,350,058	2,557,012
Gross Earnings, per revenue train mile	$ 1.561	$ 1.420	$ 1.395
Operating Expenses, per revenue train mile	$ 1.048	$ 1.190	$ 1.178
Net Earnings, per revenue train mile,	$ .513	$ .230	$ .217
Expenses of Transportation, per mile of road	$2,114.78	$2,556.69	$2,762.04
Expenses of Transportation, per revenue train mile	.381	.416	.415
Maintenance of Way, per mile of road,	$1,111.31	$1,188.08	$1,264.85
Maintenance of Way, per revenue train mile	.201	.193	.190
Motive Power, per mile of road.	$1,887.39	$2,681.43	$2,890.33
Motive Power, per revenue train mile	.340	.436	.434
Maintenance of Cars, per car for passenger cars, all kinds	$ 431.37	$ 504.20	$ 545.46
Maintenance of Cars, per car for freight cars, all kinds	$ 24.83	$ 36.55	$ 42.17
Maintenance of Cars, per mile of road,	$ 460.21	$ 612.35	$ 674.97
Maintenance of Cars, per revenue train mile	.083	.10	.101
General Expenses, per mile of road	$ 239.40	$ 278.27	$ 248.22
General Expenses, per revenue train mile	.043	.045	.037
Passenger Earnings, per mile of road,	$3,525.25	$3,366.76	$3,443.31
Passenger Expenses, per mile of road,	$2,342.33	$2,775.56	$2,794.46
Net Passenger Earnings, per mile of road	$1,182.92	$ 591.20	$ 648.85
Percentage of Passenger Expenses to Passenger Earnings	66.44%	82.44%	81.16%
Revenue Passenger Train, miles run	1,195,799	1,218,675	1,277.075
Passenger Earnings, per revenue passenger train mile	$ 1.12	$ 1.06	$ 1.03
Passenger Expenses, per revenue passenger train mile	$ .74	$ .87	$ .84
Net Passenger Earnings, per revenue passenger train mile	$ .38	$ .19	$ .19
Number of Passengers Carried	4,620,579	4,368,090	4,470,331
Number of Passengers Carried One Mile	58,818,387	54,299,316	53,815,074
Earnings per Passenger	$ .247	$ .251	$ .249
Earnings per Passenger, including mail, express, etc	$ .290	$ .295	$ .296
Earnings per Passenger, per mile	$ .0194	$ .0202	$ .0207
Earnings per Passenger, per mile, including mail, express, etc	$ .0228	$ .0237	$ .0246
Expenses per Passenger	$ .193	$ .243	$ .240
Expenses per Passenger, per mile	$ .0151	$ .0195	$ .0199
Average Distance Travelled, per passenger	12.73	12.43	12.03
Freight Earnings, per mile of road	$5,135.34	$5,363.89	$5,841.11

COMPARISON, ETC.

	Year Ending Sept. 30, 1885. Receiver's Operations.	Year Ending Sept. 30, 1884.	Year Ending Sept. 30, 1883.
Freight Expenses, per mile of road....	$3,470.76	$4,541.26	$5,045.94
Net Freight Earnings, per mile of road,	$1,664.58	$ 822.63	$ 795.17
Percentage of Freight Expenses to Freight Earnings.....	67.59%	84.67%	86.3
Revenue Freight Train, miles run. ...	910,965	1,131,383	1,279,937
Freight Earnings, per revenue freight train mile.....	$ 2.141	$ 1.813	$ 1.754
Freight Expenses, per revenue freight train mile	$ 1.447	$ 1.535	$ 1.515
Net Freight Earnings, per revenue freight train mile.....	$ .694	$ .278	$ .239
Number of Tons of Freight Carried...	1,715,661	1,786,531	1,801,360
Number of Tons of Freight Carried One Mile.....	107,639,953	138,534,292	153,213,010
Earnings per Ton.....	$ 1.08	$ 1.09	$ 1.17
Earnings per Ton, per mile	$ .01719	$ .01412	$ .01380
Earnings per Ton, including miscellaneous.....	$ 1.14	$ 1.15	$ 1.246
Earnings per Ton. per mile, including miscellaneous	$ .01812	$ .01480	$ .01485
Expenses per Ton.....	$ .77	$ .97	$ 1.076
Expenses per Ton, per mile.....	$ .01225	$ .01254	$ .01265
Average Distance each Ton Carried, miles.....	62.740	77,543	85.054
Number of Locomotives in Service....	122	141	145
Mileage of Passenger Locomotives....	1,201,287	1,219,926	1,279,750
Expenses, per mile, of Passenger Locomotives.....	$ .2053	$ .2925	$ .2610
Mileage of Freight Locomotives.....	939,850	1,198,402	1,403,971
Expenses, per mile, of Freight Locomotives.....	$ .2904	$ .3620	$ .3887
Total Mileage of all kinds of Locomotives	2,735,028	3,205,341	3,516,041
Average Expenses, per mile, of all Locomotives.....	$ .2281	$ .2740	$ .3159
Number of Local Passengers.....	3,984,364	3,764,400	3,677,217
Number of Through Passengers.....	636,215	603,690	793,114

PASSENGER STATISTICS.

EARNINGS AND COST PER PASSENGER PER MILE.

	1885. Cents.	1884. Cents.	Increase or Decrease.	Per Cent.
Local	.0208	.0219	Dec. .0011	Dec. .0502
Foreign	.0201	.0210	Dec. .0009	Dec. .0428
Average earnings	.0193	.0200	Dec. .0007	Dec. .0350
Average Cost	.0151	.0195	Dec. .0044	Dec. .0226
Net	.0042	.0005	Inc. .0037	Inc. 740.00

AVERAGE TRIP PER PASSENGER.

	1885. Miles.	1884. Miles.	Increase.	Per Cent.
Local Passengers	10.75	10.75	....	.....
Foreign	25.16	22.89	2.27	.0992
Average	12.73	12.43	.30	.0241
Aver. no. of Pass. per car	13.7	12.4	1.3	10.48
" " " " " tr'n	49.	44.	5.	11.37

NUMBER OF PASSENGERS CARRIED, REVENUE, ETC.

PASSENGERS.

	1885.	1884.	Increase.	Per Cent.
Local	3,984,364	3,764,400	219,964	.0584
Foreign	636,215	603,690	32,525	.0539
Total	4,620,579	4,368,090	252,489	.0578

PASSENGER MILEAGE.

	1885.	1884.	Increase.	Per Cent.
Local	42,812,167	40,477,233	2,334,934	.0577
Foreign	16,006,220	13,822,083	2,184,137	15.80
Total	58,818,387	54,299,316	4,519,071	.0832

REVENUE.

	1885.	1884.	Increase.	Per Cent.
Local	$811,915.90	$799,524.47	$12,391.43	.0155
Foreign	322,257.25	290,962.91	31,294.34	10.76
Total	1,134,173.15	1,090,487.38	43,685.77	.0401

FREIGHT STATISTICS.

Account of	Tonnage.				Per Cent.	
	1885.	1884.	Inc.	Decrease.	Inc.	Dec.
Local	996,630	947,578	49,052		05.18	
Through	719,032	838,754		119,722		14.27
Total	1,715,662	1,786,332		70,670		03.96

TONS CARRIED ONE MILE.

Local	37,064,980	36,740,690	324,290		00.88	
Through	70,574,973	101,793,602		31,218,629		30.67
Total	107,639,953	138,534,292		30,894,339		22.30

REVENUE.

Local	$1,169,826.01	$1,135,007.91	$34,818.10		03.07	
Through	680,440.04	820,677.92		140,237.88		17.09
Total	1,850,266.05	1,955,685.83		105,419.78		05.39

EARNINGS AND COST PER TON PER MILE.

Account of					Per Cent.	
	1885.	1884.	Inc.	Decrease.	Inc.	Dec.
	Cents.	Cents.				
Local	3.156	3.089	.67		02.17	
Through	.904	0.800	1 58		19.00	
Average earnings	1.719	1.411	.308		21.83	
Average Cost	1.225	1.254		.029		02.31
Net	0.494	.157	.337		214.65	

RECAPITULATION OF GROSS EARNINGS AND OPERATING

GROSS EARNINGS.

MONTH.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellan. Earnings.	Gross Earnings.
October, 1884	$105,311.58	$174,985.58	$3,812.24	$7,901.87	$14,722 81	$306,734.08
November, "	86,522.29	141,914.52	3,805.69	8,085.97	14,092.25	254,420.72
December, "	85,297.83	132,661.44	3,812.33	8,087.19	9,190.70	239,049.49
January, 1885	80,200.09	126,777.28	3,813 03	8,699.37	10,930.40	230,420.17
February, "	75,031.96	123,079 16	3,813.03	8,808.84	15,364.37	226,097.36
March, "	87,447.94	152,319.13	3,813.05	8,630.20	11,723.77	263,934.09
April, "	93,762.96	147,958.83	3,773.37	8,379.74	8,227.66	262,102.56
May, "	89,980.35	147,303.12	3,795.44	8,100.27	11,125.95	260,305.13
June, "	92,170.63	154,688.10	3,813.05	7,909.98	12,475.45	271,057.21
July, "	112,706.99	156.159.65	3,813.03	8,148.34	15,138.75	295,966.76
August, "	121,137.07	182,666.72	3,813.03	8,124.15	11,506.59	327,247.56
September, "	110,345.87	209,752.52	4,050.90	7,585.08	19,876.58	351,610.95
Total.....	$1,139,915.56	$1,850,266.05	$45,928.19	$98,461.00	$154,375.28	$3,288,946.08
* Corrections...	— .22	—10,266.89	—79.16	. . . .	+ 1,810.77	— 8,535.41
Total, 1885.....	$1,139,915.34	$1,839,999.25	$45,849.03	$98,461.00	$156,186.05	$3,280,410.67
Total, 1884.....	1,095,530.38	1,955,685.83	45,627.18	99,270.41	141,788.66	3,337,902.46
Increase . .	$44,384.96	. . . . .	$221.85	. . . .	$14,397.39	. . . . .
Decrease . .	. . . . .	$115,686.58	. . . . .	$809.41	. . . .	$57,491.79

* NOTE.—The above figures represent the actual earnings of the road for the fiscal year ending September 30, 1885. The corrections shown are necessary, because of sundry claims against the Corporation, arising from its operation of the road in previous years, but which were not audited until this year.

EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1885.

OPERATING EXPENSES.

MONTH.	Con. Tran. Passenger.	Con. Trans. Freight.	Maint'ance of Way.	Motive Power.	Maint'ance of Cars.	General Expense.	Total Oper. Expenses.
Oct. 1884	$27,507.93	$46,429.15	$34,182.39	$70,919.87	$15,588 96	$6,396.15	$201,024.45
Nov. "	25,530.36	43,166.75	25,565.01	69,987.48	14,407.23	7,460.15	186,116.98
Dec. "	24,396.47	43,776.93	22,994 88	69,489.51	16,700.74	10,671.41	188,029.94
Jan. 1885	24,270.06	42,330.23	20,667.35	66,169.70	16,182.40	11,008.31	180,628.05
Feb. "	22,104.38	38,797.94	18 730.73	52,013.19	13,477.88	7,477.81	152,601.93
Mar. "	22,943.39	40,822.12	19,198.11	57,010.04	15,738 96	9,585.82	165,298.44
Apr. "	24.742 14	39 584.46	45,970.61	54,462.01	17,078 00	8,028.09	189,865.31
May "	22,004.47	40,609.41	60,093.64	54,024.24	15,393.07	5,211.98	197,336.81
June "	23,558.50	43,004.49	48,662.23	55,043.84	13,521.00	6,004.16	189,794.22
July "	22,705.10	41,292.65	52,216.22	53,240.82	11,039.78	5,727 93	186,222.50
Aug. "	23,801.73	41,269.80	35,810 42	55,037.98	12,710.53	4,886.71	173,517.17
Sept. "	27,735.81	50.725.42	37,937 50	59,356.74	12,930.99	8,456.84	197,143.30
Total	$291,300.34	$511,809.35	$422,029.09	$716,755.42	$174,769.54	$90,915.36	$2,207,579.10
* Correc's	+ 28,872.88	+ 8,738.64	+ 2,692.13	+ 4,839.78	+ 592.10	+ 9,007.24	+ 54,742.77
Total 1885	$320,173.22	$520,547.99	$424.721.22	$721,595.20	$175,361.64	$99,922.60	$2,262,321.87
Total 1884	319,777.24	657,697.94	454,226.08	1,025,164.93	234,114 24	106,387.06	2,797,367.49
Increase,	$395.98	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .
Decrease,	. . . . .	$ 137,149.95	$29,504.86	$303,569.73	$58,752.60	$6,464,46	$535,045.62

* NOTE.—The above figures represent the actual expenses of operating the road for the fiscal year ending September 30, 1885. The corrections shown are necessary, because of sundry claims against the Corporation, arising from its operation of the road in previous years, bnt which were not audited until this year.

ELEVENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 14, 1886.

BOSTON:
PRINTED BY CASHMAN, KEATING & CO.
603 WASHINGTON STREET.

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BOSTON:
PRINTED BY CASHMAN, KEATING & CO.
603 WASHINGTON STREET.

DIRECTORS.

ELECTED DECEMBER 8, 1885.

CHARLES P. CLARK	NEWTON, MASS.
WILLIAM T. HART	BOSTON, MASS.
FRANCIS L. HIGGINSON	" "
STANTON BLAKE	" "
WILLIAM A. TOWER	" "
C. W. AMORY	" "
EUSTACE C. FITZ	CHELSEA, MASS.
GEORGE M. RICE	WORCESTER, MASS.
JESSE METCALF	PROVIDENCE, R. I.
W. F. SAYLES	PAWTUCKET, R. I.
FREDERICK J. KINGSBURY	WATERBURY, CONN.
GEO. M. LANDERS	NEW BRITAIN, CONN.
WILLIAM D. BISHOP	BRIDGEPORT, CONN.
GEORGE G. HAVEN	NEW YORK, N. Y.
RUSSELL SAGE	" " "
ROBERT C. MARTIN	" " "
CHESTER GRISWOLD	" " "
WM. B. DINSMORE	" " "
A. J. LEITH	" " "

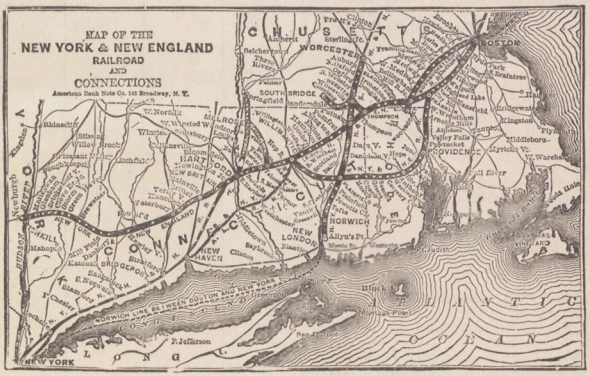
OFFICERS OF THE COMPANY.

CHARLES P. CLARK	PRESIDENT.
WILLIAM T. HART	VICE PRESIDENT.
GEORGE B. PHIPPEN	TREASURER.
JAMES W. PERKINS	SECRETARY.

MAP OF RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE

NEW YORK AND NEW ENGLAND RAILROAD COMPANY.


MAP OF THE
NEW YORK & NEW ENGLAND
RAILROAD
AND
CONNECTIONS
American Bank Note Co. 142 Broadway, N. Y.
MASSACHUSETTS
CONNECTICUT
RHODE ISLAND
BOSTON
WORCESTER
SOUTHBRIDGE
PROVIDENCE
HARTFORD
NEW HAVEN
NEW LONDON
NORWICH
NEW YORK
Block I.
Montauk Point
LONG ISLAND
Rockaway
Jamaica
Flushing
Hempstead
Babylon
Islip
Greenport
Sag Harbor
Orient
Port Jefferson
Northport
Huntington
Oyster Bay
Glen Cove
Great Neck
Manhasset
Roslyn
Port Washington
Whitestone
College Point
Bayside
Astoria
Long Island City
Hunters Point
Woodside
Newtown
Ridgewood
Jamaica
Far Rockaway
Hempstead
Valley Stream
Lynbrook
Rockville Centre
Freeport
Babylon
Islip
Bay Shore
Sayville
Patchogue

LEASED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point	66.40		21.10	87.50
R. I. & M. R. R.				
Franklin to Valley Falls	13.60		1.34	14.94
Rockville Railroad.				
Vernon to Rockville	4.40		0.75	5.15
Connecticut Central R. R.				
East Hartford to State Line of Mass.	20.20		1.76	21.96
Melrose to West St., Rockville	7.30		0.24	7.54
Springfield & New London R. R.				
State Line of Conn. to junction with Boston & Albany R. R., in Springfield	7.27		3.00	10.27
Boston & Albany R. R.				
From Springfield and New London road into Springfield	1.31			1.31
Total Leased Lines operated by the Company	120.48		28.19	148.67
RUNNING ARRANGEMENTS OVER:				
Newburgh, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction	11.02			
New London Northern R. R.				
Norwich to New London	13.50			
Total	24.52			
CONTROLLED THROUGH LEASE.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York	125.00			

Making the total number of miles of transportation lines controlled by the New York and New England Railroad Company, 596.47.

ELEVENTH ANNUAL REPORT.

To the Stockholders of the New York and New England Railroad Company.

The Directors take pleasure in presenting to the Stockholders their Eleventh Annual Report of the New York and New England Railroad Company for the year ending September 30, 1886.

The earnings, expenses and fixed charges for the fiscal year were as follows:—

Passenger earnings		$1,296,895 97
Freight "		2,262,479 18
Mail "		46,658 95
Express "		93,161 42
Miscellaneous:—		
Rents	$53,467 03	
New England Transfer Co.	50,625 00	
Wharves and Docks	36,473 53	
Norwich and Worcester R. R. Lease	992 89	
Switching, Storage, etc.	19,931 50	
Miscellaneous	3,308 78	164,798 73
Gross earnings		$3,863,994 25
Income from other sources:—		
Hudson River transfer	$34,496 09	
Boston Harbor transfer	915 43	35,411 52
Total gross income		$3,899,405 77
Operating expenses		2,483,966 18
Total net income carried forward,		$1,415,439 59

Total net income brought forward,			$1,415,439 59
Against this amount are the following charges:—			
Taxes		$121,240 99	
Insurance		16,716 51	
Rent of other roads:—			
Newburgh, Dutchess & Connecticut	$32,522 78		
Rhode Isl. & Mass.	20,000 00		
Boston & Albany .	5,062 49		
Springfield & New London . .	4,250 00		
Rockville . .	4,400 00	66,235 27	
Interest on Boston terminal lands		69,678 78	
Miscellaneous Interest, mainly Car Trust		8,188 87	
Interest on First Mortgage Bonds		660,000 00	
Interest on Second Mortgage Bonds		234,950 00	
Interest to *Sept. 30, 1885* (old floating debt) . . .		94,269 38	
Dividends declared, 7 per cent. on 1,900,000 preferred stock . . .		133,000 00	1,404,279 80
Surplus			$11,159 79

The property was delivered into the possession and control of the Company with the close of business on the 31st day of December, 1885, in accordance with an order of the Circuit Court of the United States for the District of Connecticut, dated on the twenty-second day thereof, and made by the Honorable Nathaniel Shipman.

Owing to this fact, the accounts furnished by the auditor and printed herewith, embrace three months of the fiscal year, during which the property was in the custody of the Court,

and nine months during which it has been managed by the Company. They register the settlement of the old debts, and of the Car Trusts, as well as that of many claims upon, and expenses of, the property growing out of contracts and accidents prior to the current year. The net earnings have been thus reduced by about $93,000, and the net results by the further sum of $113,141.30. The latter sum includes $94,269.38 for interest upon the floating debt existing at the time of your annual meeting in 1883, the existence of which made the receivership a necessity. If divested of all matters not pertaining to the operations of the year, the accounts would show that the property has earned all its charges, the full dividend on its preferred stock and one per cent. upon its common shares.

The property of the Company, including its equipment, has been kept in thorough repair, but no additions to the equipment have been made other than that of Car Trust. The Company has an excess of motive-power, more than twenty locomotives in good order being still stored at Norwood and Boston. If our business continues to increase, additional passenger and freight cars may be needed during the year to come.

RICHARDSON'S WHARF.

The property at the foot of Summer Street, known as Richardson's Wharf, which has been occupied for many years by the Company for its passenger terminus in the city of Boston, under a weekly rental, has been leased for the term of fifty-one years, from May 1, 1886, at an annual rental of $15,000 and taxes. Incorporated in this lease is the privilege of purchase at any time after two years, on six months' notice, by the payment of $300,000. This, with other property already owned by the Company, gives a frontage upon Atlantic Avenue and Federal Street of 501.48 feet.

EAST BOSTON TRANSFER.

In connection with the Boston & Maine R. R. Company, as Lessee of the Eastern Railroad, a transfer has been established across Boston Harbor, between the respective properties at South Boston and East Boston, and a daily interchange of freight is made in both directions. Business has not yet developed to the extent anticipated, but the route has already proved one of convenience and profit to the business interests of both roads.

PROVIDENCE.

A proposition has been made by the Company to the City Council of Providence to refer to the three Senior Justices of the Supreme Court of Rhode Island, as arbitrators, the questions in dispute as to the terminal facilities granted [the Hartford, Providence & Fishkill R. R. Company, now a part of] this property, by the City Council in 1852, and the proposition is now in the hands of a Committee, with the prospect of a speedy termination of a question which has been a subject of litigation for nearly twenty years. In the broadest and best sense, the interests of the citizens of Providence and those of this Company are identical.

NORWICH AND WORCESTER RAILROAD.

The Norwich & Worcester Railroad has been operated successfully under the lease as amended in accordance with the votes recorded in the last Annual Report; but with a profit of only $992.89. The repairs for damages caused by the freshet in February cost $40,400, which was charged to expenses. Your Company was thereby deprived of a profit which was anticipated from the reduction of the rental. About thirteen hundred tons of steel rails have been laid during the year, and the main line of that road is now all of steel.

CONNECTICUT CENTRAL RAILROAD.

The Treasurer of the State of Connecticut, as Trustee of the Mortgage upon the Connecticut Central Railroad, has progressed with his application for foreclosure, and a decree has been passed. Certain of the Stockholders have taken an appeal, and an absolute foreclosure has not yet been secured. The Mortgage secures the payment of $325,000 par value of Bonds, all of which are owned by this Company, having been purchased in 1880.

This Road, as shown in the schedule, is twenty and one-fifth miles in length, from East Hartford to the State line of Massachusetts, with a branch of seven and three-tenths miles in length, from Melrose to Rockville.

SPRINGFIELD AND NEW LONDON RAILROAD.

Connecting with the Connecticut Central Railroad at the State line is the Springfield & New London R. R., seven and a quarter miles in length, which has been under lease to this property since 1880. Its northern terminus is at a point in the city of Springfield, under St. James Avenue.

SPRINGFIELD, ATHOL AND NORTH-EASTERN RAILROAD.

From this point to our station at Spring Street, in the city of Springfield, is a distance of one and thirty-one one hundredths miles, formerly owned by the Springfield, Athol and Northeastern, now by its successor the Boston & Albany Railroad Company. This property with the terminal grounds connected with it in Springfield, has also been under lease to the New York and New England Railroad Company since 1880.

It is arranged that the Stock of the Springfield & New London Company can be secured by this Company at a cos of $89,400, and the property formerly owned by the Springfield, Athol and North-Eastern can probably be purchased at a fair price.

As the value of the Connecticut Central Railroad, which is practically owned by your Company, would be materially increased by the ownership of these two links, your Board recommend the purchase of them, and a merging of all three under the franchises of your Company, thus forming an extension of your Road from East Hartford into the city of Springfield, and your assent will be asked to secure the necessary legislation.

Until the present year, the largest earnings of your property were reported in 1883 ($3,568,653.47). The earnings of the present year have been $3,899,405.77.

While this result has been made possible by the general improvement in business throughout the country — a prosperity in which all our neighbors have shared — it is a satisfaction to know that the business represented by these largely-increased earnings has been done substantially without loss or accident, owing to the intelligence, zeal and fidelity of your representatives of all grades.

There seems no reason at this writing to doubt that the results of the year upon which we have entered will be at least equal to those reported at this time.

By order of the Board of Directors,

CHARLES P. CLARK,

President.

Boston, Nov. 4, 1886.

APPENDIX.

The following tables show the results, in detail, of the operations of the New York and New England Railroad during the fiscal year ending September 30, 1886.

EARNINGS AND EXPENSES, BY MONTHS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1886; INCLUDING ALL DEBTS AUDITED DURING THE YEAR.

Months.	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1885	$339,962 98	$189,258 02	$150,704 96
November, "	308,210 33	185,520 62	122,689 71
December, "	309,179 01	241,221 51	67,957 50
January, 1886	266,933 98	183,262 21	83,671 77
February, "	270,924 33	177,304 01	93,620 32
March, "	320,831 90	201,123 92	119,707 98
April, "	314,504 45	208,447 14	106,057 31
May, "	303,313 34	220,893 97	82,419 37
June, "	314,316 71	217,796 84	96,519 87
July, "	345,501 73	225,127 56	120,374 17
August, "	379,543 57	222,054 01	157,489 56
September, "	390,771 92	210,638 33	180,133 59
Total	$3,863,994 25	$2,482,648 14	$1,381,346 11

DR. CONDENSED GENERAL BALANCE SHEET,

PERMANENT INVESTMENTS.			
To Railroad, Equipment and Property as represented by Boston, Hartford & Erie Railroad Bonds		$20,000,000 00	
" Expenditures for underlying liens, equipment and improvement of property, including terminal facilities:			
Underlying liens, including payments to obtain possession of H. P. & F. R.R.	$4,486,414 76		
Construction and improvement of property	5,814,480 42	10,300,895 18	
" Equipment purchased through car trusts		1,471,000 24	
" Extension of road west of Waterbury		2,689,217 71	
" Purchase of South Boston Flats		1,549,390 00	
" Purchase of Drake's Wharf		131,000 00	
" Purchase of Piper Wharf		260,000 00	
" Transfer Steamer Wm. T. Hart, at Newburgh, cost	$177,194 33		
Less estimated depreciation	24,281 62	152,912 71	
Total cost of road and equipment		36,554,415 84	
" Investment in Connecticut Central R. R. Co., principally bonds and stock of that Company		290,377 69	
" Stock of New England Transfer Co		37,500 00	
Total permanent investments			36,882,293 53
ACCOUNTS IN THE NATURE OF ASSETS.			
" Supplies and materials on hand		216,601 63	
" Due from agents and conductors		183,320 88	
" Due from companies and individuals		237,243 38	
" Cash		334,744 71	971,910 60
" Profit and Loss balance (deficit)			670,202 12
			38,524,406 25

SEPTEMBER 30, 1886. CR.

CAPITAL STOCK.			
By Common Stock:			
Amount for which certificates have been actually issued	$19,313,000 00		
Boston, Hartford & Erie R. R. Berdell Bonds convertible into stock	687,000 00	$20,000,000 00	
" Preferred stock		1,900,000 00	
			$21,900,000 00
BONDED DEBT.			
" First mortgage 7 % bonds due Jan. 1, 1905	$6,000,000 00		
" First mortgage 6 % bonds, due Jan. 1. 1905	4,000,000 00	10,000,000 00	
" Second mortgage 6 % bonds, due Aug. 1, 1902,	3,363,000 00		
" Second mortgage, 3 % bonds, due Aug. 1, 1902,	998,000 00	4,361,000 00	
			14,361,000 00
" FUNDED INDEBTEDNESS			
Incurred for purchase of property secured by property purchased:			
Real Estate.			
Mortgage Note, Drake's Wharf, due Sept. 9, 1889,	$125,000 00		
Balance due on purchase of Piper Wharf, due Dec. 1, 1887	235,000 00		
Boston & Albany R. R. note (50-acre lot South Boston Flats,) due Feb. 7, 1889	300,000 00		
Balance due State of Mass. (25-acre lot South Boston Flats,) due May 1, 1891	800,000 00		
Balance due State of Mass. (50-acre lot South Boston Flats,) due May 1, 1892	100,000 00		
Balance due State of Mass. (12-acre lot South Boston Flats,) due July 1, 1890	86,532 00	1,646,532 00	
Equipment:			
E. W. Clark & Co., Car Trust (principal)		45,964 38	
			1,692,496 38
UNFUNDED DEBT.			
" First and Second mortgage bond coupons not yet presented		5,900 00	
" Accrued Interest:			
On First mortgage bonds, July 1 to Sept. 30, 1886	165,000 00		
On Second mortgage bonds Aug. 1, to Sept. 30, 1886.	38,620 00		
	$203,620 00		
On Funded indebtedness incurred for purchase of Real Estate	19,281 98	222,901 98	
" Unpaid Dividend of 3½% on Preferred Stock, payable Nov. 1, 1886		66,500 00	
" Unpaid Vouchers		99,032 09	
" Unpaid Pay-roll		32,815 50	
" Due sundry companies on traffic balances and other accounts		143,647 80	
" Credit balances		112 50	570,909 87
			$38.524,406 25

DR. PROFIT AND LOSS ACCOUNT,

To Balance (deficit) per last year's report			$693,781.77
" Operating Expenses		$2,482,648.14	
" Insurance		16,716.51	
" Rent of Other Roads		66,235.27	
" Taxes		121,240.99	
" Interest:			
On First Mortgage Bonds, Oct. 1, 1885, to Sept. 30, 1886: —			
$6,000,000.00 at 7% $420,000.00			
4,000,000.00 at 6% 240,000.00	$660,000.00		
On Second Mortgage 6% Bonds:			
1 year's interest on $3,254,000.00 . . . $195,240.00			
8 mo's. interest on 109,000.00 . . . . 4,360.00			
2 mo's. (Aug. & Sept. 1885) on 270,000.00 2,700.00			
$202,300.00			
Less credit for interest overcharged in previous year . . 180.00			
$202,120.00			
On Second Mortgage 3% Bonds:			
1 year's interest on 998,000.00 . . . . . 29,940.00			
4 mo's. interest on 15,000.00 . . . . . 150.00			
6 mo's. interest on 200,000.00 . . . . . 3,000.00 (Not issued till current year)			
$33,090.00			
Less credit for interest overcharged in previous year . . . 260.00			
$32,830.00	234,950.00		
On Funded Indebtedness incurred for Purchase of Property	75,881.60		
On Floating Debt and Loans . .	96,255.43		
		1,067,087.03	
" Boston Grain Elevator Expense,		1,318.04	
" Dividends declared — 7% on $1,900,000.00 Preferred Stock .		133,000.00	
			3,888,245.98
" Amount previously included in Assets, now considered either worthless or of a doubtful character			56,555.06
			$4,638,582.81

SEPTEMBER 30, 1886. CR.

By Gross Earnings		$3,863,994.25	
" Income from other sources.			
Hudson River Transfer	$34,496.09		
Boston Harbor Transfer	915.43	35,411.52	
			$3,899,405.77
" Premium on sale of Preferred Stock		$19,056.87	
" " " " " Second Mortgage Bonds		14,747.00	
" Difference between par value and amount paid by Company in purchase of Second Mortgage Scaled Bonds		15,163.18	
" Expenditures for improvements and additions to property transferred to Construction, having been charged to operating expenses in previous years operated by the Receiver		20.007.87	68,974.92
" Balance (deficit) September 30, 1886			670,202.12
			$4,638,582.81

STATEMENT OF BONDED AND FUNDED INDEBTEDNESS.

SEPTEMBER 30, 1886.

Description.	Date.	Date Due.	Interest.		Amount of Principal Outstanding.	Annual Interest Charge.
			Rate.	When Payable.		
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	7	Jan. 1, J'ly 1.	$6,000,000 00	$420,000 00
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	6	Jan. 1, J'ly 1.	4,000,000 00	240,000 00
Second Mortgage Bonds	June 22,1882	Aug. 1, 1902	6	Feb. 1, Aug. 1.	* 3,363,000 00	201,780 00
Second Mortgage Bonds	June22,1882	Aug. 1, 1902	3	Feb. 1, Aug. 1.	* 998,000 00	29,940 00
Mortgage Note, Drake's Wharf ‡	Sep. 9, 1886	Sep. 9, 1889	4½	Apr. 1, Oct. 1.	125,000 00	5,625 00
Piper Wharf, Boston (Balance Due)	Dec. 1, 1877	Dec. 1, 1887	4.8	Monthly.	235,000 00	11,280 00
B. & A. R. R. Note (50 Acre lot So. Boston Flats).	Feb. 7, 1879	Feb. 7, 1889	4	J'ly 1, Jan. 1.	300,000 00	12,000 00
State of Mass.....(25 " " " " .	Apr. 24, 1880	May 1, 1891	4	May 1, Nov. 1.	800,000 00	32,000 00
" " (50 " " " " .	Aug. 1, 1882	May 1, 1892	5	May 1, Nov. 1.	100,000 00	5,000 00
" " (12 " " " " .	Apr. 24, 1880	July 1, 1890	4	J'ly 1, Jan. 1.	86,532 00	3,461 28
† E. W. Clark & Co., Car Trust	July 1, 1882	July 1, 1889		Monthly.	45,964 38	5,725 68
					$16,053,496 38	$966,811 96

* Authorized issue, $5,000,000.00. † Principal and Interest payable monthly. ‡ Date of renewal.

16

1,692,496
1,235
67

14361

1,642 496

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1886.

SOURCE OF EARNINGS.			
Passenger		$1,296,895 97	
Freight		2,262,479 18	
Mail		46,658 95	
Express		93,161 42	
Miscellaneous:			
Rents	53,467 03		
New England Transfer Co.	50,625 00		
Wharves and docks	36,473 53		
N. & W. R. R. Lease	992 89		
Switching, Storage, etc.	19,931 56		
Miscellaneous	3,308 78		
		164,798 73	
Gross Earnings			$3,863,994 25
Income from other sources:			
Hudson River transfer		34,496 09	
Boston Harbor transfer		915 43	
			35,411 52
Total Income			3,899,405 77
OPERATING EXPENSES.			
Conducting Transportation—Passenger.			
General Passenger Agent and Clerks	$ 9,706 41		
Superintendence	4,413 40		
Clerks	6,790 96		
Stationery and Printing	8,724 58		
Foreign Agencies	103 87		
Advertising	7,068 06		
Rent of Depot, Grounds and Buildings	24,162 44		
Repairs of Stations	9,171 69		
Oil and Waste for Cars	1,546 35		
Conductors, Baggagemen and Brakemen	67,114 50		
Mail Expense	1,364 29		
Train Expense	5,756 81		
Fuel and Light for Cars	7,782 93		
Hire of Cars	6,103 26		
Telegraph Expense	12,314 46		
Loss and Damage to Baggage	143 09		
Loss and Damage to Property	4,299 81		
Personal Injuries	17,710 68		
Station Agents	32,021 34		
Switchmen and Yardmen	21,773 98		
Cleaning and Inspecting Cars	23,461 66		
Labor at Stations	17,683 28		
Expense of Stations	5,181 99		
Fuel and Lights for Stations	9,574 42		
Wrecking	423 36		
Stock Killed	443 37		
Watchmen	560 28		
Signals	1,176 88	306,578 15	
Amounts carried forward		$306,578 15	$3,899,405 77

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward, . .		$306,578 15	$3,899,405 77
Conducting Transportation—Freight.			
General Freight Agent and Clerks	25,759 13		
Superintendence	6,448 06		
Clerks	73,165 00		
Stationery and Printing	10,475 07		
Foreign Agencies	2,465 06		
Advertising	30 02		
Rent of Depot, Grounds and Buildings	5,160 31		
Repairs of Stations	8,906 18		
Oil and Waste for Cars	2,390 92		
Conductors and Brakemen . . .	106,983 99		
Train Expense	8,237 65		
Fuel and Light for Cars	1,483 83		
Hire of Cars	2,886 36		
Telegraph Expense	24,084 94		
Loss and Damage to Freight . .	6,174 36		
Loss and Damage to Property . .	6,641 66		
Personal Injuries	19,117, 87		
Station Agents	41,434 24		
Switchmen and Yardmen . . .	83,872 81		
Oiling and Inspecting Cars . . .	11,327 81		
Labor at Stations	109,470 39		
Expense of Stations	13,207 07		
Fuel and Lights for Stations . .	5,594 82		
Wrecking	1,473 95		
Watchmen	6,193 32		
Stock Killed	635 49		
Wharves and Docks, Repairs of	5,098 64		
" " Expenses of	9,191 12		
Signals	4,669 42		
		602,579 49	
Maintenance of Way.			
Superintendence	12,449 54		
Clerks	1,957 07		
Ballasting and Surfacing	58,209 82		
Labor repairing Track	190,059 14		
Frogs	1,455 01		
Switches	3,219 11		
Spikes	2,490 59		
Splices and Bolts	4,184 67		
Repairs, Hand Cars	1,193 08		
Tools, and Repairs of	5,808 85		
Watchmen	12,690 19		
Railroad Crossings	3,369 11		
Oil, Fluid and Tallow	1,011 69		
Steel Rails	27,569 76		
Iron Rails	1,769 43		
Cross Ties (130,614 ties).	48,476 69		
Switch Ties	3,598 53		
Repairs of Bridges, Labor . . .	15,067 77		
Repairs of Bridges, Material . .	8,224 17		
Culverts and Cattle Guards . . .	21,518 84		
Highway Crossings and Fences .	19,706 12		
Telegraph Repairs	11 55		
Section and Watch Houses . . .	1,869 04		
Stationery and Printing	229 52		
Repairs of Tenement Buildings .	2,664 91		
Removing Snow and Ice	6,230 95	455,035 15	
Amounts carried forward, . .		$1,364,192 79	$3,899,405 77

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward, . .		$1,364,192 79	$3,899,405 77
Motive Power.			
Superintendence	5,252 22		
Clerks	6,362 78		
Stationery and Printing	486 11		
Reps. to Eng. H'ses & Mac. Sh'ps	8,673 52		
Repairs to Pass. Locomotives, . .	89,505 49		
Repairs to Freight " . .	72,294 64		
Repairs to Switch " . .	16,637 61		
Repairs to Work " . .	1,731 73		
Coal for Passenger " . .	105,422 66		
Coal for Freight " . .	154,920 82		
Coal for Switch " . .	50,868 29		
Coal for Work " . .	6,284 71		
Coal for Pay " . .	798 80		
Wood for Passenger " . .	263 15		
Wood for Freight " . .	281 48		
Wood for Switch " . .	188 49		
Wood for Work " . .	26 77		
Wood for Pay " . .	13 04		
Oil & Waste for Pass. " . .	4,191 54		
Oil & Waste for Fr'ght " . .	3,794 93		
Oil & Waste for Switch" . .	1,421 57		
Oil & Waste for Work " . .	223 94		
Oil & Waste for Pay " . .	39 70		
Cleaning Passenger " . .	8,137 69		
Cleaning Freight " . .	7,068 56		
Cleaning Switch " . .	4,262 91		
Cleaning Work " . .	708 63		
Cleaning Pay " . .	114 34		
Repairs of Tools and Machinery.	17,587 60		
Fuel & Lights for E. H. & M.S. . .	8,540 17		
Water Station Expense, ...	14,432 31		
Pumping	5,854 94		
Passenger Engineers and Firemen,	62,519 98		
Freight " " "	71,439 15		
Switch " " "	31,586 90		
Work " " "	4,769 75		
Pay Trip " " "	716 71		
Sand for Engines	1,727 49		
Watchmen, ...	5,007 52		
Fuel Stations—Fixtures and Rep.	4,424 68		
Laborers	12,336 27		
Rent of Engines	1,849 20		
		792,768 79	
Maintenance of Cars.			
Superintendence	3,552 02		
Clerks	3,438 28		
Stationery and Printing	262 16		
Repairs, Car Shops and Sheds . .	2,449 84		
Repairs to Pass. and Baggage Cars	62,352 52		
Repairs to Sleeping Cars	1,074 56		
Repairs to Freight Cars	92,125 66		
Repairs to Gravel Cars	4,692 56		
Repairs to Pay Car	637 22		
Fuel and Lights for Car Shops . .	4,354 03		
Repairs, Tools and Machinery . .	4,646 23		
Watchmen	1,108 69		
Laborers	7,737 81	188,431 58	
Amounts carried forward, . . .		$2,345,393 16	$3,899,405 77

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward . . .		$2,345,393 16	$3,899,405 77
General Expenses.			
Salaries and Exp. of Gen'l Officers	58,402 83		
Clerks at Offices	18,247 18		
Attendants at Offices	2,415 21		
Legal and Car Trust Expenses. .	44,722 94		
Stationery and Printing	3,224 88		
Expenses at General Offices . . .	1,933 22		
Rent of General Offices	553 60		
Fuel and Light for General Offices	1,484 68		
Repairs of General Offices	1,035 02		
Pay Trip Expenses	1,503 32		
Postage	2,068 93		
Detective Service	1,477 67		
Discount and Interest	41 03		
Advertising	144 47		
		137,254 98	
		2,482,648 14	
Expense Boston Grain elevator .		1,318 04	2,843,966 18
Total Net Income			1,415,439 59
CHARGES AGAINST INCOME.			
Taxes		121,240 99	
Insurance		16,716 51	
Rent of other Roads:			
Newburgh, D. & Conn.	32,522 78		
Rhode Is. & Mass.	20,000 00		
Boston & Albany	5,062 49		
Springfield & New Lond. . . .	4,250 00		
Rockville	4,000 00		
		66,235 27	
Interest:			
On Boston Terminal Lands . .	69,678 78		
" First Mortgage Bonds. . .	660,000 00		
" Second " " . . .	234,950 00		
" Old Floating Debt.	94,269 38		
Miscellaneous, mainly Car Trust	8,188 87		
		1,067,087 03	
Dividends declared, 7 per ct. on $1,900,000 preferred stock . . .		133,000 00	
			1,404,279 80
Surplus			11,159 79

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR, ENDING SEPTEMBER 30, 1886, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellan's	Total Earn's.
Pass. Earnings . .	$1,296,895 97	–	$46,658 95	$93,161 42	$ 38,867 14	$1,475,583 48
Freight Earnings .	–	$2,262,479 18	–	–	125,931 59	2,388,410 77
Total	$1,296,895 97	$2,262,479 18	$46,658 95	$93,161 42	$164,798 73	$3,863,994 25

Apportionment.	OPERATING EXPENSES.					
	Transp'tation Department.	Maintenance of Way.	Motive Power.	Mainten'ce of Cars.	General Expenses.	Total.
Passenger Expenses,	$306,578 15	$176,735 65	$336,792 60	$ 68,362 50	$52,417 68	$ 940,886 58
Freight Expenses .	602,579 49	278,299 50	455,976 19	120,069 08	84,837 30	1,541,761 56
Total	$909,157 64	$455,035 15	$792,768 79	$188,431 58	$137,254 98	$2,482,648 14

Gross Passenger Earnings	$1,475,583 48	
Gross Passenger Expenses	940,886 58	
Net Passenger Earnings		$534,696 90
Gross Freight Earnings	$2,388,410 77	
Gross Freight Expenses	1,541,761 56	
Net Freight Earnings		846,649 21
Total Net Earnings		$1,381,346 11

COMPARISON WITH PREVIOUS YEARS OF EARNINGS, EXPENSES AND BUSINESS.

	Year Ending Sept. 30, 1886.	Year Ending Sept. 30, 1885.	Year Ending Sept. 30, 1884.
Miles of Road Operated	379.76	379.76	382.32
Gross Earnings, per mile of road	$10,174.83	$8,638.11	$8,730.65
Operating Expenses, per mile of road,	$6,537.41	$5,957.24	$7,316.82
Net Earnings, per mile of road	$3,637.42	$2,680.87	$1,413.83
Percentage of Operating Expenses to Gross Earnings	64.25%	68.96%	83.81%
Revenue Train, miles run	2,259,030	2,106,764	2,350,058
Gross Earnings, per revenue train mile	$ 1.710	$ 1.557	$ 1.420
Operating Expenses, per revenue train mile	$ 1.099	$ 1.074	$ 1.190
Net Earnings, per revenue train mile,	$ .611	$ .483	$ .230
Expenses of Transportation, per mile of road	$2,394.03	$2,213.82	$2,556.69
Expenses of Transportation, per revenue train mile	.402	.399	.416
Maintenance of Way, per mile of road,	$1,198.22	$1,118.39	$1,188.08
Maintenance of Way, per revenue train mile	.201	.202	.193
Motive Power, per mile of road.	$2,087.02	$1,900.13	$2,681.43
Motive Power, per revenue train mile	.350	.343	.436
Maintenance of Cars, per car for passenger cars, all kinds	$ 354.21	$ 467.98	$ 504.20
Maintenance of Cars, per car for freight cars, all kinds	$ 31.75	$ 22.42	$ 36.55
Maintenance of Cars, per mile of road,	$ 496.18	$ 461.77	$ 612.35
Maintenance of Cars, per revenue train mile	.083	.083	.10
General Expenses, per mile of road	$ 361.42	$ 263.12	$ 278.27
General Expenses, per revenue train mile	.067	.047	.045
Passenger Earnings, per mile of road,	$3,885.57	$3,524.15	$3,366.76
Passenger Expenses, per mile of road,	$2,477.58	$2,432.62	$2,775.56
Net Passenger Earnings, per mile of road	$1,407.99	$1,091.53	$ 591.20
Percentage of Passenger Expenses to Passenger Earnings	63.76%	69.03%	82.44%
Revenue Passenger Train, miles run	1,238.048	1,195,799	1,218,675
Passenger Earnings, per revenue passenger train mile	$ 1.19	$ 1.12	$ 1.06
Passenger Expenses, per revenue passenger train mile	$ .76	$ .77	$ .87
Net Passenger Earnings, per revenue passenger train mile	$ .43	$ .35	$ .19
Number Local Passengers Carried	4,582,220	3,984.364	3,764,400
Number Through Passengers Carried	658,686	631.650	603,690
Total Number of Passengers Carried	5,240,906	4,616,014	4,368,090
Number of Passengers Carried One Mile	63,870,470	58,015,468	54,299,316
Earnings per Passenger	$ .247	$ .247	$ .251
Earnings per Passenger, including mail, express, etc	$ .282	$ .290	$ .295
Earnings per Passenger, per mile	$ .0202	$ .0195	$ .0202
Earnings per Passenger, per mile, including mail, express, etc	$ .0231	$ .0231	$ .0237
Expenses per Passenger	$ .179	$ .200	$ .243
Expenses per Passenger, per mile	$ .0147	$ .0159	$ .0195
Average Distance Travelled, per passenger	12.19	12.57	12.43

	Year Ending Sept. 30, 1886.	Year Ending Sept. 30, 1885.	Year Ending Sept. 30, 1884.
Freight Earnings, per mile of road	$6,289.26	$5,113.96	$5,363.89
Freight Expenses, per mile of road	$4,059.83	$3,524.62	$4,541.26
Net Freight Earnings, per mile of road,	$2,229.43	$1,589.34	$ 822.63
Percentage of Freight Expenses to Freight Earnings	64.55%	68.92%	84.67%
Revenue Freight Train, miles run.	1,020,982	910,965	1,131,383
Freight Earnings, per revenue freight train mile	$ 2.339	$ 2.132	$ 1.813
Freight Expenses, per revenue freight train mile	$ 1.510	$ 1.469	$ 1.535
Net Freight Earnings, per revenue freight train mile	$ .829	$ .663	$ .278
Number of Tons of Freight Carried	2,099,339	1,715,661	1,786,531
Number of Tons of Freight Carried One Mile	135,470,333	107,639,953	138,534,292
Earnings per Ton	$ 1.08	$ 1.07	$ 1.09
Earnings per Ton, per mile	$ .01670	$ .01709	$ .01412
Earnings per Ton, including miscellaneous	$ 1 14	$ 1.13	$ 1.15
Earnings per Ton. per mile, including miscellaneous	$ .01763	$ .01804	$ .01480
Expenses per Ton	$ .73	$ .78	$ .97
Expenses per Ton, per mile	$ .01138	$ .01244	$ .01254
Average Distance each Ton Carried, miles	64.529	62.740	77,543
Number of Locomotives in Service	110	122	141
Mileage of Passenger Locomotives	1,223,945	1,201,287	1,219,926
Expenses, per mile, of Passenger Locomotives	$ .2177	$ .2058	$ .2925
Mileage of Freight Locomotives	1,047,802	939,850	1,198,402
Expenses, per mile, of Freight Locomotives	$ .3018	$ .2949	$ .3620
Total Mileage of all kinds of Locomotives	2,996,808	2,735,028	3,205,341
Average Expenses, per mile, of all Locomotives	$ .2324	$ .2298	$ .2740

NOTE.—The figures for 1885, given by the corresponding table in that year's report were the Receivers' operations only. For purposes of comparison, the 1885 figures shown above include all operations audited during that fiscal year, placing them on the same basis as the figures for 1886.

PASSENGER STATISTICS.

EARNINGS AND COST PER PASSENGER PER MILE.

	1886. Cents.	1885. Cents.	Increase or Decrease.	Per Cent.
Local	.0210	.0208	Inc. .0002	Inc. .0096
Foreign	.0227	.0212	Inc. .0015	Inc. .0708
Average earnings	.0202	.0195	Inc. .0007	Inc. .0359
Average Cost	.0147	.0151	Dec. .0004	Dec. .0264
Net	.0055	.0044	Inc. .0011	Inc. 25.00

AVERAGE TRIP PER PASSENGER.

	1886. Miles.	1885. Miles.	Increase or Decrease.	Per Cent.
Local Passengers	10.40	10.75	Dec. .0035	Dec. .0329
Foreign	24.64	25.16	Dec. .0052	Dec. .0207
Average	12.19	12.73	Dec. .0054	Dec. .0424
Aver. no. of Pass. per car	14.1	13.7	Inc. .004	Inc. 0.292
" " " " " tr'n	51.	49.	Inc. .02	Inc. 0408

NUMBER OF PASSENGERS CARRIED, REVENUE, ETC.

PASSENGERS.

	1886	1885.	Increase.	Per Cent.
Local	4,582,220	3,984,364	597,856	15.00
Foreign	658,686	631,650	27,036	04.28
Total	5,240,906	4,616,014	624,892	13.54

PASSENGER MILEAGE.

	1886.	1885.	Increase.	Per Cent.
Local	47,640.899	42,812,167	4,828,732	11.28
Foreign	16,229,571	15,203,301	1,026,270	06.75
Total	63,870.470	58,015,468	5,855,002	10.09

REVENUE.

	1886.	1885.	Increase.	Per Cent.
Local	$921.143.81	$811,915.90	$109,227.91	13.45
Foreign	368,462.39	322,257.25	46,205.14	14.34
Total	1,289.606.20	1,134,173.15	155,433.05	13.70

See note on page 23. The same applies to above tables.

FREIGHT STATISTICS.

	TONNAGE.				Per Cent.	
	1886.	1885.	Inc.	Decrease.	Inc.	Dec.
Local	1,170,570	996,630	173,940		17.45	
Through	928,770	719,032	209,738		29.17	
Total	2,099,340	1,715,662	383,678		22.36	

TONS CARRIED ONE MILE.

Local	46,914,956	37,064,980	9,849,976		26.57	
Through	88,555,377	70,574,973	17,980,404		25.48	
Total	135,470,333	107,639,953	27,830,380		25.86	

REVENUE.

Local	$1,390,371.86	$1,168,037.07	$222,334.79		19.03	
Through	876,405.02	671,962.18	204,442.84		30.42	
Total	$2,266,776.88	1,839,999.25	$426,777.63		23.19	

EARNINGS AND COST PER TON PER MILE.

					Per Cent.	
	1886.	1885.	Inc.	Decrease.	Inc.	Dec.
	Cents.	Cents.				
Local	2.963	3.151		.188		.0597
Through	0.990	0.952	.038		.0399	
Average earnings	1.673	1.709		.036		.0211
Average Cost	1.138	1.244		.106		.0852
Net	.535	.465	.070		.1505	

See note on page 23. The same applies to above tables.

RECAPITULATION OF GROSS EARNINGS AND OPERATING INCLUDING ALL DEBTS

GROSS EARNINGS.

MONTH.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellan. Earnings.	Gross Earnings.
October, 1885	$116,228.06	$200,488.91	$3,892.32	$5,856.49	$13,497.20	$339,962.98
November, "	99,020.57	187,680.71	3.892.32	8,018.10	9,598.63	308,210.33
December, "	99,556.70	184,255.58	3,892.32	7,072.33	14,402.08	309,179.01
January, 1886	90,024.29	157,733.10	3,892.32	8,270.32	7,013.95	266,933.98
February, "	87,312.55	154,001.21	3,892.32	8,363.32	17,254.93	270,924.33
March, "	103,046.42	195,548.17	3,892.32	8,338.76	10,006.23	320,831.90
April, "	105,263.69	189,150.09	3,845.39	7,944.87	8,300.41	314,504.45
May, "	102,511.56	176,848.63	3,892.32	7,489.50	12,571.33	303,313.34
June, "	104,326.17	183,598.60	3,892.32	7,995.72	14,503.90	314,316.71
July, "	123,777.23	195.288.82	3,892.32	8,220.35	14,323.01	345,501.73
August, "	133 391.91	216,967.64	3,892.32	7,886.34	17,405.36	379,543.57
September, "	132,436.82	220,917.72	3,890.36	7,705.32	25.821.70	390.771.92
Total, 1886.....	$1,296,895.97	$2,262,479.18	$46,658.95	$93,161.42	$164,798.73	$3,863,994.25
Total, 1885.....	1,139,915.34	1,839,999.25	45,849.03	98,461.00	156,186.05	3,280,410.67
Increase . .	$156,980.63	$422,479.93	$809.92	. . . .	$8,612.68	$583,583.58
Decrease . .	. . . . .	. . . . .	. . . . .	$5,299.58	. . . .	. . . . .

EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1886, AUDITED DURING THE YEAR.

OPERATING EXPENSES.

Month.	Con. Trans. Passenger	Con. Trans. Freight.	Maint'ance of Way.	Motive Power.	Maint'ance of Cars.	General Expense.	Total Oper. Expenses.
Oct. 1885	$27,159.96	$47,404.30	$30,864.62	$63,928.03	$13,052 10	$6,849.01	$189,258.02
Nov. "	25.297.84	48,374.14	25,931.43	64,541.56	13,195.39	8,180.26	185,520.62
Dec. "	28,714.40	57,172.71	22,247.68	70,504.70	12,687.73	49,894.29	241,221.51
Jan. 1886	22,907.61	51,091.57	22,709.00	61,686.47	14,278.69	10,588.87	183,262.21
Feb. "	22,512.18	44,611.23	29.384.38	60,853.93	12,989.26	6,953.03	177,304.01
Mar. "	31,358.83	46,347.07	28,428.65	69,663.42	17,753 38	7,572.57	201,123.92
Apr. "	21.245.40	45 864.08	44,532.70	69,577.01	19,668.92	7,559.03	208,447.14
May "	23,221.46	47,224.88	56,677.65	65,941.77	17,500.91	10,327.30	220,893.97
June "	23,065.64	47,216.86	58,184.39	64,508.25	17,191.45	7,630 25	217,796.84
July "	25,070.29	55,877.66	52,764.26	66,931.73	17,197.65	7,285.97	225,127.56
Aug. "	24,560.97	53,171.33	54,394 20	65,965.98	16,219.97	7,741.56	222,054.01
Sept. "	31,463.57	58.223.66	28,916 19	68,665.94	16,696.13	6,672.84	210,638.33
Total, 1886	$306,578.15	$602,579.49	$455,035.15	$792,768.79	$188,431.58	$137,254.98	$2,482,648.14
Total, 1885	320,173.22	520,547.99	424,721.22	721,595.20	175,361.64	99,922.60	2,262,321.87
Increase,	. . . . .	$82,031.50	$30,313.93	$71,173.59	$13,069.94	$37,332.38	$220,326.27
Decrease	$13,595.07	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30th, 1886.

Improvements at South Boston Flats:			
Fifty Acre Lot.			
Engineering and Grading	$ 2,213 18		
Buildings	11,388 19		
Piers	10,276 71		
Miscellaneous	1,078 18	$24,956 26	
Twenty-Five Acre Lot.			
Ties, Rails, etc.		839 32	$25,795 58
Extension of Double Track:			
Steel Rails		86,546 17	
Miscellaneous		620 21	87,166 38
New Transfer Wharf and Approaches, Boston			13,415 33
New Sidings			9,575 49
Real Estate:			
Land Purchased at various places		25,542 65	
Less land sold at Brookline		16,368 66	9,173 99
Right of Way			4,620 40
New Track Tank, Putnam			4,954 00
Underlying Liens purchased			1,112 62
New Safety Gates and Signals			1,034 72
New Tools and Improvements at Shops			8,687 05
Miscellaneous Improvements			2,145 04
Equipment:			
New Dining Car	8,603 67		
Passenger Cars	334 97		
Gondola Freight Cars	710 91		
3 New Snow Plows	750 00	10,399 55	
Less Credit to Locomotives in Settlement of Car Trust		427 34	9,972 21
Total Charges to Property Acct. during year			177,652 81
Less amount credited by reduction in cost of Capital Stock of the New England Transfer Company as it previously appeared on the books, the same being charged to Profit and Loss Account			3,400 00
Net Charges to Property Accounts			174,252 81

TWELFTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK AND NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

TUESDAY, DEC. 13, 1887.

BOSTON:
PRINTED BY CASHMAN, KEATING & CO.
603 WASHINGTON STREET.

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DIRECTORS.

EUSTACE C. FITZ	Boston, Mass.
JONAS H. FRENCH	" "
GEORGE M. RICE	Worcester, Mass.
NICHOLAS SHELDON	Providence, R. I.
B. F. VAUGHAN	" "
FREDERICK J. KINGSBURY	Waterbury, Conn.
W. H. STEVENSON	Bridgeport, "
GEO. M. LANDERS	New Britain, "
ELIJAH SMITH	New York, N. Y.
A. E. BATEMAN	" " "
HEMAN CLARK	" " "
T. W. PEARSALL	" " "
THOMAS RUTTER	" " "
JOHN G. MOORE	" " "
W. H. STARBUCK	" " "
JOHN L. MACAULAY	" " "
J. A. BOSTWICK	" " "
WILLIAM P. SHINN	Boston, Mass.

OFFICERS OF THE COMPANY.

J. A. BOSTWICK	President.
WILLIAM P. SHINN	Vice-President.
GEORGE B. PHIPPEN	Treasurer.
JAMES W. PERKINS	Secretary.

RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE

NEW YORK AND NEW ENGLAND RAILROAD COMPANY.

LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction.... (Hopewell Junction to Wicopee owned by N. D. & C. R. R. Company.)	214.96	108.10	94.35	417.41
Wicopee to Fishkill Landing.....	1.71		5.42	7.13
Fishkill Landing to Newburgh Transfer Boat.....	.79			.79
Providence to Willimantic.....	58.50		15.57	74.07
Cook St., Newton, to Woonsocket.	28.41		6.03	34.44
East Thompson to Southbridge....	17.37		2.75	20.12
State Line of Conn. to junction with Boston & Albany R. R., in Springfield	7.31		3.00	10.31
Dedham Junction to Dedham	1.52		1.86	3.38
Charles River to Ridge Hill.....	1.64		.23	1.87
Dorrance St. Track, Providence...	.82		.03	.85
Freight Branch, Hartford.....	.67		1.75	2.42
Total owned and operated by the Company.	333.70	108.10	130.99	572.79

LEASED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Norwich & Worcester R. R.				
Worcester to Allyn's Point	66.40		21.62	88.02
R. I. & M. R. R.				
Franklin to Valley Falls.....	13.60		1.34	14.94
Rockville Railroad.				
Vernon to Rockville.	4.40		.75	5.15
Connecticut Central R. R.				
East Hartford to State Line of Mass..	20.24		1.95	22.19
Melrose to West St., Rockville ..	7.30		.24	7.54
Boston & Albany R. R.				
From Junction of N. Y. & N. E. R. R. to Spring St. in Springfield	1.20			1.20
Total Leased Lines operated by the Company	113.14		25.90	139.04

RUNNING ARRANGEMENTS OVER:				
Newburgh, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction.....	10.95			
New London Northern R. R.				
Norwich to New London	13.50			
Total	24.45			
CONTROLLED THROUGH LEASE.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York..... .	125.00			

Making the total number of miles of transportation lines controlled by the New York & New England Railroad Company, 596.29 miles.

TWELFTH ANNUAL REPORT.

To the Stockholders of the New York and New England Railroad Company:—

The Directors respectfully submit the following as their report of the operations of the New York & New England Railroad Co. for the year ending Sept. 30th, 1887, and its financial condition upon that date.

The earnings, expenses, and net earnings of your lines, including the Norwich & Worcester R. R., compare with those of the previous year as follows:—

	1887	1886	Increase.
Earnings,	$4,903,284 36	$4,612,633 31	$290,631 05
Expenses,	3,178,853 07	2,908,529 46	270,323 61
Net earnings,	$1,724,431 29	$1,704,103 83	$20,307 44

The net earnings for 1887, above named, are subject to the following charges:—

Interest on Bonds	$891,720 00
Interest on Terminal Property	69,356 90
Miscellaneous Interest	8,542 99
Rent of Norwich & Worcester R. R.	234,989 46
Rent of other roads	106,855 78
Taxes	213,410 05
Insurance	13,914 04
Boston Grain Elevator	1,006 93
Total	$1,539,796 15
Deducting which from the net earnings as above shown leaves a balance of	$184,635 14
To which add income from	
Hudson River Transfer	23,441 61
Boston Harbor Transfer	5,166 75
Norwich & New York Transportation Co.	21,600 00
Amount carried forward,	$234,843 50

Amount brought forward,		$234,843 50
Profit from Norwich & Worcester R.R. for the four months ending Sept. 30, 1886, as shown by the profit and loss account of that road		28,270 96
Total, applicable to dividend on pfd. stock .		$263,114 46
From which deduct div. on pfd. stock 7 % .		135,975 00
Balance—Surplus from operation of roads .		$127,139 46

The balance shown as profit from the operation of the Norwich & Worcester R.R. for four months ending September 30th, 1886, is only nominally for that period, as is shown in the Vice-President's report, and the surplus above shown is properly from the operations of your system for the year ending September 30th, 1887. The profit and loss account in the last annual report showed a debit balance of

		$670,202 12
To which add accounts charged off during the past year as worthless		$634 52
		$670,836 64
Deduct surplus as above shown,	$127,139 46	
Premium on pfd. stock sold .	19,195 00	
Profit of sale of N.E. Transfer Stock	12,500 00	
		$158,834 46
Balance being debit to profit and loss September 30th, 1887		$512,002.18.

The property of the Company has not only been kept up to its previous standard, but it has been materially improved during the past year. Including the Norwich and Worcester Railroad there have been 5,230 tons of steel rails placed in the track, representing about fifty-five miles of iron rails replaced by steel.

Additions to the Company's sidings have been made to the extent of seven and four-tenths miles.

Substantial iron bridges have been erected at an expense of $69,521.16. New equipment has been built to the value

of $12,567.34, and the general condition of your property is much better than it was at the beginning of the fiscal year.

The policy of your Board during the past year has been to make all needed repairs and improvements on the property chargeable to maintenance, as rapidly as they could be got at, while improvements have been made chargeable to the improvement account to as great an extent as your Board thought wise in the present financial condition of the Company. Other improvements should be made in the way of filling trestles, laying additional yard tracks and furnishing additional terminal facilities at Boston; and the growing traffic upon your lines will demand a material addition to the rolling stock of the Company.

The changing of the crossings of public roads, so as to avoid crossings at grade, is an important and growing source of expense. The improvement at Hartford for crossing the tracks of the Company over Asylum Street will involve the expenditure of from seventy-five thousand to one hundred thousand dollars. It is very desirable that an equitable arrangement should be made for the division of this class of expense between the railroad company and the states or towns through which the road runs. Heretofore this division has been the subject of an order by the state or local officers. An effort was made at the last session of the Legislature of Connecticut to enact a law which should provide for a specific division of the expense between the railroad company and the state. This act was not prepared at the instance of the railroad companies, nor urged by them, but with slight modifications would have been accepted and it would have made an approach to an equitable division of the expense; but, unfortunately, it failed to become a law, and the effort is now being made by interested parties in that state to secure the enactment of a law compelling the railroad companies to make the change entirely at their own expense. This would not be equitable, as the right of the railroad company at the grade crossings rests upon the same basis as the right of the public using the highways; and, in most specific cases, if

one or the other had to be abolished, it would not be the railroad, as it usually accommodates a much larger class of the public than the highway. It is hoped that this question will be settled upon an equitable basis.

The increase of taxation upon railroad corporations is a matter of serious concern. The taxes of your Company for the last fiscal year amounted to $213,410.05 which was 11 16-100 per cent of the net earnings of the Company, and about fifty per cent of the amount remaining of the net earnings after paying the other charges against income. No other property in the state is taxed to an equal amount compared with its producing value.

The report of the Vice-President herewith submitted will be found very complete in its statements of the earnings, expenses, improvements, &c., and the results therein shown, we trust, will be satisfactory to the stockholders, and practical evidence of our purpose and intention to manage the property for their best interest.

There is a constant and steady growth in our traffic; and, with the improvements that are being made in the road and equipment, they may be expected to continue, while the expenses, if no unforeseen disaster occurs, can be expected to diminish proportionately. The safe and successful manner in which the traffic of your lines has been operated during the past year is a source of congratulation to the stockholders, and the operating officers are entitled to an appreciative regard for their successful efforts to that end.

By order of the Board of Directors,

J. A. BOSTWICK,

President.

New York, Nov. 16, 1887.

VICE-PRESIDENT'S REPORT.

To the President and Directors of the New York and New England Railroad Company.

The following report of the financial condition of your Company, and its business and operations during the fiscal year ending September 30, 1887, is presented for your information and that of the stockholders.

The earnings, expenses and fixed charges for the fiscal year were as follows: —

Passenger earnings		$1,386,488 05
Freight "		2,485,912 5
Mail "		46,707 84
Express "		101,727 22
Miscellaneous: —		
Rents	$38,813 07	
New England Transfer Co.	20,625 00	
Wharves and Docks	35,677 80	
Springfield & New London R. R. Dividend	3,817 11	
Switching, Storage, etc.	30,437 59	
Miscellaneous	1,710 68	131,081 25
Gross earnings of the Road, exclusive of the Norwich and Worcester Railroad,		$4,151,917 21
Income from other sources: —		
Hudson River Transfer	$23,441 61	
Boston Harbor Transfer	5,166 75	
Norwich & Worcester R. R. Lease	37,159 46	65,767 82
Total gross income		$4,217,685 03
Operating expenses		2,742,635 42
Total net income *carried forward*		$1,475,049 61

Total net income *brought forward* . .			$1,475,049 61
Against this amount are the following charges :			
Taxes		$163,566 03	
Insurance		12,113 45	
Rent of other roads : —			
Newburgh, Dutchess & Connecticut	$34,755 63		
Rhode Isl. & Mass.	20,000 00		
Boston & Albany .	5,000 02		
Springfield & New London . .	2,480 13		
Rockville . .	4,400 00	66,635 78	
Interest on Boston terminal lands		69,356 90	
Miscellaneous Interest, mainly Car Trust		8,542 99	
Interest on First Mortgage Bonds		660,000 00	
Interest on Second Mortgage Bonds		231,720 00	
Dividends declared on Preferred Stock :			
3½ % on $1,935,000	$67,725 00		
3½ % on $1,950,000	$68,250 00		
		$135,975 00	
			1,347,910 15
Net surplus for the year. . . .			$127,139 46

With the explanation hereinafter given it is believed that the surplus for the year above shown will be highly satisfactory.

NORWICH AND WORCESTER RAILROAD.

The reports of the business of the Company have not heretofore shown in detail the operations of the Norwich & Worcester Railroad, leased by this Company, and form-

ing an important part of its system. The earnings and expenses of that road have not been reported as a part of the earnings and expenses of the New York & New England Railroad Company; but the balance of profit or loss on the year's operations only has been carried into the accounts of this Company.

The accounts of the Norwich & Worcester Railroad were kept in a separate auditing department at Norwich. Finding that this state of things left the officers of your Company responsible for its management without the information necessary to its intelligent supervision, I caused the accounts to be transferred from Norwich to the Accounting Department of the Company in Boston. This transfer took effect on Aug. 1st, 1887, since which date the accounts of the Norwich & Worcester Railroad have been kept as a division of the New York & New England Railroad, in the same manner as the accounts of other divisions, and from Oct. 1st, the earnings and expenses of your road will be reported, including the earnings and expenses of the Norwich & Worcester Division heretofore excluded.

In the last annual report, a profit was shown from the operation of the Norwich & Worcester Railroad of $992.89. This sum, however, was the balance at the end of the preceding dividend period of the Norwich & Worcester Railroad Company, which was May 31, 1886. The above statement of the profit from the operation of the Norwich & Worcester Railroad covers, therefore, the period of sixteen months, as shown in the Profit and Loss Account of that division in the Auditor's Report. The account for the four months, June to September, 1886, stated separately in the Profit and Loss Account, shows an apparent balance, or profit, of $28,270 96, against which, however, there should have been charged certain expenses for steel rails and other expenditures made prior to Sept. 30, 1886, but which had been carried over into the accounts for 1887, amounting to $19,000, and a ratable proportion — say one-third of the year's taxes and insurance, amounting to about $17,000, which sums, had they been charged against the earnings of the four months, would have shown a deficit for that period of about $7,000.

The net earnings above shown from the operation of the Norwich & Worcester Railroad are, therefore, properly the net earnings of the year, ending Sept. 30, 1887, and include a dividend of eight per cent. upon the stock held by the Norwich & Worcester Railroad Company in the Norwich & New York Transportation Company (Norwich Line Steamers), their dividend upon which amounted to $21,600. The report of the Norwich & New York Transportation Company for the year ending Sept. 30th, shows the property of that Company to be in good condition, and in case it meets with no serious accident, that Company should be able to declare dividends regularly hereafter.

The operations of the Norwich & Worcester Railroad will hereafter be recorded on your books in the same manner as those of any other division of your line.

The law passed by the General Court of the State of Massachusetts in the Session of 1884, has been complied with by the construction of a new and commodious freight station and the establishing of an excellent freight yard, south of Madison Street, in the city of Worcester.

The new station and yard are now being used for the transaction of our business, and the property occupied by the old station and yard is now for sale. When sold, the proceeds will be applied so far as may be to the payment of the cost of the new station and yard. The change will add considerably to the facilities of the Company for the receipt and delivery of freight in the city of Worcester.

EARNINGS, EXPENSES AND NET EARNINGS.

The earnings, expenses and net earnings of your roads, including the Norwich & Worcester Railroad, compare with those of the previous year as follows:

	1887.	*1886.*	*Increase.*
Earnings	$4,903,284 36	$14,612,653 3	290,631 05
Expenses	3,178,853 07	2,908,529 46	270,323 61
Net Earnings	$1,724 431 29	$1,704,123 85	$20,307 44

The increase in the gross earnings of $290,631.05 is very gratifying, and as it has been .pretty evenly distributed throughout the year, it is indicative of a growth which may be expected to continue.

The earnings per revenue train mile, have, as compared with the previous year, decreased from $1.71 to $1.699, a decrease of $1\frac{1}{10}$ cents.

The earnings per passenger per mile have increased $\frac{6}{10}$ of a mill, and the freight earnings per ton per mile have decreased from 1.76 cents to 1.69 cents, or $\frac{7}{10}$ of a mill. This latter seemingly insignificant reduction amounts upon the ton mileage carried during the past year to the sum of $106,918.00, which would have been earned in addition to the actual earnings, had the average-rates remained as in the previous year.

The increase of expenses of $270,323.61 is to a considerable extent due to expenditures for maintenance in excess of what will be required after the road and equipment are placed in thoroughly good condition. The following items show in what manner a considerable portion of this increase is accounted for:

1887, steel rails put in track, 4,519 tons	$67,376 52	
1886, steel rails put in track, 1,632 tons	27,569 76	
Increase in 1887 . . .	————	$39,806 76
1887, cross ties put in, 161,839, cost	$67,081 94	
1886, cross ties put in, 130,614, cost	48,746 69	
Increase in 1887	————	18,235 25
Repairs of bridges and guards, increase . .		6,269 58
Splices and bolts for track, increase . .		8,302 60
Ballasting and surfacing track, increase . .		19,129 88
Removing ice and snow, increase . . .		19,024 77
Repairs to freight cars, " . . .		34,538 66
Repairs to locomotives, " . . .		8,830 84
Total increased expenses for maintenance of road and equipment		$154,138 34

which substantially represents that portion of the increased expenses which may properly be termed extraordinary, and which has resulted in a decided improvement in the condition of your property.

Last winter was remarkable for the frequency of its storms and the variableness and intermittant severity of its temperature, causing the large increase in the cost of removing snow and ice.

Reference to the schedules of the Auditor's Report, herewith published, will show the earnings, expenses and net earnings in great detail.

LIABILITIES.

The outstanding liabilities of the Company have been increased during the fiscal year by the sale of 500 shares preferred stock of the Company, amounting at par to $50,000, which realized a sum of $69,195.00; and a floating debt has been incurred, which is shown in the General Balance Sheet as follows: —

Unfunded liabilities . . .	$629,590 09	
Interest and dividends accrued, not due	291,151 98	
		$920,742 07
Available assets (being exclusive of supplies and material on hand)		777,841 00
Difference, being net liability, .		$142,901 07
is is accounted for as follows: —		
Increase in construction accounts for the year, as per schedule in the Auditor's report . .	376,579 47	
Springfield & New London R. R. stock purchased . . .	89,492 00	
Increase in value of material and supplies on hand . 118,220 24		
Less received from N. & W. R.R . 61,422 99		
	$56,797 25	
Amount brought forward,	$522,868 72	

Amount carried forward,		$522,868 72	
Paid on account of note given for Drake's Wharf		25,000 00	
Paid on account of Car Trust Notes		15,321 46	
Accounts charged off as worthless		634 52	
Total expenditures			$563,824 70
Which were paid for as follows: —			
By proceeds of preferred stock		$69,195 00	
Proceeds of New England Transfer Company's stock sold	$50,000 00		
Less held by Trust Company for investment in improvements	9,809 93		
		40,190 07	
Net surplus of assets available Sept. 30, 1886		184,399 10	
Net surplus from operations for year ending Sept. 30, 1887		127,139 46	
Total funds available			420,923 63
Balance, being deficit Sept. 30, 1887			142,901 07
Total amount expended as above			$563,824 70

IMPROVEMENTS.

Of the amounts shown in the schedule for increase in construction accounts, being in the aggregate $376,579.47, the following indicate the principal expenditures: —

For Real Estate at Bristol	$8,000 00	
For Real Estate bought of Boston Wharf Company in Nov. 1886	86,802 75	
For undivided half interest in driveway purchased from Boston Wharf Co.	15,190 07	
Miscellaneous items of real estate	2,042 75	
Total expenditures for real estate		$112,035 57
Amount brought forward,		$112,035 57

Amount carried forward,		$112,035 37
For improvements on 50-acre lot, South Boston, being for coal house lumber sheds and tracks connected therewith . . .	$49,081 98	
For improvements on 25-acre lot, South Boston	2,439 95	
For grading on 12-acre lot, South Boston	6,393 13	
For right of way	5,565 99	
		$63,481 05
For new iron bridges as follows: —		
Bridge at Swett St., Boston .	$4,425 98	
Bridge at Islington . . .	1,020 00	
Bridge over Hudson River R. R. at Fishkill	3,324 60	
Bridge over Hockanum River .	38,927 96	
Connecticut River Bridge .	21,822 62	
		69,521 16
For new passenger car . .	$6,514 40	
2 new baggage cars . . .	4,030 79	
1 milk car	2,022 15	
		12,567 34
For safety gates and signals		1,844 78
For new oil house at Norwood shops . .		1,806 63
For improvement in freight station at Walpole .		2,601 24
For new sidings		21,075 51
For new passenger station at Bristol . . .		6,603 64
Improvement in freight yard at Manchester .		5,987 37
New passenger station, West Medway . .		1,855 87
Asylum Street improvement, Hartford . .		27,400 92
New Engine-house East Hartford . . .		5,049 25
Improvement at Moosup Bridge, Prov. Division		4,737 35
Black Rock Crossing, New Britain, Ct. . .		12,497 76
New guard rails for Bridges		7,200 61
Putnam water tank		5,253 37
		$375,167 84

Of the above-named expenditures, the following were made prior to Jan. 1, 1887, before the management of the road came into the hands of the present officers:—

For real estate at Bristol and South Boston, . . .	$94,802 75	
Improvements of 50-acre lot .	49,081 98	
Improvements of 12-acre lot .	6,393 13	
Springfield & New London R. R. stock	89,492 00	
		$239,769 86

In addition to which the following were contracted for, and under way on January 1, 1887:—

Bridge over Hudson River R. R.	$3,324 60	
Bridge over Hockanum River .	38,927 96	
		$42,252 56
Making a total of		$282,022 42

of expenditures made, or authorized, or indebtedness incurred prior to the present administration.

The total amount expended for improvements and increase in materials as above shown	$563,824 70
Deduct increase in materials . . .	56,797 25
Balance	$507,027 45
Less payment on account of Drake's Wharf and Car Trust notes	40,321 46
Balance	$466,705 99
From which deduct expenditures incurred or authorized by the preceding administration	282,022 42
Leaves a balance of expenditures incurred by the present administration . . .	$184,683 57

which is the amount expended since January first for improvements of the road and equipment, to provide for which the operations of the road show a net surplus of $127,139.46.

The amount of floating debt, therefore, incurred by your present officers since January 1st, 1887, is $57,544.11.

INTER-STATE COMMERCE LAW.

The taking effect of the Inter-State Commerce Law upon April 4, 1887, interfered very materially for a time with the business of your Company, abolishing as it did all special rates, and substituting therefor regular tariff rates, which, with the operation of the long and short haul clause, compelled a very considerable reduction in the local freight rates. Great injury to the public interests was averted only by the exceedingly conservative interpretation placed upon the law by the Inter-State Commerce Commission. A comparison of the average rates obtained upon local freight and freight interchanged between New England points during the first six months of the fiscal year, when the Inter-State Commerce Law was not in operation, with the same description of traffic during the last six months operated under said law, shows an average reduction in the rates obtained for that traffic of $\frac{22}{100}$ cents per ton per mile, which accounts for a decrease of $52,107.00 in the earnings from such traffic during the last six months of the fiscal year.

It is believed, however, that the lower rates thus established will not prove permanently detrimental, but that they will lead to such an increase of movement of local freight as will compensate for the reduction.

RELATIONS WITH OTHER ROADS.

The relations of your Company with other connecting roads have not materially changed since the last annual report.

Your officers have endeavored to procure additional through passenger facilities between Boston and New York, in connection with the New York, New Haven & Hartford Railroad, and the matter is now under consideration by committees of

the two Boards. We hope to be able to bring it to a satisfactory conclusion at an early day.

A contract has been made with the New York, Lake Erie & Western Railroad Company, which has added materially to the income during the three months that it has been in operation, and it is believed that it will prove a very material advantage in adding to our net earnings.

CONDITION OF ROAD.

The General Superintendent reports the condition of the roads of your Company as very considerably improved. Including the Norwich & Worcester Division, there have been laid in all 5,230 tons of steel rails, and 235,000 cross ties. The track is in good condition, and if we have an average winter, the expense of its maintenance should be materially less than it was last winter. There have been additions to the Company's sidings made during the year to the extent of 39,125 feet, or 7.4 miles.

CONDITION OF EQUIPMENT.

The General Superintendent reports the equipment of the Company as materially improved. Last year we had in service 142 engines, and this year 147.

At the end of last year there were 139 engines in good order, 10 requiring general repairs, and 8 under general repairs, while this year there are 148 in good order and 8 requiring general repairs.

Our passenger equipment has been increased by the addition of one coach, three baggage cars and one express car.

Our freight equipment has been increased by three flat cars, fifteen box cars built to replace cars destroyed, and two wrecking and tool cars.

The Snperintendent of Motive-Power reports that six months ago there were 125 freight cars waiting repairs, while now there are only 7. The old cars placed by this Company in the "Union Line" have been taken in and generally rebuilt or repaired, and are now in good order.

ROAD IMPROVEMENTS.

The double track iron bridge of 164 feet span over the Hockanum River has been completed, and the tracks will shortly be placed upon it.

An iron bridge of seven spans, of 158 feet each, to replace the wooden bridge over the Connecticut River, is nearly completed and will be brought into use by December 1st. The grade of this bridge has been raised two feet above that of the wooden bridge by the addition of granite capstones to the piers, as the highest flood line of the Connecticut River was only two feet below the old bridge. The building of this bridge is a very great improvement, avoiding as it does the risk of fire which might have destroyed the connection between the Eastern and Western Divisions of your road at a time when it could not have been even temporarily replaced for two or three months.

The work of carrying the road over Asylum Street in the city of Hartford, in accordance with the order of the Commission authorized by an act of the Legislature of Connecticut, was begun in May last, but has progressed somewhat slowly in consequence of various questions of detail having arisen. They are now, however, about all settled, and the work will go forward to completion next year. Its cost to this Company will be somewhere from $75,000 to $100,000.

This improvement made necessary the removal of the round-house and shops of the Company on the ground adjoining the track to be raised, in consequence of which the construction of a new round-house and shops of larger and more approved plan has been commenced at East Hartford, and is well under way. This will furnish a very decided improvement in our facilities.

The work of preparation for filling the trestle in the approach to Fishkill Station has been commenced by the depositing of stone in the river to form a protection against the ice.

WORK TO BE DONE IN 1888.

Considerable work should be done next year in the filling of trestles. The filling of that at Fishkill should be completed, and the trestles on the Western Division known as Towners, Towantic, and Union City, or Hop Brook, should be at least half filled during next year.

An iron bridge to take the place of the wooden bridge over the canal at Blackstone has been contracted for, and will be erected probably before January 1st.

Improvements are needed in South Boston to carry over the tracks of the Company, Congress, A, and First Streets; negotiations regarding which are now in progress with the city authorities.

The increasing traffic of the Company requires the procurement of additional equipment. The General Superintendent recommends the building in our own shops of 10 coaches, 3 combination cars and 2 baggage cars in time for use next summer; while for additional freight equipment he recommends 500 eight-wheel coal cars, 150 dump cars, 250 box cars, 25 box cars for New York through freight, and 10 fish cars; of which about one-half can be built in our own shops.

His estimate for track material needed during the ensuing fiscal year is (including 1000 tons now being laid) 4,025 tons of steel rails, and 225,000 cross ties. The amount of steel rails named includes about 1,400 tons for the renewal of main track of the Rhode Island & Massachusetts Railroads. When the 3,000 tons are put in the track, there will remain but about 17 miles of iron in the main tracks, of which 10 1-2 miles are in the newly acquired Milford Line.

With these additions to the track and equipment, we can reasonably look forward to a very material increase of our earnings and decrease of our expenses in subsequent years.

FUNDING TERMINAL INDEBTEDNESS.

The Balance Sheet shows outstanding indebtedness secured by lien on your terminal property in Boston and South Boston amounting to $1,621,532 00, to be added

to which is the price at which we have the right to purchase Richardson's Wharf, now occupied in part by the passenger depot, for $300,000, making a total of $1,952,174.92. The cost of this property, exclusive of the improvements thereon, is about $2,250,000, and its estimated value at the present time, including the improvements, is about $5,000,000. It is very desirable that this debt should be funded at a low rate of interest, and a special reason therefor is that upon the payment of the amount due the State of Massachusetts, the Company will have the right to call upon the city of Boston to construct a bridge across Fort Point Channel, connecting the freight grounds of this Company in South Boston, with Oliver Street, in Boston. The building of this bridge will bring your freight depot nearer to the wholesale business of the city than any other depot in the city; and it is, therefore, of very great importance. Authority will be asked of the stockholders to create a mortgage on all this property to secure $2,250,000 of bonds, which, under the provisions of the First and Second Mortgages, will be a first lien upon this property.

NEW ENGLAND TRANSFER COMPANY.

In the early part of 1887, the Pennsylvania Railroad Company signified to your officers a desire to purchase a one-third interest in the stock of the New England Transfer Company, then held, one-half by your Company and the other half by the New York, New Haven & Hartford Railroad Company. The latter Company declined to sell any portion of its interest, and insisted upon the sale to them by this Company of our interest. Owing to the fact that the terminal facilities for the New England Transfer Company were entirely beyond this Company's control (being owned at one end by the New York, New Haven & Hartford Railroad Company, and at the other end by the Pennsylvania Railroad Company), and that from the representation of the officers of the New York, New Haven & Hartford Railroad Company, to the effect that the existing division of ownership was detrimental to their interests, it seemed likely to

be a cause of friction between the two Companies; and after a thorough consideration of the subject by your officers and a committee of your Board, a sale was effected to the New York, New Haven & Hartford Railroad Company of this Company's interest in the capital stock of the New England Transfer Company represented on the books by $37,500, for the sum of $50,000 in cash.

The principal value of the line was derived from the arbitrary mileage allowed it in the division of rates; and in the agreement for the sale, so much of this arbitrary mileage as represented profits over the cost of doing the work was divided equally between the New York, New Haven & Hartford Railroad Company and your Company, so that the sale of the stock practically conveyed only the interest in the actual property owned by the Transfer Company, and transferred your Company's share of the earnings from the special account in which it had heretofore been entered to the freight earnings account, so that the earnings previously shown as derived from this stock, are now received in the freight earnings from the increased mileage allowed us in divisions on freight.

CITY OF PROVIDENCE.

The proposition made by the Company, and referred to in the last annual report, to refer to the three Senior Justices of the Supreme Court of Rhode Island as arbitrators, the questions in dispute as to the terminal facilities granted the Hartford, Providence & Fishkill Railroad Company by the City Council in 1852, was not accepted by the city. A compromise proposition, however, has now been made on behalf of the city, which, it is hoped, will lead to a settlement of this vexed question.

The general question of the change of line and increase of terminal facilities in Providence still remains unsettled; but it is hoped that some arrangement may be agreed upon during the ensuing year which will be acceptable both to the Railroad Companies and the city.

The traffic of this Company with Providence is growing, and it is desirable that we should have good terminal facilities in that city.

PROVIDENCE AND SPRINGFIELD RAILROAD.

The entrance track of the Providence & Springfield Railroad into Providence has been constructed for about two miles, over property forming a portion of the right of way of this Company, under a license granted by the Trustees of the Hartford, Providence & Fishkill Railroad Company. It is contended on behalf of this Company that no title passed by this license, if, indeed, the Trustees had any authority to grant it; and as no compensation has been received, steps have been taken looking to a test of the rights of this Company, and the regaining possession of its right of way occupied by the Providence & Springfield Railroad Company. A bill for rent of the property, amounting to $60,000, has been presented to the Providence & Springfield Railroad Company, and its settlement requested.

CONNECTICUT CENTRAL RAILROAD.

The foreclosure proceedings of the Connecticut Central Railroad referred to in the last annual report have not yet been brought to a conclusion. The court in which the suit was entered made a decree of sale, but refused to order a special accounting. Its decree was overruled by the Supreme Court, and a special accounting ordered; since which time a special meeting of the stockholders of the Connecticut Central Railroad, called for the purpose of electing a Board of Directors, has been held, and a committee has been appointed by the Board of Directors elected at that meeting, with authority to withdraw opposition to the foreclosure proceedings. It is believed that the foreclosure will not be much longer delayed. In the meantime this Company is operating the road.

SPRINGFIELD AND NEW LONDON RAILROAD.

An Act of the General Court of the State of Massachusetts having been procured, authorizing the purchase by this Company of the Springfield & New London Railroad, thus incorporating it into our own lines, the necessary steps have been taken and the road of that Company, seven and a quarter miles in length, extending from the State Line of Connecticut, at the northern terminus of the Connecticut Central Railroad, to a point in the city of Springfield, is now a part of the line of this Company.

SPRINGFIELD, ATHOL AND NORTH-EASTERN RAILROAD.

A portion of this road, extending from the northern terminus of the Springfield & New London Railroad to the station at Spring Street, in the city of Springfield, a distance of 1.31 miles, is under lease from the Boston & Albany Railroad Company to this Company. Negotiations for its purchase have been temporarily delayed, pending the question of the location of the new Union Depot in the city of Springfield.

RHODE ISLAND AND MASSACHUSETTS RAILROADS.

The Rhode Island & Massachusetts Railroad in Massachusetts and the Rhode Island and Massachusetts Railroad in Rhode Island, together forming a line from Franklin Station on your main line, to Valley Falls on the Providence & Worcester Railroad, six miles from the city of Providence, have been operated under a lease which expired on August 1, 1887. New leases have been negotiated with both Companies for 99 years from October 1, 1887, substantially upon the same basis for rental as the old leases, with a provision for improvements to be paid for by the owning companies, and the rental to be increased from time to time by an amount equal to six per cent on the amount of cost of improvements paid for by them. Legislation may be needed in the State of Rhode Island to fully validate the lease of the road in that State. Your stockholders will be asked to ratify these leases.

MILFORD LINE.

The Milford, Franklin & Providence Railroad, extending from Franklin Station on your line, to Bellingham Station on your Woonsocket Division, and the Milford & Woonsocket Railroad, extending from Bellingham to Ashland Station, on the Boston & Albany Railroad, forming in all a line of twenty miles in length, have been leased for a period of ninety-nine years from October 1, 1887, with a comprehensive provision for the making of necessary improvements and additions to the facilities.

Under the terms of the leases no rental is to be paid during the first year; but the net earnings are to be applied to the improvement of the roads. After the first year a rental equal to twenty-five per cent. of the aggregate gross earnings of the two lines is to be paid to the two Companies in specified proportions. It is believed that these leases will materially further the interests of your Company. The stockholders will be asked to ratify these leases.

GENERAL REMARKS.

It is gratifying to be able to state that the trains have been run during the past year with extraordinary regularity, and without meeting with any serious accident. But one passenger has been injured while occupying a seat in the train, and that one but very slightly, while not a single passenger has been killed during the year.

The injuries to employees while coupling freight cars are a source of great concern to your officers, and we look forward with satisfaction to the day when the links and pins will be replaced by automatic couplers.

When the undersigned took charge of the business operations of your road, Jan. 6, 1887, the main line between Boston and Fishkill was operated in three divisions, the points of junction being Willimantic and Waterbury. On April 1st the middle division was abolished, and the two divisions thus created were extended to and from the yard at East Hartford. The change has been found beneficial.

On May 1st, 1887, the resignations took effect of Messrs. W. H. Turner, as General Superintendent, E. G. Allen, as Superintendent Eastern Division, and Mr. H. M. Kochersperger as Auditor. The vacancies were filled by the appointment of Mr. A. A. Jackson, as General Superintendent, Mr. R. E. Eavenson, as Superintendent Eastern Division, and Mr. Joseph A. Shinn, as Auditor. Mr. Jackson had been with the Company from January till May 1, 1887, in the capacity of an assistant to the Vice-President.

The relations of the officers to the employees have been very satisfactory. The policy pursued by your present officers has been such that the feeling among the employees usually brought about by a change in the management has not obtained to any considerable extent, and I am glad to be able to report that there appears to be substantial co-operation on the part of the employees, to whose efficient discharge of their several duties, and the intelligent supervision of your officers, the safety and regularity with which the trains have been run are due.

With the continuance of general prosperity of the country, and the improvements to the track and increase of equipment proposed during the ensuing year, there should be a material increase in the gross and net earnings during the next fiscal year.

All of which is respectfully submitted.

WM. P. SHINN,

Vice-President.

Boston, November 12, 1887.

DR. CONDENSED GENERAL BALANCE SHEET,

PERMANENT INVESTMENTS.		
To Railroad, Equipment and Property as represented by Boston, Hartford & Erie Railroad Bonds	$20,000,000 00	
" Expenditures for underlying liens, equipment and improvement of property, including terminal facilities:		
Underlying liens, including payments to obtain possession of H. P. & F. R.R. $4,486,743 76		
Construction and improvement of property 6,189,730 89	10,676,474 65	
" Equipment purchased through car trusts	1,471,000 24	
" Extension of road west of Waterbury	2,689,217 71	
" Purchase of South Boston Flats	1,550,390 00	
" Purchase of Drake's Wharf	131,000 00	
" Purchase of Piper Wharf	260,000 00	
" Transfer Steamer Wm. T. Hart, at Newburgh, cost $177,194 33		
Less estimated depreciation 24,281 62	152,912 71	
Total cost of road and equipment	$36,930,995 31	
" Investment in Connecticut Central R. R. principally bonds and stock of that Company	290,377 69	
" Capital Stock of Springfield and New London R. R. Co.	89,492 00	
Total permanent investments		$37,310,865 00
" Balance of proceeds of sale of New England Transfer Capital Stock, to be reinvested under terms of First Mortgage		9,809 93
		$37,320,674 93
ACCOUNTS IN THE NATURE OF ASSETS.		
" Supplies and materials on hand	$334,821 87	
" Due from agents and conductors	446,872 48	
" Due from companies and individuals	225,074 35	
" Cash	105,575 26	
" Debit Balances	318 91	1,112,662 87
" Profit and Loss balance (deficit)		512,002 18
		$38,945,339 98

SEPTEMBER 30, 1887. CR.

CAPITAL STOCK.			
By Common Stock: Amount for which certificates have been actually issued	$19,712,000 00		
Boston, Hartford & Erie R. R. Berdell Bonds convertible into stock	288,000 00	$20,000,000 00	
" Preferred stock		1,950,000 00	$21,950,000 00
BONDED DEBT.			
" First mortgage 7 % bonds due Jan. 1, 1905	$6,000,000 00		
" First mortgage 6 % bonds, due Jan. 1. 1905	4,000,000 00	$10,000,000 00	
" Second mortgage 6 % bonds, due Aug. 1, 1902,	3,363,000 00		
" Second mortgage, 3 % bonds, due Aug. 1, 1902,	998,000 00	4,361,000 00	14,361,000 00
REAL ESTATE MORTGAGE.			
" Mortgage Note, Drake's Wharf, due Sept. 9, 1889		$100,000 00	
" Boston & Albany R. R. Note (50-acre lot, South Boston Flats), due Feb, 7, 1889		300,000 00	400,000 00
CONTRACT OBLIGATIONS FOR PURCHASE OF REAL ESTATE.			
" Balance due on purchase of Piper's Wharf, due Dec. 1, 1887		$235,000 00	
" Balance due State of Mass. (25-acre lot South Boston Flats,) due May 1, 1891		800,000 00	
" Balance due State of Mass. (50-acre lot South Boston Flats,) due May 1, 1892		100,000 00	
" Balance due State of Mass. (12-acre lot South Boston Flats,) due July 1, 1890		86,532 00	1,221,532 00
CAR TRUST DEBT.			
" E. W. Clark & Co, Car Trust (principal)			30,642 92
" Supplies transferred from Norwich & Worcester R. R. Co			61,422 99
LIABILITIES ACCRUED NOT DUE.			
" Interest and Dividends accrued, not due. On First mortgage bonds, July 1 to Sept. 30, 1887	$165,000 00		
On Second mortgage bonds Aug. 1, to Sept. 30, 1887.	38,620 00		
	$203,620 00		
On Funded indebtedness incurred for purchase of Real Estate	19,281 98	$222,901 98	
" Unpaid Dividend of 3½% on Preferred Stock, payable Nov. 1, 1887		68,250 00	291,151 98
UNFUNDED DEBT.			
" First and Second mortgage bond coupons not yet presented		$5,155 00	
" Notes Payable:		80,000 00	
" Unpaid Vouchers		225,394 22	
" Unpaid Pay-rolls		42,736 36	
" Due sundry companies on traffic balances and other accounts		276,304 51	629,590 09
			$38,945,339 98

JOS. A. SHINN, *Auditor.*

New York and New England Railroad Company,
Auditor's Office,
Boston, Mass., Nov. 16, 1887.

Wm. P. Shinn, Esq.,
Vice-President,

Dear Sir: — Herewith I submit statements showing the financial condition and the operations of the Company for the fiscal year ending September 30, 1887.

Statements for the New York & New England Railroad show the business of the entire line, exclusive of the Norwich & Worcester Division, the latter being given in separate statements, excepting where otherwise noted.

Schedule A. Statement of Bond, Mortgage, and Contract Indebtedness, New York & New England R. R.

" B. Profit and Loss Account, New York & New England R. R.

" C. Profit and Loss Account, Norwich & Worcester Division.

" D. Condensed Statement of Earnings and Operating Expenses of the New York & New England R. R., including the Norwich & Worcester Division.

" E. Earnings, Expenses and Net Earnings, by months, New York & New England R. R.

" F. Earnings, Expenses and Net Earnings, by months, Norwich & Worcester Division.

" G. Recapitulation, Gross Earnings and Operating Expenses, New York & New England R. R.

" H. Recapitulation Gross Earnings and Operating Expenses, Norwich & Worcester Division.

SCHEDULE I. Statement of Earnings and Expenditures in detail, New York & New England R. R.

" J. Statement of Earnings and Expenditures in detail, Norwich & Worcester Division.

" K. Earnings and Expenses, after reducing same to passenger and freight, New York & New England R. R.

" L. Earnings and Expenses, after reducing same to passenger and freight, Norwich and Worcester Division.

" M. Comparison with previous years, of Earnings, Expenses and Business, New York & New England R. R.

" N. Passenger Statistics, New York & New England R. R.

" O. Freight Statistics, New York & New England R. R.

" P. Statement of New Construction and Expenditures charged to Property Account, New York & New England R. R.

Very respectfully,

JOS. A. SHINN, *Auditor.*

SCHEDULE A.

STATEMENT OF BOND, MORTGAGE AND CONTRACT INDEBTEDNESS,

SEPTEMBER 30, 1887.

Description.	Date.	Date Due.	Interest.		Amount of Principal Outstanding.	Annual Interest Charge.
			Rate.	When Payable.		
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	7	Jan. 1, July 1	$6,000,000 00	$420,000 00
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	6	Jan. 1, July 1	4,000,000 00	240,000 00
Second Mortgage Bonds	June 22, 1882	Aug. 1, 1902	6	Feb. 1, Aug. 1	3,363,000 00	201,780 00
Second Mortgage Bonds	June 22, 1882	Aug. 1, 1902	3	Feb. 1, Aug. 1	* 998,000 00	29,940 00
MORTGAGE NOTES.						
Mortgage Note, "Drake's Wharf" ‡	Sept. 9, 1886	Sept. 9, 1889	4½	Apr. 1, Oct. 1	100,000 00	4,500 00
B. & A. R. R. Note (50-acre lot, So. Boston Flats)	Feb. 7, 1879	Feb. 7, 1889	4	July 1, Jan. 1	300,000 00	12,000 00
CONTRACT LIABILITIES.						
Piper Wharf, Boston (Balance due)	Dec. 1, 1877	Dec. 1, 1887	4.8	Monthly	235,000 00	11,280 00
State of Mass. (25-acre lot, So. Boston Flats)	Apr. 24, 1880	May 1, 1891	4	May 1, Nov. 1	800,000 00	32,000 00
State of Mass. (50-acre lot, So. Boston Flats)	Aug. 1, 1882	May 1, 1892	5	May 1, Nov. 1	100,000 00	5,000 00
State of Mass. (12-acre lot, So. Boston Flats)	Apr. 24, 1880	July 1, 1890	4	July 1, Jan. 1	86,532 00	3,461 28
CAR TRUST NOTES.						
† E. W. Clark & Co., Car Trust	July 1, 1882	July 1, 1889		Monthly	30,642 92	5,725 68
					$16,013,174 92	$965,686 96

*Authorized issue, $5,000,000.00. † Principal and interest, payable monthly. ‡ Date of renewal.

SCHEDULE B.

DR. PROFIT AND LOSS ACCOUNT, NEW YORK AND

To Balance (deficit) per last year's report...			$670,202 12
" Operating Expenses		$2,741,628 49	
" Insurance		12,113 45	
" Rent of other Roads.....		66,635 78	
" Taxes		163,566 03	
" Interest:			
On First Mortgage Bonds, Oct. 1, 1886, to Sept. 30, 1887:			
$6,000,000.00 at 7% $420,000.00			
4,000,000.00 at 6%..240,000.00			
	$660,000 00		
On Second Mortgage 6% Bonds: 1 year's interest on $3,363,000.00.....$201,780.00			
On Second Mortgage 3% Bonds: 1 year's interest on $998,000.00..... 29,940.00			
	231,720 00		
On Funded Indebtedness incurred for Purchase of Property	69,356 90		
On Loans and Car Trust.....	8,542 99		
		969,619 89	
" Boston Grain Elevator Expense.....		1,006 93	
" Dividends declared—			
Dividend No. 3, preferred Stock: 3½% on $1,935,000.00 $67,725.00			
Dividend No. 4, Preferred Stock: 3½% on $1,950,000.00... 68,250.00		135,975 00	
			4,090,545 57
" Amount previously included in Assets, now considered either worthless or of a doubtful character			634 52
			$4,761,382 21

SCHEDULE B.

NEW ENGLAND RAILROAD CO., SEPTEMBER 30, 1887. CR.

By Gross Earnings		$4,151,917 21	
" Income from other sources.		2,753,742 1,398,175	
Hudson River Transfer	$23,441.61		
Boston Harbor Transfer	5,166.75		
Norwich & Worcester R. R. Lease	37,159.46	65,767 82	$4,217,685 03
" Premium on sale of Preferred Stock		$19,195 00	
" Difference between the cost of New England Transfer Capital Stock, as shown by the books of this Company, and the amount realized from sale of same		12,500 00	31,695 00
Balance (deficit) September 30, 1887			512,002 18
			$4,761,382.21

JOS. A. SHINN, *Auditor.*

SCHEDULE C.

NEW YORK AND NEW ENGLAND RAILROAD CO., LESSEE, NORWICH AND WORCESTER RAILROAD.

DR. PROFIT AND LOSS ACCOUNT			SEPTEMBER 30, 1887.		CR.
For Operating Expenses:			Interest:		
" 4 months, June—Sept.,1886		$142,396 27	From Note.....		$134 90
" Taxes same time.....		3,434 20	Income:		
" Track Rental.....		13,650 00	Gross Earnings.....		264,891 20
" Interest:					
On First Mortgage Bonds, $400,000.00 at 6 % for 4 months		8,000 00			
" Accrued Dividend 4 months, payable January, 1887.....		69,274 67			
Balance forward....		28,270 96			
		$265,026 10			265,026 10
" Operating Expenses for year ending Sept. 30, 1887.....		$437,224 58	Balance Forward.....		$28,270 96
" Other expenditures:			Income:		
" Taxes and Insurance.....		51,644 61	From Gross Earnings.....		751,367 15
			From Dividend.....		
			Norwich and N. Y. Transfer Co....		21,600 00
" Interest:					
On First Mortgage Bonds, $400.000 at 6 %.....	$24,000 00				
On Floating Debt.....	3,165 46				
		27,165 46			
" Track Rental N. L. N. R. R....		40,220 00			
" Balance Dividend January 10, 1887		34,637 33			
" Balance Dividend July 10, 1887.		103,912 00			
" Accrued Dividends, 4 months June — Sept., 1887.....		69,274 67			
" Amount transferred to New York & New England R. R. Co., as shown on their books.		37,159 46			
		$801,238 11			$801,238 11

JOS. A. SHINN, *Auditor,*

SCHEDULE D.

EARNINGS AND EXPENSES OF THE NEW YORK & NEW ENGLAND RAILROAD AND NORWICH & WORCESTER DIVISION FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1887.

Source of Earnings.	N. Y. & N. E. R'y Co.	Nor. & Worc. Div.	Total.
Passenger	$1,386,488 05	$204,446 13	$1,590,934 18
Freight	2,485,912 85	517,689 85	3,003,602 70
Mail	46,707 84	5,868 31	52,576 15
Express	101,727 22	16,585 25	118,312 47
Miscellaneous			
Rents	38,813 07		38,813 07
New England Transfer Co.	20,625 00		20,625 00
Wharves and Docks	35,677 80		35,677 80
Springfield & New London Railway Dividend	3,817 11		3,817 11
Switching, Storage, etc	30,437 59		30,437 59
Miscellaneous	1,710 68	6,777 61	8,488 29
Gross Earnings of Road, exclusive of Norwich & Wor. R. R.	4,151,917 21	751,367 15	4,903,284 36
Dividend Nor. & N.Y. Trans. Co.		21,600 00	
Earnings for Dividend, June to Sept. 1886		97,545 63	119,145 63
Income from other sources:			
Hudson River Transfer	23,441 61		23,441 61
Boston Harbor Transfer	5,166 75		5,166 75
Norwich & Worcester Lease	*		*
Total gross Income	$4,180,525 57	$870,512 78	$5,051,038 35
OPERATING EXPENSES.			
Cond. Trans. Passenger	308,323 22	44,431 34	352,754 56
Cond. Trans. Freight	681,304 42	142,657 42	823,961 84
Maintenance of Way	567,275 58	67,154 13	634,429 71
Motive Power	861,930 19	127,753 27	989,683 46
Maintenance of Cars	223,394 66	43,503 86	266,898 52
General Expenses	99,400 42	11,724 56	111,124 98
Boston Grain Elevator	1,006 93		1,006 93
Taxes	163,566 03	49,844 02	213,410 05
Insurance	12,113 45	1,800 59	13,914 04
Rent of other Roads.			
Newburgh & Dutchess and Connecticut $34,755 63			
Rhode Island & Mass. 20,000 00			
Boston & Albany 5,000 02			
Springfield & N. Lon. 2,480 13			
Rockville 4,400 00	66,635 78		106,855 78
New London Northern R. R.		40,220 00	
Interest for Boston Terminal L'ds	69,356 90		69,356 90
Miscellaneous Interest mainly Car Trust	8,542 99		8,542 99
Interest			
On First Mortgage Bonds	660,000 00	24,000 00	684,000 00
On Second Mortgage Bonds	231,720 00		231,720 00
Floating Debt		3,165 46	3,165 46
Dividends declared:			
3½% on $1,935,000 00 $67,725 00			
3½% on 1,950,000 00 68,250 00	135,975 00	207,824 00	343,799 00
Dividends accrued, N. & W. R. R.		69,274 67	69,274 67
Total Expenses	$4,090,545 57	$833,353 32	$4,923,898 89
Total Gross Income	4,180,525 57	870,512 78	5,051,038 35
Total Expenses	4,090,545 57	833,353 32	4,923,898 89
Surplus	$89,980 00	*$37,159 46	$127,139 46

New York & New England Railroad Company.

SCHEDULE E.

EARNINGS, EXPENSES AND NET EARNINGS, BY MONTHS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1887; INCLUDING ALL DEBTS AUDITED DURING THE YEAR.

Months.	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1886	$381,179 97	$222,670 81	$158,509 16
November, "	347,703 42	207,975 56	139,727 86
December, "	320,786 24	223,122 53	97,663 71
January, 1887	298,770 57	229,703 82	69,066 75
February, "	312,079 63	216,798 52	95,281 11
March, "	358,361 74	229,362 13	128,999 61
April, "	343,921 90	230,197 07	113,724 83
May, "	313,610 06	225,567 81	88,042 25
June, "	333,152 20	239,283 76	93,868 44
July, "	337,257 41	248,025 89	89,231 52
August, "	393,854 39	229,326 25	164,528 14
September, "	411,239 68	239,594 34	171,645 34
Totals	$4,151,917 21	$2,741,628 49	$1,410,288 72

New York & New England Railroad Co., Lessee, Norwich & Worcester Railroad.

SCHEDULE F.

EARNINGS, EXPENSES AND NET EARNINGS, BY MONTHS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1887; INCLUDING ALL DEBTS AUDITED DURING THE YEAR.

Months.	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1886	$72,217 58	$37,361 96	$34,855 62
November "	64,098 48	35,187 03	28,911 45
December, "	60,542 66	40,485 53	20,057 13
January, 1887	52,455 53	36,048 20	16,407 33
February, "	44,962 73	30,325 17	14,637 56
March, "	63,311 93	39.892 82	23,419 11
April, "	63,284 56	36,849 00	26,435 56
May, "	60,013 61	32,973 57	27,040 04
June, "	62,958 16	35,723 26	27,234 90
July, "	66,710 38	33,764 93	32,945 45
August, "	74,918 77	35,586 55	39,332 22
September, "	65,892 76	43,026 56	22,866 20
Totals	$751,367 15	$437,224 58	$314,142 57

SCHEDULE G.

RECAPITULATION OF GROSS EARNINGS AND OPERATING INCLUDING ALL DEBTS

GROSS EARNINGS.

Month.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Miscellan. Earnings.	Gross Earnings.
October, 1886	$125,051.48	$234,295.49	$3,892.32	$8,010.52	$9,930.16	$381,179.97
November, "	113,735.26	212,062.75	3,892.32	7,940.12	10,072.97	347,703.42
December, "	106,186.62	185,970.95	3,892.32	8,225.71	16,510.64	320,786.24
January, 1887	94,041.13	181,679.09	3,892.32	8,627.87	10,530.16	298,770.57
February, "	94,060.12	192,861.96	3,892.32	8,569.72	12,695.51	312,079.63
March, "	107,276.93	219,199.40	3,892.32	8,900.64	19,092.45	358,361.74
April, "	113,489.60	207,533.62	3,892.32	8,807.32	10,199.04	343,921.90
May, "	111,163.30	181,092.26	3,892.32	8,102.67	9,359.51	313,610.06
June, "	112,347.33	199,784.34	3,892.32	8,205.24	8,922.97	333,152.20
July, "	123,588.68	197,680.89	3,892.32	8,841.67	3,253.85	337,257.41
August, "	144,462.39	228,560.51	3,892.32	8,715.65	8,223.52	393,854.39
September, "	141,085.21	245,191.59	3,892.32	8,780.09	12,290.47	411,239.68
Total, 1887.....	$1,386,488.05	$2,485,912.85	$46,707.84	$101,727.22	$131,081.25	$4,151,917.21
Total, 1886.....	1,296,895.97	2,262,479.18	46,658.95	93,161.42	164,798.73	3,863,994.25
Increase . . .	$89,592.08	$223,433.67	$48.89	$8,565.80	. . . .	$287,922.96
Decrease . . .	. . . . .	. . . . .	. . . . .	. . . .	$33,717.48	. . . . .

ENGLAND RAILROAD COMPANY.

SCHEDULE G.

EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1887, AUDITED DURING THE YEAR.

OPERATING EXPENSES.

Month.	Con. Trans Passenger	Con. Trans. Freight.	Maint'ance of Way.	Motive Power.	Maint'ance of Cars.	General Expense.	Total Oper. Expenses.
Oct. 1886	$27,362.27	$56,475.66	$38,139.71	$72,973.92	$16,308.74	$11,410.51	$222,670.81
Nov. "	23,980.85	52,571.07	38,510.41	69,721.77	15,850.20	7,341.26	207,975.56
Dec. "	29,008.59	55,700.38	38,744.08	74,662.01	16,243.05	8,764.42	223,122.53
Jan. 1887	27,256.96	58,784.29	36,291.69	79,260.15	17,744.92	10,365.81	229,703.82
Feb. "	24,368.90	51,029.02	44,128.18	74,240.01	18,101.59	4,931.72	216,798.52
Mar. "	25,678.68	55,974.36	41,160.89	78,516.19	18,603.30	9,428.71	229,362.13
Apr. "	26,148.69	55,254.44	51,339.17	70,737.84	19,545.59	7,171.34	230,197.07
May "	20,088.57	52,802.83	60,219.43	66,608.54	19,367.39	6,481.25	225,567.81
June "	24,221.72	55,776.39	66,345.02	63,512.52	19,831.98	9,596.13	239,283.76
July "	27,030.60	57,326.50	66,019.59	67,279.09	18,614.92	11,755.19	248,025.89
Aug. "	25,675.16	60,000.02	42,953.90	71,105.22	24,638.77	4,953.18	229,326.25
Sept. "	27,503.13	69,609.46	43,423.51	73,313.13	18,544.21	7,200.90	239,594.34
Total, 1887	$308,323.22	$681,304.42	$567,275.58	$861,930.19	$223,394.66	$99,400.42	$2,741,628.49
Total, 1886	306,578.15	602,579.49	455,035.15	792,768.79	188,431.58	137,254.98	2,482,648.14
Increase	$1,745.07	$78,724.93	$112,240.43	$69,161.40	$34,963.08	. . . . .	$258,980.35
Decrease	. . . . .	. . . . .	. . . . .	. . . . .	. . . . .	$37,854.56	. . . . .

NEW YORK & NEW ENGLAND RAILROAD COMPANY,

SCHEDULE H.

RECAPITULATION OF GROSS EARNINGS AND OPERATING INCLUDING ALL DEBTS

GROSS EARNINGS.

Month.		Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express and Ex. Baggage.	Miscel. Earnings.	Gross Earnings.
October,	1886	$17,847.39	$51,719.75	$489.03	$1,433.23	$728.18	$72,217.58
November,	"	15,570.99	46,513.20	489.03	1,418.26	107.00	64,098.48
December,	"	14,365.64	44,232.99	489.03	1,342.00	113.00	60,542.66
January,	1887	12,415.61	37,764.16	489.03	1,352.23	434.50	52,455.53
February,	"	11,352.95	31,538.26	489.03	1,359.60	222.89	44,962.73
March,	"	14,319.74	46,944.83	489.03	1,422.83	135.50	63,311.93
April,	"	17,064.55	43,792.30	489.03	1,458.52	480.16	63,284.56
May,	"	17,030.85	40,939.81	489.03	1,424.14	129.78	60,013.61
June,	"	16,707.21	44,366.39	489.03	1,395.53	.....	62,958.16
July,	"	22,351.06	41,839.04	488.98	1,378.91	652.39	66,710.38
August,	"	24,318.54	46,556.56	489.03	1,300.00	2,254.64	74,918.77
September,	"	21,101.60	41,482.56	489.03	1,300.00	1,519.57	65,892.76
Total, 1887.....		$204,446.13	$517,689.85	$5,868.31	$16,585.25	$6,777.61	$751,367.15
" 1886.....		193,062.59	530,664.13	5,770.54	16,574.28	2,587.52	748,659.06
Increase.....		$11,383.54	....	$97.77	$10.97	$4,190.09	$2,708.09
Decrease.....		.....	12,974.28	.....	....	.....	.....

LESSEE, NORWICH & WORCESTER RAILROAD.

SCHEDULE H.

EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1887, AUDITED DURING THE YEAR.

OPERATING EXPENSES.

Month.	Con. Trans. Passenger.	Con. Trans. Freight.	Maint'ance of Way.	Motive Power.	Maint'ance of Cars.	General Expense.	Total Oper. Expenses.
Oct. 1886	$3,605.77	$11,529.46	$7,942.40	$10,013.71	$3,480.53	$790.09	$37,361.96
Nov. "	3,501.25	11,025.09	5,551.79	10,090.48	4,258.93	759.49	35,187.03
Dec. "	3,957.57	12,070.87	7,665.96	12,179.37	3,678.13	933.63	40,485.53
Jan. 1887	3,414.07	11,202.19	5,021.01	11,340.14	3,915.67	1,155.12	36,048.20
Feb. "	3,378.70	12,237.66	1,932.90	8,769.25	3,212.41	794.25	30,325.17
Mar. "	3,740.75	12,081.41	8,275.98	9,855.55	4,817.71	1,121.42	39,892.82
April "	3,599.07	11,304.79	9,129.41	8,947.74	3,041.19	826.80	36,849.00
May "	3,353.73	11,299.19	4,907.51	9,306.19	3,264.40	842.55	32,973.57
June "	3,507.75	11,510.65	4,999.48	10,959.27	3,936.61	809.50	35,723.26
July "	3,724.01	11,922.33	3,227.09	11,180.38	2,537.63	1,173.49	33,764.93
Aug. "	4,647.96	9,729.62	3,817.74	12,374.46	3,955.83	1,060.94	35,586.55
Sept. "	4,000.71	16,744.16	4,682.86	12,736.73	3,404.82	1,457.28	43,026.56
Total, 1887	$44,431.34	$142,657.42	$67,154.13	$127,753.27	$43,503.86	$11,724.56	$437,224.58
" 1886	40,921.89	133,605.82	80,929.59	116,426.17	42,735.34	11,262.51	425,881.32
Increase.....	$3,509.45	$9,051.60	.....	$11,327.10	$768.52	$462.05	$11,343.26
Decrease....	.....	.....	$13,775.46	.....	.....	.....	.....

SCHEDULE I.

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1887.

ENTIRE LINE, EXCLUSIVE OF NORWICH AND WORCESTER RAILROAD.

SOURCE OF EARNINGS.			
Passenger		$1,386,488 05	
Freight		2,485,912 85	
Mail		46,707 84	
Express		101,727 22	
Miscellaneous:			
Rents	$38,813 07		
New England Transfer Co	20,625 00		
Wharves and Docks	35,677 80		
S. & N. L. R. R. Co	3,817 11		
Switching, Storage, etc	30,437 59		
Miscellaneous	1,710 68		
		131,081 25	
Gross Earnings			$4,151,917 21
Income from other sources:			
Hudson River Transfer		$23,441 61	
Boston Harbor Transfer		5,166 75	
N. & W. R. R. Lease		37,159 46	
			65,767 82
Total income			$4,217,685 03
OPERATING EXPENSES.			
Conducting Transportation—Passenger.			
General Passenger Agent and Clerks	$9,702 18		
Superintendence	4,255 42		
Clerks	6,913 28		
Stationery and Printing	10,500 98		
Foreign Agencies	47 50		
Advertising	8,348 00		
Rent of Depot Grounds and Buildings	22,017 18		
Repairs of Stations	15,970 33		
Oil and Waste for Cars	1,365 54		
Conductors, Baggagemen and Brakemen	74,744 10		
Mail Expense	1,261 01		
Train Expense	5,733 47		
Fuel and Lights for Cars	8,752 32		
Hire of Cars	*215 18		
Telegraph Expense	13,301 95		
Loss and Damage to Baggage	58 53		
Loss and Damage to Property	2,566 89		
Personal Injuries	6,048 92		
Station Agents	32,529 21		
Switchmen and Yardmen	23,538 51		
Cleaning and Inspecting Cars	25,996 34		
Labor at Stations	18,031 63		
Expense of Stations	6,740 56		
Fuel and Lights for Stations	7,727 27		
Wrecking	190 73		
Stock Killed	81 75		
Watchmen	568 60		
Signals	1,546 20	$308,323 22	
Amounts carried forward,		$308,323 22	$4,217,685 03

* Credit Balance.

SCHEDULE I.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward.....		$308,323 22	$4,217,685 03
Conducting Transportation—Freight.			
General Freight Agent and Clerks	$ 27,031 55		
Superintendence	6,465 35		
Clerks.....	82,200 25		
Stationery and Printing.....	13,808 32		
Foreign Agencies.....	2,689 35		
Advertising.....	622 76		
Rent of Depot Grounds and Buildings.....	2,198 83		
Repairs of Stations.....	10,241 56		
Oil and Waste for Cars.....	2,892 41		
Conductors and Brakemen.....	125,716 29		
Train Expense.....	8,713 72		
Fuel and Lights for Cars..... ..	1,702 11		
Hire of Cars.....	15,508 40		
Telegraph Expense	27,862 63		
Loss and Damage to Freight.....	4,678 60		
Loss and Damage to Property....	7,545 35		
Personal Injuries.....	5,160 69		
Station Agents.....	40,964 57		
Switchmen and Yardmen	96,922 60		
Oiling and Inspecting Cars.....	11,484 00		
Labor at Stations.....	130,637 89		
Expense of Stations.....	16,152 15		
Fuel and Lights for Stations.....	4,458 63		
Wrecking.....	1,750 03		
Watchmen.....	6,598 10		
Stock Killed.....	30 00		
Wharves and Docks—Repairs of.	14,254 10		
" " —Expenses of	9,984 88		
Signals.....	3,029 30		
		681,304 42	
Maintenance of Way.			
Superintendence.....	15,106 84		
Clerks.....	2,165 39		
Ballasting and Surfacing....	77,339 70		
Labor Repairing Track.....	180,999 14		
Frogs.....	3,846 66		
Switches.....	8,029 03		
Spikes.....	4,574 26		
Splices and Bolts.....	12,487 27		
Repairs, Hand Cars.....	1,416 47		
Tools, and Repairs of.	9,138 46		
Watchmen.....	9,277 41		
Railroad Crossings.....	2,333 88		
Oil, Fluid and Tallow.....	884 45		
Steel Rails.....	67,376 52		
Iron Rails.....	1,531 12		
Cross Ties (161,839 Ties).....	62,872 60		
Switch Ties.....	4,209 34		
Repairs of Bridges, Labor.....	21,557 34		
Repairs of Bridges, Material.....	21,698 72		
Culverts and Cattle Guards.....	7,824 30		
Highway Crossings and Fences...	22,750 30		
Telegraph Repairs.....	46 91		
Section and Watch Houses.....	1,502 51		
Stationery and Printing.....	104 07		
Repairs of Tenement Buildings...	2,947 17		
Removing Snow and Ice	25,255 72		
		567,275 58	
Amounts carried forward, ...		$1,556,903 22	$4,217,685 03

SCHEDULE I.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward		$1,556,903 22	$4,217,685 03
Motive Power.			
Superintendence	$ 5,351 48		
Clerks	6,868 87		
Stationery and Printing	537 51		
Rep's to Eng. H'ses & Mac. Sh'ps.	7,319 02		
Repairs to Pass. Locomotives ...	74,434 41		
Repairs to Freight "	114,565 90		
Coal for Passenger "	114,820 72		
Coal for Freight "	234,010 37		
Wood for Passenger "	298 06		
Wood for Freight "	409 46		
Oil and Waste for Pass. "	4,056 21		
Oil and Waste for Fr'ght "	5,456 73		
Cleaning Passenger "	9,759 34		
Cleaning Freight "	10,982 75		
Repairs of Tools and Machinery ..	16,521 10		
Fuel and Lights for E. H. & M. S.	9,955 58		
Water Station Expenses	17,610 38		
Pumping	3,923 81		
Passenger Engineers and Firemen.	73,208 84		
Freight " "	124,900 91		
Sand for Engines	1,409 65		
Watchmen	6,350 60		
Fuel Stations—Fixtures and Rep's	2,888 58		
Laborers	16,289 91		
		861,930 19	
Maintenance of Cars.			
Superintendence	$3,120 79		
Clerks	3,003 39		
Stationery and Printing	160 22		
Repairs, Car Shops and Sheds	2,342 90		
Repairs to Pass. and Baggage Cars	57,538 68		
Repairs to Sleeping Cars	2,159 76		
Repairs to Freight Cars	131,356 88		
Repairs to Pay Car	165 61		
Fuel and Lights for Car Shops	5,511 19		
Repairs, Tools and Machinery	7,954 97		
Watchmen	1,034 70		
Laborers	9,045 57		
		223,394 66	
General Expenses.			
Salaries and Exp. of Gen'l Officers	$32,558 57		
Clerks at Offices	16,704 52		
Attendants at Offices	2,468 04		
Legal Expenses	28,495 55		
Stationery and Printing	3,900 11		
Expenses at General Offices	3,960 82		
Rent of General Offices	1,810 73		
Fuel and Lights for General Offices	1,387 65		
Repairs of General Offices	1,394 34		
Pay Trip Expenses	4,502 77		
Postage	2,012 01		
Detective Service	124 13		
Advertising	81 18		
		99,400 42	
		$2,741,628 49	
Expense Boston Grain Elevator ...	.....	1,006 93	
			2,742,635 42
Total Net Income, carried forward,	.....	.....	$1,475,049 61

SCHEDULE I.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Total Net Income, brought forw'd			$1,475,049 61
CHARGES AGAINST INCOME.			
Taxes		$163,566 03	
Insurance		12,113 45	
Rent of other Roads:			
Newburgh, D. & Conn.	$34,755 63		
Rhode Is. & Mass.	20,000 00		
Boston & Albany	5,000 02		
Springfield & New Lond.	2,480 13		
Rockville	4,400 00		
		66,635 78	
Interest:			
On Boston Terminal Lands	$ 69,356 90		
" First Mortgage Bonds.	660,000 00		
" Second " "	231,720 00		
Miscellaneous, mainly Car Trust	8,542 99		
		969,619 89	
Dividends declared:			
3½ per ct. on $1,935,000 preferred stock	$67,725 00		
3½ per ct. on $1,950,000 preferred stock	68,250 00	135,975 00	
			$1,347,910 15
Surplus			$127,139 46

NEW YORK & NEW ENGLAND RAILROAD CO., LESSEE,
NORWICH & WORCESTER R. R.

SCHEDULE J.

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR 16 MONTHS ENDING SEPTEMBER 30, 1887.

Earnings for 4 months ending September 30, 1886:			
Passenger		$82,236 09	
Freight		174,448 87	
Mail		1,956 10	
Express		5,510 80	
Miscellaneous		739 34	$264,891 20
Operating Expenses for 4 months ending September 30, 1886.....		$142,396 27	
Taxes		3,434 20	
Interest		7,865 10	
Track Rental		13,650 00	
Accrued Dividend for 4 months payable January, 1887		69,274 67	
Balance carried forward		28,270 96	264,891 20
Balance brought forward			$28,270 96
Earnings for 12 months ending September 30, 1887:			
Passenger		$204,446 13	
Freight		517,689 85	
Mail		5,868 31	
Express		16,585 25	
Miscellaneous		6,777 61	751,367 15
Income from other sources:			
Dividend			21,600 00
Amount to be accounted for			$801,238 11
OPERATING EXPENSES.			
Conducting Transportation—Passenger.			
General Passenger Agent and Clerks	$1,923 22		
Superintendence	1,091 69		
Clerks	738 29		
Stationery and Printing	1,523 92		
Foreign Agencies	776 38		
Advertising	1,027 30		
Rent of Depot, Grounds and Buildings	8,580 50		
Repairs of Stations	2,071 28		
Oil and Waste for Cars	130 30		
Conductors, Baggagemen and Brakemen	11,250 64		
Mail Expense	562 09		
Train Expense	420 21		
Fuel and Light for Cars	927 53		
Telegraph Expense	1,230 09		
Loss and Damage to Baggage	12 00		
Station Agents	3,701 64		
Switchmen and Yardmen	1,113 74		
Cleaning and Inspecting Cars	2,772 37		
Labor at Stations	1,642 31		
Expense of Stations	814 49		
Fuel and Lights for Stations	1,907 31		
Wrecking	5 36		
Watchmen	197 34		
Signals	11 34	$44,431 34	
Amounts carried forward		$44,431 34	$801,238 11

NEW YORK & NEW ENGLAND RAILROAD CO., LESSEE,
NORWICH & WORCESTER R. R.

SCHEDULE J.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward, .		$44,431 34	$801,238 11
Conducting Transportation—Freight.			
General Freight Agent and Clerks	$ 9,596 26		
Superintendence	2,608 41		
Clerks.	8,390 66		
Stationery and Printing	2,439 33		
Foreign Agencies	52 10		
Rent of Depot, Grounds and Buildings	30 00		
Repairs of Stations	2,286 05		
Oil and Waste for Cars	388 86		
Conductors and Brakemen . . .	23,686 53		
Train Expense	889 04		
Fuel and Light for Cars	420 19		
Hire of Cars	17,079 91		
Telegraph Expense	3,568 73		
Loss and Damage to Freight . .	705 70		
Loss and Damage to Property . .	48 98		
Personal Injuries	886 00		
Station Agents	8,205 17		
Switchmen and Yardmen. . . .	15,725 97		
Oiling and Inspecting Cars . . .	3,135 65		
Labor at Stations	35,907 14		
Expense of Stations	1,994 31		
Fuel and Lights for Stations . .	1,125 21		
Wrecking	151 05		
Watchmen	1,097 68		
Fuel Hoisting Engines	39 83		
Wharves and Docks—Repairs of .	1,701 40		
" " —Expenses of	210 00		
Signals	287 26		
		$142,657 42	
Maintenance of Way.			
Superintendence	1,244 28		
Electric Signals	2,124 94		
Repairs Wharf	2,445 74		
Labor repairing Track	23,894 08		
Frogs	704 71		
Switches	1,084 61		
Spikes	426 74		
Splices and Bolts	1,344 22		
Repairs, Hand Cars	84 94		
Tools, and repairs of	601 82		
Repairs, Viaduct	1,561 76		
Oil, Fluid and Tallow	337 24		
Steel Rails	15,500 00		
Iron Rails	134 35		
Cross Ties	6,115 52		
Switch Ties	443 97		
Repairs of Bridges—Labor . . .	1,836 84		
Repairs of Bridges—Material . .	2,291 16		
Culverts and Cattle Guards . . .	1,698 96		
Highway Crossings and Fences .	362 60		
Telegraph Repairs	95 47		
Section and Watch Houses . . .	136 87		
Stationery and Printing	28 06		
Repairs of Tenement Buildings .	9 12		
Removing Ice and Snow	2,344 19		
Damage by Fire	270 00		
Clerks	24 69		
Insurance, Spile Driver	5 00		
Wrecking	2 25		
		$67,154 13	
Amounts carried forward, . .		$254,242 89	$801,238 11

NEW YORK & NEW ENGLAND RAILROAD CO., LESSEE,
NORWICH & WORCESTER R. R.

SCHEDULE J.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward, . .		$254,242 89	$801,238 11
Motive Power.			
Superintendence	899 95		
Clerks	623 79		
Stationery and Printing	187 54		
Reps. to Eng. H'ses & Mac. Sh'ps	1,268 50		
Repairs to Pass. Locomotives, . .	6,017 40		
Repairs to Freight " . .	19,938 01		
Coal for Passenger " . .	15,697 87		
Coal for Freight " . .	35,768 77		
Oil & Waste for Pass. " . .	505 17		
Oil & Waste for Fr'ght " . .	1,028 23		
Cleaning Passenger " . .	1,020 07		
Cleaning Freight " . .	1,857 20		
Repairs of Tools and Machinery.	2,430 47		
Fuel & Lights for E. H. & M.S. . .	1,649 58		
Water Station Expense, ...	2,664 25		
Passenger Engineers and Firemen,	11,507 17		
Freight " " "	22,390 07		
Sand for Engines	30 03		
Watchmen, ...	1,995 29		
Laborers	272 91		
Ground Rent	1 00		
		127,753 27	
Maintenance of Cars.			
Superintendence	$ 899 93		
Clerks	623 76		
Repairs, Car Shops and Sheds . .	888 70		
Repairs to Pass. and Baggage Cars	9,539 95		
Repairs to Freight Cars	28,855 87		
Fuel and Lights for Car Shops . .	682 43		
Repairs, Tools and Machinery . .	1,389 60		
Watchmen	350 72		
Laborers	272 90		
		43,503 86	
General Expenses.			
Salaries and Exp. of Gen'l Officers	$6,537 63		
Clerks at General Offices.	2,216 51		
Attendants at Offices	227 97		
Legal Expenses	837 23		
Stationery and Printing	583 30		
Expenses at General Offices . . .	516 32		
Fuel and Light for General Offices	283 82		
Repairs of General Offices	*24 60		
Pay Trip Expenses	186 61		
Postage	279 52		
Advertising	4 50		
Insurance	50 00		
Surveying	25 75	11,724 56	
Charges against Income:			
Taxes	$49,844 02		
Insurance	1,800 59		
Interest.	27,165 46		
Track Rental.	40,220 00		
Balance Dividend, January 10t 1887	34,637 33		
Dividend, July 10th, 1887.	103,912 00		
Accrued Dividend for 4 months, June to September, 1887.	69,274 67	326,854 07	$764,078 65
Surplus			$37,159 46

* Credit Balance.

New York & New England Railroad Co.

SCHEDULE K.

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR, ENDING SEPTEMBER 30, 1887, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellan's	Total Earn'g.
Pass. Earnings . .	$1,386,488 05	–	$46,707 84	$101,727 22	$35,814 98	$1,570,738 09
Freight Earnings .	–	$2,485,912 85	–	–	95,266 27	2,581,179 12
Total	$1,386,488 05	$2,485,912 85	$46,707 84	$101,727 22	$131,081 25	$4,151,917 21

Apportionment.	OPERATING EXPENSES.					
	Transp'tation Department.	Maintenance of Way.	Motive Power.	Mainten'ce of Cars.	General Expenses.	Total.
Passenger Expenses,	$308,323 22	$216,529 09	$326,723 06	$ 65,082 94	$37,603 18	$ 954,261 49
Freight Expenses .	681,304 42	350,746 49	535,207 13	158,311 72	61,797 24	1,787,367 00
Total	$989,627 64	$567,275 58	$861,930 19	$223,394 66	$99,400 42	$2,741,628 49

Gross Passenger Earnings	$1,570,738 09	
Gross Passenger Expenses	954,261 49	
Net Passenger Earnings		$616,476 60
Gross Freight Earnings	$2,581,179 12	
Gross Freight Expenses	1,787,367 00	
Net Freight Earnings		793,812 12
Total Net Earnings		$1,410,288 72

New York & New England Railroad Co., Lessee, Norwich & Worcester R. R.

SCHEDULE L.

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR, ENDING SEPTEMBER 30, 1887, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellan's	Total.
Pass. Earnings.....	$204,446 13	–	$5,868 31	$16,585 25	$880 53	$227,780 22
Freight Earnings...	–	$517,689 85	–	–	5,897 08	523,586 93
Total.....	$204,446 13	$517,689 85	$5,868 31	$16,585 25	$6,777 61	751,367 15

Apportionment.	OPERATING EXPENSES.					
	Transp'tation Department.	Maintenance of Way.	Motive Power.	Mainten'ce of Cars.	General Expenses.	Total.
Pass. Expenses.....	$44,431 34	$20,461 86	$40,979 36	$10,400 14	$3,554 89	$119,827 59
Freight Expenses...	142,657 42	46,692 27	86,773 91	33,103 72	8,169 67	317,396 99
Total.....	$187,088 76	$67,154 13	$127,753 27	$43,503 86	$11,724 56	$437,224 58

Gross Passenger Earnings	$227,780 22	
Gross Passenger Expenses	119,827 59	
Net Passenger Earnings		$107,952 63
Gross Freight Earnings	$523 586 93	
Gross Freight Expenses	317,396 99	
Net Freight Earnings		206,189 94
Total Net Earnings		$314,142 57

New York & New England Railroad Co.

SCHEDULE M.

COMPARISON WITH PREVIOUS YEARS OF EARNINGS, EXPENSES AND BUSINESS.

	Year Ending Sept. 30, 1887.	Year Ending Sept. 30, 1886.	Year Ending Sept. 30, 1885.
Miles of Road Operated	385.95	379.76	379.76
Gross Earnings, per mile of road	$10,758.83	$10,174.83	$8,638.11
Operating Expenses, per mile of road,	$7,103.58	$6,537.41	$5,957.24
Net Earnings, per mile of road	$3,655.25	$3,637.42	$2.680.87
Percentage of Operating Expenses to Gross Earnings	66.03 %	64.25%	68.96%
Revenue train miles run	2,442,684	2,259,030	2,106,764
Gross Earnings, per revenue train mile	$ 1.699	$ 1.710	$ 1.557
Operating Expenses, per revenue train mile	$ 1.122	$ 1.099	$ 1.074
Net Earnings, per revenue train mile,	$ .577	$ .611	$ .483
Expenses of Transportation, per mile of road	$2,564.13	$2,394.03	$2,213.82
Expenses of Transportation, per revenue train mile	.405	$ .402	$ .399
Maintenance of Way, per mile of road,	$1,469.82	$1,198.22	$1,118.39
Maintenance of Way, per revenue train mile	$ .232	$ .201	.202
Motive Power, per mile of road	$2,233.27	$2,087.02	$1,900.13
Motive Power, per revenue train mile	$ .353	$ .350	.343
Maintenance of Cars, per car for passenger cars, all kinds	$ 335.09	$ 354.21	$ 467.98
Maintenance of Cars, per car for freight cars, all kinds	$ 43.14	$ 31.75	$ 22.42
Maintenance of Cars, per mile of road,	$ 578.82	$ 496.18	$ 461.77
Maintenance of Cars, per revenue train mile	$ .091	$ .083	$ .083
General Expenses, per mile of road	$ 257.55	$ 361.42	$ 263.12
General Expenses, per revenue train mile	$ .041	$ .067	$ .047
Passenger Earnings, per mile of road	$4,069.79	$3,885.57	$3,524.15
Passenger Expenses, per mile of road	$2,472.50	$2,477.58	$2,432.62
Net Passenger Earnings, per mile of road	$1,597.29	$1,407.99	$1,091.53
Percentage of Passenger Expenses to Passenger Earnings	60.75%	63.76%	69.03%
Revenue Passenger train miles run	1,289,064	1,238,048	1,195,799
Passenger Earnings, per revenue passenger train mile	$ 1.22	$ 1.19	$ 1.12
Passenger Expenses, per revenue passenger train mile	$ .74	$ .76	$ .77
Net Passenger Earnings, per revenue passenger train mile	$ .48	$ .43	$ .35
Number Local Passengers Carried	5,022,760	4,582,220	3,984,364
Number Through Passengers Carried	676,034	658,686	631,650
Total number of Passengers Carried	5.698,794	5,240,906	4,616,014
Number of Passengers Carried One Mile	66,370.777	63,870,470	58,015,468
Earnings per Passenger	$ .243	$ .247	$ .247
Earnings per Passenger, including mail, express, etc	$ .275	$ .282	$ .290
Earnings per Passenger, per mile	$ .0208	$ .0202	$ .0195
Earnings per Passenger, per mile, including mail, express, etc	$ .0237	$ .0231	$ .0231
Expenses per Passenger	$ .167	$ .179	$ .200
Expenses per Passenger, per mile	$ .0144	$ .0147	$ .0159
Average Distance Travelled, per passenger	11.64	12.19	12.57

New York & New England Railroad Co.

SCHEDULE M.—Continued.

COMPARISON, ETC.

	Year Ending Sept. 30, 1887.	Year Ending Sept. 30, 1886.	Year Ending Sept. 30, 1885.
Freight Earnings, per mile of road	$6,687.86	$6,289.26	$5,113.96
Freight Expenses, per mile of r ad	$4,631.08	$4,059.83	$3,524.62
Net Freight Earnings, per mile of road	$2,056.78	$2,229.43	$1,589.34
Percentage of Freight Expenses to Freight Earnings	69.25%	64.55%	68.92%
Revenue Freight Train, miles run	1,153,620	1,020,982	910,965
Freight Earnings, per revenue freight train mile	$ 2.238	$ 2.339	$ 2.132
Freight Expenses, per revenae freight train mile	$ 1.549	$ 1.510	$ 1.469
Net Freight Earnings, per revenue freight train mile	$ .689	$ .829	$ .663
Number of Tons of Freight Carried	2,225,141	2,099,339	1,715,661
Number of Tons of Freight Carried One Mile	152,739,575	135,470,333	107,639,953
Earnings per Ton	$ 1.117	$ 1.08	$ 1.07
Earnings per Ton, per mile	$ .0163	$ .01670	$ .01709
Earnings per Ton, including miscellaneous	$ 1.16	$ 1.14	$ 1.13
Earnings per Ton, per mile, including miscellaneous	$ .0169	$ .01763	$ .01804
Expenses per Ton	$ .803	$ .73	$ .78
Expenses per Ton, per mile	$ .0117	$ .01138	$ .01244
Average Distance each Ton Carried, miles	68.64	64.529	62.740
Number of Locomotives in Service	135	110	122
Mileage of Passenger Locomotives	1,290,804	1,223,945	1,201,287
Expenses per mile, of Passenger Locomotives	$ .2000	$ .2177	$ .2058
Mileage of Freight Locomotives	1,154,426	1,047,802	939,850
Expenses per mile, of Freight Locomotives	$ .3121	$ .3018	$ .2949
Total Mileage of all kinds of Locomotives	3,345,153	2,996,808	2,735,028
Average Expenses per mile, of all Locomotives	$ .2265	$ .2324	$ .2298

New York & New England Railroad Co.

SCHEDULE N.

PASSENGER STATISTICS.

EARNINGS AND COST PER PASSENGER PER MILE.

	1887. Cents.	1886. Cents.	Increase or Decrease.	Per Cent.
Local	.0199	.0193	Inc. .0006	.031
Foreign	.0229	.0227	Inc. .0002	.0088
Average earnings	.0208	.0202	Inc. .0005	.0247
Average Cost	.0144	.0147	Dec. .0003	.0204
Net	.0063	.0055	Inc. .0008	.1454

AVERAGE TRIP PER PASSENGER.

	1887. Miles.	1886. Miles.	Increase or Decrease.	Per Cent.
Local Passengers	9.81	10.40	Dec. .0059	.0567
Foreign	25.32	24.64	Inc. .0068	.0276
Average	11.64	12.19	Dec. .0055	.0451
Aver. no. of Pass. per car.	14.16	14.1	Inc. .0015	.0106
" " " " " tr'n.	51.54	51.	Inc. .0054	.0105

NUMBER OF PASSENGERS CARRIED, REVENUE, ETC.

	1887.	1886.	Increase.	Per cent.
Local	5,022,760	4,582,220	440,540	.096
Foreign	676,034	658,686	17,348	.0263
Total	5,698,794	5,240,906	457,888	.0873

PASSENGER MILEAGE.

	1887.	1886.	Increase.	Per Cent.
Local	49,251,650	47,640,899	1,610,751	.0338
Foreign	17,119,127	16,229,571	889,556	.0548
Total	66,370,777	63,870,470	2,500,307	.0391

REVENUE.

	1887.	1886.	Increase.	Per Cent.
Local	$982,804.95	$921,143.81	$61,661.14	.0669
Foreign	393,625.89	368,462.39	25,163.50	.0683
Total	1,376,430.84	1,289,606.20	86,824.64	.0673

New York & New England Railroad Co.

SCHEDULE O.

FREIGHT STATISTICS.

	Tonnage.				Per Cent.	
	1887.	1886.	Increase.	Decrease.	Inc.	Dec.
Local.....	1,158,098	1,170,570		12,472		.0107
Through.....	1,067,043	928,770	138,273		.1489	
Total	2,225,141	2,099,340	125,801		.0599	

TONS CARRIED ONE MILE.

	1887.	1886.	Increase.	Decrease.	Inc.	Dec.
Local.....	51,843,605	46,914,956	4,928,649		.105	
Through.....	100,895,970	88,555,377	12,340,593		.1394	
Total	152,739,575	135,470,333	17,269,242		.1275	

REVENUE.

	1887.	1886.	Increase.	Decrease.	Inc.	Dec.
Local.....	$1,457,150.46	$1,390,371.86	$ 66,778.60		.048	
Through	1,028,762.39	876,405.02	152,357.37		.1738	
Total	$2,485,912.85	$2,266,776.88	$219,135.97		.0967	

EARNINGS AND COST PER TON PER MILE.

					Per Cent.	
	1887.	1886.	Increase.	Decrease.	Inc.	Dec.
	Cents.	Cents.				
Local.	2.81	2.963		.153		.0516
Through	1.01	0.99	.02		.0202	
Av'ge Earnings	1.63	1.67		.04		.0239
" Cost	1.17	1.138	.032		.0281	
Net.....	.46	.532		.072	.1353	

NEW YORK & NEW ENGLAND RAILROAD CO.

SCHEDULE P.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30th, 1887.

Improvements at South Boston Flats:			
Fifty-Acre Lot.			
Engineering, Grading and Paving . . .	$11,043 43		
Buildings, Labor, Material and Machinery	15,786 11		
Piers, Labor, Material and Dredging .	16,507 54		
New Track, Labor and Material . . .	4,593 17		
Miscellaneous, Locomotive and Water Service	1,151 73		
		$49,081 98	
Twenty-Five Acre Lot.			
Automatic Fire Alarm, Ties, Rails, etc.		2,439 95	
Twelve-Acre Lot.			
Engineering and Grading		6,393 13	
			$57,915 06
New Sidings			21,075 51
New Bridges:			
Islington		$1,020 00	
Fishkill-on-Hudson		3,324 60	
Manchester		38,927 96	
Connecticut River		21,822 62	
Moosup		4,737 35	
Bridge Guard Rails		7,200 61	
			77,033 14
Real Estate:			
Bristol		$8,000 00	
South Boston	$86,802 75		
" undivided one half interest in Driveway	15,190 07		
Miscellaneous lots purchased at various places		101,992 82	
		2,042 75	
			112,035 57
Right of Way			5,565 99
New Track Tank, Putnam			5,253 37
Underlying Liens purchased			329 00
New Safety Gates and Signals			1,844 78
New Tools and Improvements at Shops . .			774 39
Engine and Machine Shops under construction			18,697 67
Black Rock Crossing, New Britain			12,497 76
Miscellaneous Improvements			4,857 07
Equipment:			
New Passenger Cars		$6,514 40	
New Baggage Cars		4,030 79	
New Milk Car		2,022 15	
New Snow Plow		244 10	
			12,811 44
Station Improvements			18,487 80
Improvements at Hartford			27,400 92
Total Charges to Property Accounts . .			$376,579 47

Nov 19, 1888

THIRTEENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK & NEW ENGLAND

RAILROAD COMPANY

MADE AT THE ANNUAL MEETING

TUESDAY, DEC. 11, 1888.

BOSTON:
H. G. COLLINS, PRINTER,
93 FEDERAL STREET.

THIRTEENTH ANNUAL REPORT

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TUESDAY, DEC. 11, 1888.

BOSTON:
H. G. COLLINS, PRNITER,
93 FEDERAL STREET.

DIRECTORS.

EUSTACE C. FITZ	Boston, Mass.
JONAS H. FRENCH	" "
WILLIAM P. SHINN	" "
STERNE MORSE	" "
MOSES T. STEVENS	North Andover, Mass.
NICHOLAS SHELDON	Providence, R. I.
B. F. VAUGHAN	" "
JAMES L. HOWARD	Hartford, Conn.
WILLIAM H. STEVENSON	Bridgeport "
GEO. M. LANDERS	New Britain, "
THOMAS RUTTER	New York, N. Y.
WILLIAM H. STARBUCK	" "
JOHN L. MACAULAY	" "
ALEXANDER E. ORR	" "
SIDNEY DILLON	" "
EXSTINE NORTON	" "
HENRY HENTZ	" "
J. A. BOSTWICK	" "
ARTHUR SEWALL	Portland, Maine.

OFFICERS OF THE COMPANY.

J. A. BOSTWICK	PRESIDENT.
WILLIAM P. SHINN	VICE-PRESIDENT.
GEORGE B. PHIPPEN	TREASURER.
JAMES W. PERKINS	SECRETARY.

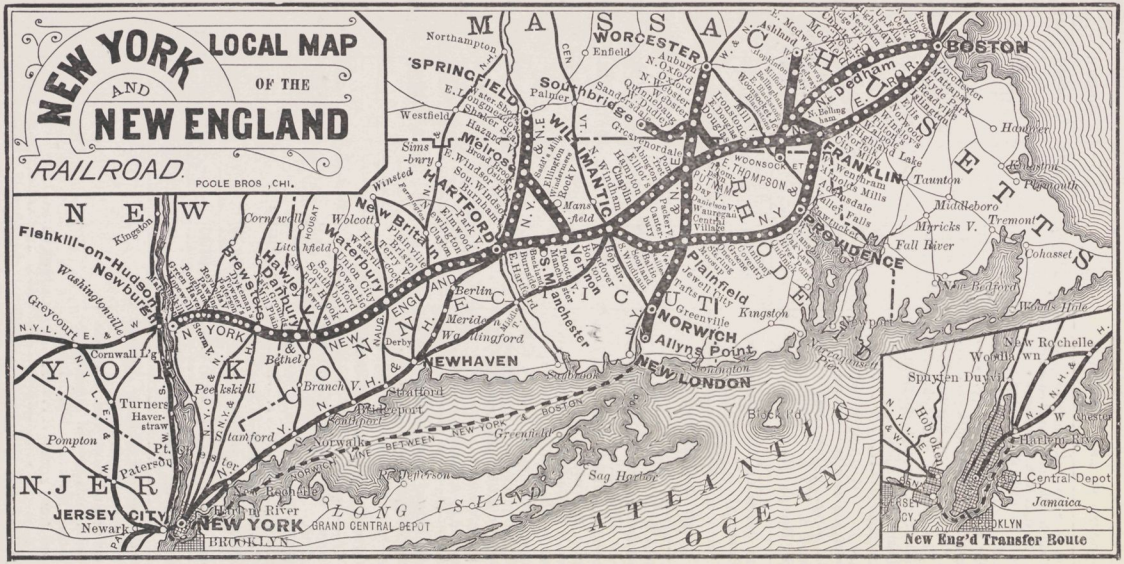
RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE NEW YORK & NEW ENGLAND RAILROAD COMPANY.

LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction.....	214.96	108.10	98.61	421.67
(Hopewell Junction to Wicopee owned by N. D. & C. R. R. Company.)				
Wicopee to Fishkill Landing.....	1.71		5.45	7.16
Fishkill Landing to Newburgh, Transfer Boat.....	.79			.79
Providence to Willimantic.....	58.32		16.06	74.38
Cook St., Newton, to Woonsocket...	28.62		5.82	34.44
East Thompson to Southbridge.....	17.36		2.60	19.96
East Hartford, Conn., to junction with Boston & Albany R. R. in Springfield.....	27.48		3.91	31.39
Melrose to West St., Rockville.....	7.22		.24	7.46
Dedham Junction to Dedham.....	1.53		1.86	3.39
Charles River to Ridge Hill.....	1.65		.27	1.92
Dorrance St. Track, Providence.....	.62		.03	.65
Freight Branch, Hartford.....	.67		1.75	2.42
Total owned and operated by the Company.....	360.93	108.10	136.60	605.63
LEASED BY THE COMPANY.				
Norwich & Worcester R. R. Worcester to Allyn's Point.....	66.16		21.00	87.16
R. I. & M. R. R. Franklin to Valley Falls.....	13.60		1.34	14.94
Rockville Railroad. Vernon to Rockville.....	4.43		.75	5.18
Boston & Albany R. R. From junction of N. Y. & N. E. R. R. to Spring St. in Springfield..	1.20		1.20	2.40
Milford & Woonsocket, and M. F. & P. Railroads. Franklin to Ashland.....	19.97		2.43	22.40
Total Leased Lines operated by the Company.....	105.36		26.72	132.08
RUNNING ARRANGEMENTS OVER:				
Newburgh, Dutchess & Connecticut R. R. Hopewell Junction to Wicopee Junction.....	10.95			
New London Northern R. R. Norwich to New London.....	13.50			
Total	24.45			
CONTROLLED THROUGH LEASE.				
Controlled through Lease of Norwich & Worcester R. R. Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York.....	125.00			

Making the total number of miles of transportation lines controlled by the New York & New England Railroad Company, 615.74 miles.


NEW YORK AND NEW ENGLAND RAILROAD.
LOCAL MAP OF THE
POOLE BROS., CHI.
NEW YORK
NEW ENGLAND
MASSACHUSETTS
RHODE ISLAND
CONNECTICUT
NEW JERSEY
LONG ISLAND
ATLANTIC OCEAN
Fishkill-on-Hudson
Newburgh
Washingtonville
Greycourt
Cornwall
Kingston
Cornwall Lg.
Turners
Haverstraw
Pompton
Paterson
JERSEY CITY
Newark
NEW YORK
GRAND CENTRAL DEPOT
BROOKLYN
Peekskill
Branch V. H.
Stamford
Norwalk
Rye
New Rochelle
Harlem River
Port Jefferson
Sag Harbor
Greenport
Southold
Orient Point
Montauk Point
Block Island
Northampton
Enfield
Springfield
Westfield
Simsbury
Winsted
Meriden
Wallingford
Derby
Berlin
Hartford
New Britain
Waterbury
Wolcott
Litchfield
Plymouth
Watertown
Thomaston
Torrington
Winchester
Manchester
Willimantic
Windham
Putnam
Thompson
Woonsocket
Pawtucket
Providence
Pawtucket
Palfrey
Greenville
Kingston
Norwich
Allyns Point
New London
Southington
Worcester
Southbridge
Auburn
Oxford
Webster
Dudley
Douglas
Woonsocket
Franklin
Wrentham
Mills
Attleboro
Falls
Taunton
Middleboro
Fall River
Mericks V.
Tremont
Plymouth
Cohasset
Boston
Hingham
Hull
Weymouth
Braintree
Quincy
Dedham
Needham
Natick
Framingham
Ashland
Holliston
Hopkinton
Milford
Medway
Franklin
Wood's Hole
New Rochelle
Woodlawn
Spuyten Duyvil
Harlem River
Central Depot
Jamaica
KSLT
CY
KLYN
New Eng'd Transfer Route
Bethel
Danbury
Brewster
Hawley
Lanesville
Litchfield
Meld
Woodbury
Southbury
Waterbury
Wolcott
Plymouth
Thomaston
Torrington
Winchester
Manchester
Willimantic
Windham
Putnam
Thompson
Woonsocket
Pawtucket
Providence
Palfrey
Greenville
Kingston
Norwich
Allyns Point
New London
Southington
Worcester
Southbridge
Auburn
Oxford
Webster
Dudley
Douglas
Woonsocket
Franklin
Wrentham
Mills
Attleboro
Falls
Taunton
Middleboro
Fall River
Mericks V.
Tremont
Plymouth
Cohasset
Boston
Hingham
Hull
Weymouth
Braintree
Quincy
Dedham
Needham
Natick
Framingham
Ashland
Holliston
Hopkinton
Milford
Medway
Franklin
Wood's Hole
New Rochelle
Woodlawn
Spuyten Duyvil
Harlem River
Central Depot
Jamaica
KSLT
CY
KLYN
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THIRTEENTH ANNUAL REPORT.

To the Stockholders of the New York and New England Railroad Company:—

The Directors respectfully submit their report of the operations of the New York & New England Railroad for the year ending September 30th, 1888, for the details of which you are referred to the report of the Vice President and of the Auditor hereto annexed.

During the past year the management of the road has had very much to contend with. A large loss was incurred in consequence of the severe snow storm in March, which blockaded the road for almost a week, causing a very large expense for clearing the tracks and injury to the motive power, and a much greater loss consequent upon the inability to transact business during the time that the road was so obstructed. The exact loss to the revenue of the Company cannot be accurately ascertained, but the loss is approximately estimated at $60,000.

The rates upon through freight, both eastward and westward, during the last six months of the fiscal year have been very low, which has in consequence affected the net earnings very materially, it being estimated by the Vice President that the loss of net earnings from this source has amounted to $128,000.

The condition of the road and equipment when it came into the hands of the present management was such that it has required, during the past two years, very large outlays for the improvement of its tracks, bridges, and equipment. Much of this work has been done, the charges for which have greatly swelled the operating expenses, but your road is now in better condition than ever before, and the expenditures in this direction will be far less in the future than they have been during the past year. There yet remains, however, considerable work to be done in the renewal of bridges, filling of trestles, and the improvement of station facilities. It has been deemed wise by your Board to use its resources in improving the condition of the road and increasing its equipment, and thus increase its money-

earning power. To accomplish this, the Board has authorized the sale of the second mortgage bonds remaining unsold amounting to $639,000.00, which have all been disposed of during the past year, and in addition, your Board has authorized the sale of 2,500 shares of preferred stock, which was sold at a price averaging about $115.00 per share. The results of this policy will undoubtedly show favorably in the future in an increase of both the gross and net earnings. The freight and passenger traffic have very largely increased during the past year.

Your Board takes pleasure in reporting to you the very satisfactory management of the several departments of the Company's service, to the heads of which you are indebted for the earnest, faithful and energetic discharge of their several duties. For the system, discipline and efficient management of the property you are largely indebted to the Vice-President.

The Board has authorized and your officers have entered into a contract between this Company and the Hudson Suspension Bridge & New England Railway Company for the construction of a suspension bridge across the Hudson River four miles above Peekskill, and of connecting roads in either direction to connect your Company's road with the roads west of the Hudson River. We believe this to be a very important addition to the facilities for increasing the future growth of the business of your road. This contract will be submitted for your approval at the annual meeting.

In consequence of the failure of the Rockville Railroad Company to ratify the lease made of that Company's road some years ago, your Board has not felt satisfied with the situation in that respect and negotiations were entered into which have resulted in a contract for the purchase of the property and franchise of that Company for the sum of $100,000, to be paid in five per cent. bonds whenever authorized by legislation. This contract will be submitted for your ratification and approval at the annual meeting.

The regulations adopted early in 1888 to remedy the irregularity heretofore prevalent in the collection of freight charges and to bring about the prompt loading and unloading of cars, have resulted very favorably and to the entire satisfaction of the officers of the Company. The change in the rules for the collection of freight bills has brought into your treasury nearly $200,000.00 which has heretofore been outstanding, while the demurrage regulations have enabled the Company to supply transportation and do their business

with a promptness and regularity that was impossible under the old plan of allowing cars to be used as storehouses. Of course some dissatisfaction arose when the rules were put into effect, but your officers believe that the customers of the road are so much better accommodated than under the old plan of doing business that the maintenance of the new regulations is to the best interest of all parties.

The grade crossing question, referred to in the last annual report, is still awaiting a solution. The Legislature of Massachusetts at its last session appointed a special commission to investigate and report upon the subject at the next meeting of the Legislature. It is hoped that the report of the Commission will be such as to enable the matter to be dealt with by the Legislature in a spirit of equity toward the Railroad Companies, and so as to secure greater safety to the public.

The reports of the Vice-President and Auditor herewith submitted, show the operations of the road in the various departments in great detail, and, we trust, will be found satisfactory to the stockholders.

We are gratified in being able to report a continued and steady growth in the traffic of the Company, and your Board sees no reason why the increased equipment that has been, and is now being added to the road, does not reasonably promise an increase in its net earnings in the early future.

By order of the Board of Directors,

J. A. BOSTWICK,
President.

New York, November 15, 1888.

VICE-PRESIDENT'S REPORT.

To the President and Directors of the New York and New England Railroad Company.

The following report of the financial condition of your Company, the physical condition of its property, and its business and operations during the fiscal year ending September 30, 1888, is presented for your information and that of the stockholders.

The report of last year gave the earnings, expenses, etc., of the Company's system exclusive of those of the Norwich & Worcester Railroad, which were stated separately in the report. In this report they will be given including the Norwich & Worcester Railroad, which will be referred to simply as a division of the Company's road. For this reason the figures which will be herein given for the year ending September 30, 1887, for comparison with those of the past year, will not agree with figures of similar import given in the report for the preceding year.

The earnings, expenses, and fixed charges for the fiscal year ending September 30, 1888, were as follows:—

Passenger earnings		$1,768,814 57
Freight "		3,137,845 12
Mail "		53,523 04
Express "		132,414 04
Miscellaneous:—		
Rents	$41,123 16	
Wharves and Docks	54,630 64	
Switching, Storage, etc.	57,339 08	
Sundry items	22,718 19	
		175,811 07
Gross earnings of the road and equipment		$5,268,407 84
Income from Boston Harbor Transfer		5,043 17
Total gross income		$5,273,451 01
Operating expenses		3,511,090 23
Net income		$1,762,360 78

Against this amount are the following charges :—

Taxes			$229,010 12
Insurance			9,501 79
Leases and Track Rentals :—			
Newburgh, Dutchess & Connecticut		47,246 69	
Rhode Island & Massachusetts		20,000 00	
Boston & Albany		5,000 00	
Rockville		4,400 00	
Norwich & Worcester			
Interest	$24,000 00		
Dividends	207,824 00		
Organization expenses, etc.	7,123 46		
		238,947 46	
New London Northern track rental		38,150 00	
Total			353,744 15
Interest :—			
On Boston Terminal Lands		$68,841 28	
On First Mortgage Bonds		660,000 00	
On Second Mortgage Bonds		259,030 18	
On Car Trust and Miscellaneous		11,366 61	
			999,238 07
Dividends declared :—			
3½ per cent. on $1,950,000.00 Preferred Stock		$68,250 00	
3½ per cent. on $2,200,000.00 Preferred Stock (less accrued interest credited $5,833.33)		71,166 67	
			139,416 67
Total charges			$1,730,910 80
Net surplus for the year			$31,449 98

This is a reduction from the surplus reported for the preceding year of $95,689.48, the reason for which will be fully explained in the subsequent portions of this report.

EARNINGS, EXPENSES, AND NET EARNINGS.

The earnings, expenses, and net earnings of your system of roads compare with those of the preceding fiscal year as follows :—

Earnings	*1888.*	*1887.*	*Increase.*
Passenger	$1,768,814 57	$1,590,934 18	$177,880 39
Freight	3,137,845 12	3,069,855 25	67,989 87
Mail	53,523 04	52,576 15	946 89
Express	132,414 04	118,312 47	14,101 57
Miscellaneous	175,811 07	137,858 86	37,952 21
Total	$5,268,407 84	$4,969,536 91	$298,870 93

OPERATING EXPENSES.

	1888.	*1887.*	*Increase.*
Con. Trans. Pass.	$414,670 11	$352,925 14	$61,744 97
" " Frt.	891,538 09	828,634 19	62,903 90
Mtce. of Way	636,691 89	629,586 78	7,105 11
Motive Power	1,094,597 86	989,683 46	104,914 40
Mtce. of Cars	300,168 26	266,898 52	33,269 74
Gen'l Expenses	111,777 69	111,124 98	652 71
Hudson Riv. Trans.	61,646 33	42,810 94	18,835 39
Total	$3,511,090 23	$3,221,664 01	$289,426 22
Net Earnings	$1,757,317 61	$1,747,872 90	$9,444 71
Expenses per cent. of Earnings	66.60	64.80	1.80

TRAIN MILEAGE.

			Inc.	*Per Ct.*
Freight Trains	1,498,991	1,343,353	155,638	11.6
Passngr. "	1,712,853	1,529,563	183,290	11.9
Total	3,211,844	2,872,916	338,928	11.8

The increase in gross earnings over those of the preceding fiscal year was $298,870.93, of which $177,880.39 was in passenger and $67,989.87 in freight earnings.

As the earnings of 1887 were greater than those of 1886 by the sum of $290,631.05, it follows that the earnings of the past year exceeded those of the fiscal year ending September 30th, 1886, by $589,501.98. The increase in freight earnings would have been

very materially greater but for the demoralization of rates on through freight which obtained during the last six months of the fiscal year. The rate per ton per mile on through traffic, which was 1.09 cents per ton per mile in 1887, was 0.96 cents in 1888. This abnormal reduction of rates has about come to an end and we can reasonably anticipate fair rates in the immediate future. The reduction in the rate per ton per mile, as compared with that of the previous year, represents a loss in gross earnings of $128,000—all of which would have been added to the net earnings had the rates continued as in 1887.

The tons of freight carried increased 3.6 per cent., while the tons carried one mile increased 19 per cent. This was due to an increased average movement per ton from 68.60 miles in 1887 to 78.65 miles in 1888.

During the current month we have reached the capacity of our motive power for the movement of freight. Additional motive power is about to be contracted for.

The passenger movement shows an increase in the number of local passengers carried of 522,320, and of through passengers of 27,103. The passenger mileage has increased about 10.1 per cent., the average distance of passengers carried having increased from 12 miles to 12.16 miles, or 1⅓ per cent. With the facilities that we are now furnishing in additional trains and with the improved equipment upon our local trains we can reasonably anticipate a large increase in our passenger traffic and especially in our suburban travel.

The increase of expenses is largely due to the increased traffic, requiring an addition to the train mileage of 11.8 per cent. over that of the previous year. The increase in expenses, however, is only about nine per cent., and the increased ratio of 1.8 per cent. in the relation of expenses to earnings is due rather to the decreased rate of earnings on freight per ton per mile, and to the loss in earnings by the blizzard.

There have been extraordinary expenditures charged to maintenance and operating expenses as follows:

For re-building Connecticut River Bridge . .		$39,200 00
" " Hockanum River Bridge . .		3,000 00
" " Quincy Street Bridge . . .		3,500 00
Amount carried forward		$45,700 00

Amount brought forward	$45,700 00
For re-building Blackstone Bridge No. 33 . .	4,600 00
" " Widow Dean's Bridge . . .	1,000 00
" " Passenger Station at Bristol . .	2,800 00
" " Passenger Station at E. Hartford .	1,950 00
" " Passenger Station at W. Medway .	1,000 00
" " Frt. and Pass. Station at Needham .	2,000 00
Total renewals to bridges and buildings .	$59,050 00

to account for an increase in the expenditures on these accounts of $36,371.02.

There was expended for cross ties put in the track during the past year, in excess of those put in the track in the previous year, $37,698.00.

There was expended for removing ice and snow $37,389.72, and in the previous year $27,599.91, an increase of $9,789.81. The normal expenditure for this purpose is only about $6,500.00 per annum, so that the cost of removing ice and snow during the past year was nearly $31,000.00 in excess of the usual cost. This was due to the extraordinary snow storm of March 11 and 12 (generally termed the blizzard), which extended over the whole of southwestern New England with a severity wholly unprecedented since the era of railroads. This Company lost practically a whole week's traffic in consequence of the storm without any saving in expense, the loss due thereto being estimated to amount to $60,000.00.

There was an increase in the expense of the Hudson River Transfer of $18,835.39, of which not less than $10,000.00 were for unusual repairs which are not required annually. If, therefore, we take into account the increased expenses not due to the increase of traffic as above set forth, viz.:

Increase in cost of cross ties .	$37,698 00	
" repairs of bridges and buildings . .	36,371 02	
Increase in repairs of transfer steamer	10,000 00	
We have for extra expenses over those of last year		$84,069 02
Adding thereto the loss of earnings from the blizzard		60,000 00
Amount carried forward		$144,069 02

Amount brought forward . . .	$144,069 02
The increase in interest on second mortgage bonds	27,310 18
Increase in dividend on preferred stock . .	3,441 67
And increase in miscellaneous interest . . .	2,823 62
We have a total of	$177,644 49

of increased expenditures and losses with which to account for the decrease in surplus of $95,689.48.

Reference to the schedules of the Auditor's report herewith published will show the earnings, expenses, and net earnings in great detail.

ASSETS AND LIABILITIES.

The outstanding permanent liabilities of the Company have been increased during the fiscal year by the sale of 639 second mortgage bonds and 2,500 shares of preferred stock.

At the date of the last report there were in the hands of the Company 243 of the "scaled" or three per cent. second mortgage bonds. By authority of the Board of Directors these scaled bonds were cancelled and there were issued in their place 243 six per cent. bonds, which was simply a restoration of the original rate of interest. There were in the hands of the Trustees 396 of the second mortgage bonds which were delivered over to the Company in consideration of improvements made to an amount covering their value. There is now outstanding, therefore, the whole issue of five millions of second mortgage bonds.

There was on September 30th, 1887, a floating debt or net liability of		$142,901 07
There have been expenditures made during the year, outside of the current operations of the Company, as follows :—		
For construction and equipment .	$535,428 43	
Increase in supplies on hand .	150,379 08	
Car Trust notes paid . . .	16,714 32	
On account of Piper's Wharf . .	35,000 00	
		737,521 83
Amount carried forward		$880,422 90

Amount brought forward		$880,422 90
There have been charged to the profit and loss account in addition to the charges for current operations :—		
Difference in settlements with Norwich & Worcester R. R. Co.		18,944 37
Expenditures for renewal of roadway, equipment, etc., pertaining to the business of former years . .		83,191 29
Worthless accounts charged off		2,811 52
Total		$985,370 08

CREDITS.

Proceeds of sale of 639 Second Mortgage Bonds	$643,353 75	
Proceeds of sale of 2,500 shares of Preferred Stock. . . .	283,290 42	
Liability incurred for equipment purchased from Milford & Woonsocket R. R.	22,625 00	
Credit balance from former years' business	6,260 00	
Received from Trust Comp'y, balance of proceeds of New England Transfer Co. stock sold . .	9,809 93	
Operating profit for the year in excess of dividend on Preferred Stock	31,449 98	
Total		$996,789 08
Balance, being surplus of assets September 30th, 1888		$11,419 00

This balance is shown to consist of the following assets. :—

Cash	$279,863 48	
Due from agents	329,189 03	
Due from companies, &c. . .	264,241 06	
		873,293 57

Less the following liabilities :—

Overdue coupons	$9,070 00	
Notes payable	59,106 69	
Unpaid vouchers	151,626 66	
Unpaid pay-rolls	53,619 36	
Unpaid dividends, Preferred Stock .	77,000 00	
Due to Companies, &c. . . .	282,159 88	
Total liabilities outstanding	$632,582 59	
Interest accrued not due . .	229,291 98	
Total		861,874 57
Difference, being surplus of assets in excess of liabilities due and accrued		$11,419 00

In addition to which we have an increase in materials on hand applicable to improvements to the value of $80.000.00, which is practically an addition to surplus assets.

IMPROVEMENTS.

The amount shown in the Auditor's schedule as having been expended in improvements for the year ending September 30th, 1888, is ;

For real estate, construction and improvements in track and structures	$342,781 85	
For new and additional equipment .	192,646 58	
Total		$535,428 43

The following statement indicates the principal items for which expenditures were made and charged to improvement account:

For Real Estate and Right of Way:—		
Depot grounds at Springfield	$37,500 00	
Land at Waterbury	2,600 00	
Land and Right of Way at sundry places	6,968 66	
		$47,068 66
For Roadway, Tracks, &c.:—		
South Boston flats	$9,095 46	
New sidings, 4 38-100 miles	8,124 80	
Freight yard at Manchester	4,064 32	
Shop tracks at East Hartford	1,944 01	
Engine House tracks at "	4,713 55	
Transfer tracks, Hartford	8,670 73	
Change of line at Brewsters	1,558 88	
Filling trestle at Fishkill	6,240 13	
Increased weight of rail	6,376 07	
		50,787 95
Changing Grade of Crossings:—		
Near City Mills, Mass.	$3,441 39	
At Asylum Street, Hartford	65,248 48	
Black Rock Crossing, New Britain	11,967 92	
At 5th St., Waterbury	2,750 40	
		83,408 19
Bridges:—		
Over Quincy St., Boston	$ 1,571 04	
Bridge No. 33, Blackstone	10,380 95	
Hockanum River Bridge	16,351 83	
Connecticut River Bridge	20,496 26	
Extension of trestles	460 67	
New guard rails,	16,227 45	
		65,488 20
Amount carried forward		$246,753 00

Amount brought forward		$246,753 00
Shops :—		
Iron shed and storeroom, Norwood .	$3,096 40	
Extending erecting shop, " .	6,998 57	
Shaving house, " .	295 53	
New tools and machinery, " .	3,269 66	
Machine shops and engine houses at East Hartford	64,438 59	
Engine and machinery, E. Hartford	8,966 97	
Transfer table, East Hartford . .	2,039 28	
Water tank at " " . .	2,142 97	
		91,247 97
Stations, &c. :—		
Freight and Passenger Station at Needham	$1,372 23	
Freight Station at Manchester .	2,978 08	
Passenger Station, East Hartford .	1,536 11	
Track scales	1,815 46	
		7,701 88
Equipment :—		
20 passenger coaches . . .	$85,076 80	
2 combination cars . . .	6,000 00	
35 express freight cars . . .	25,132 93	
4 box freight cars . . .	1,803 25	
132 gondola cars	58,296 72	
8 dump cars	2,501 81	
3 construction cars . . .	225 00	
1 snow plow	450 00	
3 locomotives	13,380 30	
Improvements in pass. equipment	4,749 50	
		197,616 31
Total		$543,319 16
Less credits, &c.		7,890 73
Net increase in improvement account . .		$535,428 43

PROFIT AND LOSS ACCOUNT.

The profit and loss account as shown by Schedule "A" of the Auditor's report gives the following as the state of that account at the close of the fiscal year:—

Balance September 30th, 1887, deficit . . .		$512,002 18
DEBITS.		
Expenditures for rentals, renewals of roadway, equipment, etc., pertaining to the business of former years	$83,191 29	
Discrepancy in accounts of Norwich & Worcester lease caused by error in settlement in prior years . .	18,944 37	
Worthless accounts charged off .	2,811 52	
Total debits		104,947 18
		$616,949 36
CREDITS.		
Surplus from operations of the year ending September 30th, 1888 .	$31,449 98	
Premium on 2500 shares of Preferred Stock sold	33,290 42	
Premium on 639 2nd Mortgage Bonds sold	4,353 75	
Credit balance transferred, representing income of former years now finally settled	6,260 00	
Total credits		75,354 15
Balance September 30th, 1888		$541,595 21

being deficit as shown by Auditor's account.

The amounts added to the debit balance of the profit and loss account are thus explained:

The expenditures during the fiscal year for rentals, renewals of roadway, equipment, etc., pertaining to the business of former years consist of the following items :—

R. I. & Mass. R. R. improvement account . .		$11,342 84
Equipment :		
3 passenger coaches . . .	$12,900 00	
5 baggage cars . . .	9,493 20	
3 combination cars . . .	12,000 00	
92 dump coal cars . . .	19,792 25	
20 gondola coal cars . . .	8,480 00	
18 box cars	7,533 00	
1 flat car	300 00	
Total equipment		70,498 45
Rent of New Britain station July to September, 1887		1,350 00
Total		$83,191 29

The Rhode Island & Massachusetts Railroads were leased in 1877 for a period of ten years. These roads were cheaply built with iron rails and temporary wooden culverts at many places, and for four or five years before the expiration of the lease they needed repairs and renewals which were not made in consequence of the near expiration of the lease. This Company made new leases which took effect October 1st, 1887, for 99 years, and in the spring of 1888 the iron rails remaining in the main track were replaced with new steel rails, the cross ties were renewed and the track was put in first-class order and condition. The expense of this work was $22,685.68, of which one-half was charged to the profit and loss account as representing improvements which should have been made during preceding years, and the balance was charged to operating expenses.

After making up the annual report for the preceding year the present management discovered that there were several passenger and baggage cars and a large number of freight cars which had been destroyed prior to October, 1886, most of them in the years 1882 and 1883, and which had not been replaced. The management felt it incumbent upon them to replace these cars as soon as possible, but as they had not been destroyed during the

current year and as they never came into the possession of the present management it was thought proper and expedient that the expense of their rebuilding should be charged to the profit and loss account. When built they were actually new cars but they clearly could not be properly charged to improvement account, neither had they any relation to the expenses of the past year, not having been on the road or used during the year, nor for some years previous. There remain to be replaced of equipment destroyed prior to October 1st, 1886, three locomotives (Norwich & Worcester) and thirty-nine freight cars, all of which will be made good during the next fiscal year.

The item of rent of New Britain station for the preceding year was charged into this account because the amount had not been ascertained until after the close of the last fiscal year, and as it was more than offset by earnings to the amount of $6,260,— credited as income of former years,— it was believed to be a proper charge to the profit and loss account.

The item of discrepancy in the account of the Norwich & Worcester lease, $18,944.37, is believed to have originated in a settlement made in 1879, between this Company as lessee, and the Norwich & Worcester Railroad Company, when a change in the method of settlement with that Company was made. It was not discovered, however, until the accounts of the lessee of the Norwich & Worcester Railroad, heretofore kept at Norwich, were transferred to the general books of this Company in Boston. The money had been paid long since, but the proper account had not been made of it, and, as it had no relation whatever to the business of the past year, it was charged to the profit and loss account.

The item of $2,811.52 worthless accounts charged off, is a portion of some $70,000.00 of accounts collectible which were on the books when the present Auditor took charge of the accounts of the Company, many of which had been standing from two to five years. Of this some $60,000.00 have been collected, and accounts to the amount of $2,811.52 have been found definitely uncollectible, and have therefore been charged off.

It is the desire of the present management to make such showing of all the transactions of the Company as may be easily understood by the Stockholders and the public; and in the opinion of its officers it would be as wrong to charge to the operating expenses of the current year items of the above character, which belong to the transac-

tions of former years, and thereby make the annual showing so much worse than the fact, as it would have been to charge to the improvement account expenditures which should belong to maintenance, and thereby make the showing better than the fact.

INCREASE IN SUPPLIES ON HAND.

The increase shown in the amount of supplies on hand of $150,379.08 is thus accounted for:—

Increase in motive power and car supplies	$84,294 68	
Increase in road and bridge materials	34,274 35	
Increase in fuel on hand . .	32,708 15	
		$151,277 18
Less decrease in general supplies		898 10
Net increase in supplies		$150,379 08

The increased stock of materials in the Motive Power Department is mostly of materials purchased for the new equipment and they will be used during the current year.

The increase in road and bridge materials and fuel is necessary to keeping a proper stock of those materials on hand. There is probably seventy-five to eighty thousand dollars worth of materials on hand which it will not be necessary to keep after the increased equipment authorized is completed.

CONDITION OF ROAD.

The General Superintendent reports further considerable improvement in the condition of the track and road-bed of your Company's roads. There have been laid during the year 4031 7-10 tons of new steel rails, and of the steel removed from the track to lay the new steel, 2585 35-100 tons have been re-laid, mostly on the branch lines.

There have been put in the track 249,194 cross ties, an increase of 60,000 over the number put in the track last year.

There have been additions to the Company's sidings made during the past year of 23,117 feet, equal to 4 38-100 miles.

The condition of the track is such that it is estimated that we will require only 1,500 tons of steel rails and 225,000 cross ties for our work for the coming year.

The new iron bridge over the Connecticut River of seven spans of 158 feet each was brought into use during December, 1887, and is a very substantial improvement.

The double track iron bridge of 164 feet span over the Hockanum River was brought into use in October, 1887, and the line of the track has been changed to correspond with it.

Bridge No. 33 at Blackstone has been replaced with a substantial double track iron bridge.

The bridge over Quincy Street in Boston has been replaced with an iron girder bridge.

The work of carrying the road over Asylum Street in the City of Hartford has been proceeded with and is so far advanced that it will probably be brought into use in January next.

The new engine house and shops, which were under construction at East Hartford at the date of the last annual report, have been completed and were brought into use in September last. They form a very important addition to the facilities of the Company.

There has been some work done on the filling of the trestle at Fishkill.

The improvement at Black Rock Crossing in New Britain, requiring the sinking of the track and the building of an overhead bridge, has been completed and brought into use.

A new passenger station has been erected at East Hartford and a new freight house has been built at Manchester.

CONDITION OF EQUIPMENT.

The General Superintendent reports considerable improvement in the equipment of the Company.

Last year we had in service 147 engines and this year we have 166, of which three were bought from the Milford & Woonsocket Railroad Company. During the year we have rebuilt four engines, one of which was made almost entirely new. Two light passenger engines have been changed to switching engines. The condition of our power is reported as follows: In good order 148 engines against 144 last year; requiring general repairs seven, requiring slight repairs six, and under general repairs six. There has been an increase in our engine mileage over that of last year of 371,953 miles, or about 9.6 per cent.

Our passenger equipment has been increased by the addition of twenty coaches, of which eighteen were built in the shops and two

were purchased from the Milford & Woonsocket Railroad Company, and by two combination cars also purchased from the Milford & Woonsocket R. R. Co. There have also been built to replace passenger equipment destroyed before October 1st, 1886, and charged to profit and loss account, three passenger cars, five baggage cars, and three combination cars. Parlor car No. 96 of an old pattern was changed to a dining car. We are now engaged in the construction of thirty additional passenger coaches, which will be built at the shops of the Company during the next six months. We have under contract seven parlor cars which are now being delivered and will be brought into use early in November. It is believed that they will be found a very desirable addition to our passenger equipment.

Our freight equipment has been increased by the building of thirty-five express freight cars and 132 gondola coal cars and by purchase from the Milford & Woonsocket R. R. Co. of four box cars. In addition to these there have been cars built to take the place of cars destroyed prior to October 1st, 1886, as follows: 92 dump coal cars, 20 gondola coal cars, 18 box cars, and one flat car. There were 218 freight cars rebuilt during the year, all of them of a capacity of 40,000 pounds, the expense of which was charged to maintenance of cars.

WORK TO BE DONE IN 1889.

Considerable work will be required during the ensuing year in the filling of trestles.

The filling of Fishkill trestle must be carried forward at a more rapid rate, and negotiations are now pending for the purchase of gravel for that purpose. The trestle at Union City or Hop Brook, and that at Towantic, both on the Western Division, must be at least half filled during the coming winter.

It is hoped that arrangements may be made with the City of Boston whereby the bridge connecting Northern Avenue in South Boston with the city may be constructed across Fort Point Channel during the ensuing year, thus giving the Company a more direct access to its property for shippers of freight.

It is also expected that arrangements will be made to carry Congress Street over the tracks and yard of the Company.

The increase of the traffic of the Company requires additional motive power and the Board has authorized the construction of

ten consolidation engines, the specifications of which are now being sent out. The Board has also authorized the construction of thirty additional passenger coaches and six baggage cars, which will put our passenger equipment in good condition and leave us the old passenger coaches for use in the excursion service where they are very much needed.

The additional freight equipment mentioned in the last annual report was authorized by the Board and a portion of it has been completed. It will probably be necessary to continue the work until the whole of it is completed.

FUNDING TERMINAL INDEBTEDNESS.

The Legislature of Massachusetts enacted a law at its last session authorizing the Company to fund its indebtedness on its terminal property, making the bonds so issued a first lien upon the property and a legal investment for savings banks to the extent of sixty per cent. of the value of the property as ascertained in the usual manner. Papers are now being drawn to provide for the issue of bonds to the extent of $1,486,000,— which will run fifty years with interest at the rate of four per cent. per annum. This issue of bonds was authorized by the stockholders at the last annual meeting, but their further assent will be required at the ensuing meeting to include a newly acquired piece of property.

NORWICH & WORCESTER RAILROAD.

The earnings and expenses of the Norwich & Worcester Railroad are not shown separately in the schedules as heretofore, but are incorporated into the general statement of the business of the Company. Since August 1st, 1887, the accounts of the Company as lessee of the Norwich & Worcester have been kept as the account of a division of the New York & New England Railroad in the same manner as those of other divisions.

The results of the year's business of the Norwich & Worcester Railroad are as follows :—

Earnings :—	*1888.*	
Passenger	$213,838 66	
Freight	459,473 57	
Mail	5,868 32	
Express	15,600 00	
Miscellaneous	28,755 28	
		$723,535 83
Expenses :—		
C. T. Pass.	$45,753 22	
C. T. Freight	152,715 95	
M. of Way	53,412 14	
M. Power	138,708 48	
M. Cars	46,450 09	
General Expenses	12,111 76	
		449,151 64
Net earnings		$274,384 19
Taxes	$50,352 56	
Interest on Bonds	24,000 00	
Dividends on Stock	207,824 00	
Organization Expenses	7,123 46	
New London Northern Track Rental	38,150 00	
		$327,450 02
Net deficit		$53,065 83

The earnings show a decrease of $27,831.32 all of which is in the freight earnings, there having been an increase of $9,392.53 in the passenger earnings. The decrease in the freight earnings is partly due to a diversion by the New York, New Haven & Hartford Railroad Company from the lines of this Company of the Union Line and Pennsylvania Railroad traffic to and from points north of Worcester, and partly by a change of route of our coal traffic, a portion of the coal heretofore supplied to Worcester from Norwich and Allyn's Point having during the past year come over the main

line from Fishkill. The expenses on this division show an increase of $11,927.06.

The credit balance shown by the business of the Norwich & Worcester Division during the preceding year was wholly due to the dividend of the Norwich & New York Transportation Company. Owing to the large expenditure required in the renewal of the boilers of the City of Worcester the operations of that Company for the last fiscal year show a loss of $20,277.85 against a profit in the preceding year of $26,701.00. The taxes assessed upon that Company in the City of Norwich have been very excessive, amounting during last year to $9,517.50. Arrangements have been made by which it is hoped they will be reduced to less than $5,000.00, thus securing a saving in that respect of about $5,000.00 per annum. The boats are now in such condition that if they meet with no accident it may be reasonably expected that the line will show a material profit during the ensuing year.

In bringing the accounts of the lease of the Norwich & Worcester Railroad Company on to the books of this Company a discrepancy was found of $18,944.37, which appears to have occurred in 1879, when a change was made in the method of arriving at the semi-annual settlement. The discrepancy had remained undiscovered until during the past year and it has now been charged to the profit and loss of this Company, where it should have gone nine years ago.

CONNECTICUT CENTRAL RAILROAD.

The foreclosure proceedings of the Connecticut Central Railroad, referred to in the last annual report, were brought to a conclusion, and that road is now a portion of the lines owned by this Company.

RHODE ISLAND & MASSACHUSETTS RAILROADS.

The leases of the Rhode Island & Massachusetts Railroad in Massachusetts and the Rhode Island & Massachusetts Railroad in Rhode Island, having been approved by the stockholders at their last annual meeting, and having been validated by act of the Legislature of Rhode Island, are now binding for 99 years from October 1st, 1887. The track and road-bed of those lines has been thoroughly reconstructed by the laying thereon of 868 tons of steel rails and 6,975 cross ties, which, with switches, frogs, splices

and bolts, and other materials and the labor incident thereto, made a total expense of $22,685.68, of which one-half was charged to profit and loss account, as representing expenses which should have properly been made during prior years, and the balance has been charged up in monthly instalments that will all be charged during the ensuing year.

Three new express trains between Boston and Providence have been put on and run since about April 1st, adding considerably to the facilities furnished the people of those two cities.

MILFORD LINE.

The Milford, Franklin & Providence and the Milford & Woonsocket Railroads, forming the line from Franklin on our main line to Ashland on the Boston & Albany, have been operated during the year under the leases heretofore approved by the stockholders. The track, bridges and structures of that line required very material repairs which have absorbed all of the earnings and have put them in a very much better condition than when we received them.

ROCKVILLE RAILROAD.

This road extending from Vernon on our main line to Rockville, 4 4-10 miles, was leased to this Company on Jan. 1st, 1883, at an annual rental of $4,400. The lease was not legally ratified by the Rockville Railroad Company's shareholders and of late when the officers of the Company have been reminded of the fact they have claimed that they should have a larger rental. To prevent further controversy a contract has been entered into with the Rockville Railroad Company for the purchase of the railroad and franchise of that Company by this Company for the sum of $100,000,—payable in bonds of this Company secured by a mortgage on the Rockville Railroad Company, to run thirty years and bearing interest at the rate of five per cent. per annum. The approval of the stockholders and legislation by the State of Connecticut will be required to enable the contract to be carried into effect.

NEW FREIGHT REGULATIONS.

When your officers took charge of the road they found that practically unlimited credits were being given to consignees for their freight bills. The legal basis of "cash on delivery" was

being wholly ignored so far as parties were concerned who had places of business at or contiguous to the cities and towns upon the line. Such consignees were being allowed to take their goods, the Company thus surrendering its lien upon them, and they were given, nominally, weekly, semi-monthly and monthly credits without any definite arrangement for payment at any specific time. This resulted in many bills running for two, three and more months before they were collected, causing much labor and anxiety to the agents and officers of the Company and serious risk of loss. In January, last, a general order was issued by the undersigned that all freight charges should be collected on delivery unless the consignee had a credit authorized by the Treasurer and Auditor. Such credits were provided to be weekly, semi-monthly and monthly, limited in amount and payable, the weekly credits within two days, the semi-monthly credits within three days, and the monthly credits within four days after the termination of each credit period, and parties who failed to pay within the time specified were to lose their right to further credit, until it was renewed by the authority by whom it was issued. It was provided that parties desiring such credit should make application on a printed form agreeing to pay according to the rules of the Company printed on the back of the application. These regulations took effect on February 1st, 1888, and for a time there was considerable dissatisfaction on the part of some of the customers of the Company, but the greater portion saw the reasonableness of the regulations and they have been put and kept in force throughout the line without distinction of place or person, and have resulted in a very great improvement in the settlement of freight bills. The amount of balances against agents, the principal portion of which was outstanding freight bills, was on November 30th, 1887, $501,000, while at at the close of business on September 30th, 1888, it was $329,000, thus showing that $171,000 more of the earnings had been received into the treasury of the Company than was the case on November 30th, 1887, although the freight earnings for September last were considerably in excess of those of the previous November.

Another serious abuse was found to exist in the detention of cars by consignees who should unload them. Cars were frequently kept from one to two weeks obstructing the tracks and depriving the Company of the use of the cars, and in not infrequent cases

the time extended to two and three and even four months. To remedy this state of things the undersigned in March, 1888, issued a general order requiring the payment of demurrage upon all cars which were not unloaded within forty-eight hours after they were placed in position where they could be unloaded; the rate of demurrage being seventy-five cents per day per car for the first five days and one dollar per day thereafter, an allowance of twenty-five cents per day being made during the first five days for cars which were on private sidings. This rule was put into effect on April 1st, 1888, and it was promptly acquiesced in by the great body of our customers. A few of them refused payment of the demurrage charge and after waiting for about six months to give them an opportunity to consider the matter, suit has been brought against a portion of the delinquents and steps are being taken to bring suit against the remainder. The right to charge demurrage has been strongly affirmed by a decision of the Supreme Court of the State of Massachusetts, and we have no doubt that it will be sustained in all of the states through which this Company's road extends. The enforcement of the rule has resulted beneficially both in giving a large increased use of our cars and in relieving our station tracks. Before the demurrage rule went into operation we were blockaded almost the whole time at all of our principal stations, and for much of the time were obliged to hold cars short of their destination until the station tracks were cleared sufficiently to allow their being put in. This has been completely remedied and it is now a very rare occurrence that there is not room enough at any station to put in all of the cars destined to that station, although the business at most of the stations has materially increased. The working of the rule has also facilitated the movement of trains by reducing the amount of switching at the local stations.

RELATIONS WITH OTHER RAILROAD COMPANIES.

The contract made last year with the New York, Lake Erie & Western Railroad Company has resulted in a very material increase in the traffic of this Company, to an extent which has brought into use all the motive power of the Company and the Board has authorized the construction of ten consolidation locomotives which are now needed.

The negotiations with the New York, New Haven & Hartford Railroad Company, referred to in the last annual report, resulted in an agreement with that Company by which we were allowed two additional connecting through trains to New York westward and one additional through train eastward. These trains have now been run about six months and have demonstrated that with a fair opportunity they will pay a reasonable profit on their cost.

A contract has been entered into with the Hudson Suspension Bridge & New England Railway Company for the construction by that Company of a bridge over the Hudson River at Anthony's Nose, about four miles above Peekskill, and the building of eighteen miles of railroad east of said bridge to Somerstown, and fifteen miles west of said bridge to Turner's Station on the New York, Lake Erie & Western Railroad. This Company has obligated itself to build about eight miles of road from Somerstown to Brewster's on its line and to operate the road of the Bridge Company from Somerstown to Fort Clinton on the west bank of the Hudson River, upon terms which will prove profitable to this Company, and it is believed that the facilities thus furnished will result in a large addition to the traffic and revenues of this Company.

GENERAL REMARKS.

It is gratifying to be able to state that our passenger trains have continued to run during the past year with the same regularity which characterized them before, and that the Company is getting a reputation for having its trains always on time.

The only serious accident to a passenger train was a collision between two local trains on the Milford Branch, which occurred December 14th, in consequence of the change in the rules governing the movement of trains on that branch, which took effect December 10th. There was no passenger killed or seriously injured but the baggage master was unfortunately killed.

On March 28th the boiler of Engine No. 33 exploded while running between Manchester Station and the Hockanum Bridge, causing the death of the engineer and fireman; and during the blizzard we had an engine thrown from the track near Armory Hill on the Springfield Division. A rail was sprung from the track which entered the fire-box causing the steam to escape, whereby the conductor, fireman, and brakeman were badly scalded, resulting in the death of the conductor and brakeman.

On January 16th the resignation of Col. W. W. McKim took effect, and Mr. R. E. Rockwell was appointed Purchasing Agent in his place.

Mr. E. P. Vining was appointed Traffic Manager, and took charge of the Traffic Department February 15. Mr. Vining's large experience in the traffic department, has given that department a more intelligent supervision than it had previously received, the effect of which will be seen in the increased traffic of the Company.

The official organization of the operating, accounting, and traffic departments of your Company is now such that those departments are operated in perfect accord, resulting in very material benefit to the Company's interests.

The relations of the officers to the employees have continued very generally satistactory, and I have pleasure in stating that from the best information that I have obtained, the Company has in its service, a body of employees of a character considerably above the average.

To the efforts of the General Superintendent and the Division Superintendents you are indebted for the efficient operation of the road, and to the Engineer of Maintenance of Way for material improvements in the track and structures, which have been brought about by an economical expenditure.

Very many accounts that were in arrears have been settled up by the Auditor, and arrangements have been made whereby they will be promptly settled in the future.

With the improvement in the condition of the track and the increase of equipment made and provided for, we may look forward to a material increase in the earnings during the next fiscal year.

All of which is respectfully submitted.

WM. P. SHINN,
Vice-President.

BOSTON, November 12, 1888.

DR. CONDENSED GENERAL BALANCE SHEET,

PERMANENT INVESTMENTS.			
To Railroad, Equipment, and Property as represented by Boston, Hartford & Erie Railroad Bonds		$20,000,000 00	
" Expenditures for underlying liens, equipment and improvement of property, including terminal facilities:			
Underlying liens, including payments to obtain possession of H. P. & F. R. R.	$4,487,483 76		
Construction and improvement of property	6,724,419 32		
		11,211,903 08	
" Equipment purchased through car trusts		1,471,000 24	
" Extension of road west of Waterbury		2,689,217 71	
" Purchase of South Boston Flats		1,550,390 00	
" Purchase of Drake's Wharf		131,000 00	
" Purchase of Piper's Wharf		260,000 00	
" Transfer Steamer Wm. T. Hart, at Newburgh, cost	$177,194 33		
Less estimated depreciation,	24,281 62		
		152,912 71	
		$37,466,423 74	
" Investment in Connecticut Central R. R., acquired under foreclosure of mortgage		290,377 69	
" Payments for Capital Stock, Property and Franchise of Springfield & New London R. R. Co		89,492 00	
Total cost of Road and Equipment			$37,846,293 43
ACCOUNTS IN THE NATURE OF ASSETS.			
" Supplies and materials on hand		485,200 95	
" Due from agents and conductors		329,189 03	
" Due from companies and individuals		264,241 06	
" Cash		279,863 48	
			1,358,494 52
" Profit and Loss balance (deficit)			541,595 21
			$39,746,383 16

SEPTEMBER 30, 1888. CR.

CAPITAL STOCK.			
By Common Stock:			
Amount for which certificates have been actually issued	$19,734,000 00		
B., H. & E. R. R. Berdell Bonds convertible into stock	266,000 00		
		$20,000,000 00	
" Preferred Stock		2,200,000 00	
			$22,200,000 00
BONDED DEBT.			
" First Mortgage 7 % Bonds, due January 1, 1905	$6,000,000 00		
" First Mortgage 6 % Bonds, due January 1, 1905	4,000,000 00		
		$10,000,000 00	
" Second Mortgage 6 % Bonds, due August 1, 1962	$4,002,000 00		
" Second Mortgage 3 % Bonds, due August 1, 1902	998,000 00		
		5,000,000 00	
			15,000,000 00
REAL ESTATE MORTGAGES.			
" Mortgage Note, Drake's Wharf, due Sept. 9, 1889		$100,000 00	
" Boston & Albany R. R. Note (50-acre lot, South Boston Flats), due Feb. 7, 1889		300,000 00	
			400,000 00
CONTRACT OBLIGATIONS FOR PURCHASE OF REAL ESTATE AND EQUIPMENT.			
" Balance due on purchase of Piper's Wharf, due March 1, 1893		$200,000 00	
" Balance due State of Mass. (25-acre lot, South Boston Flats), due May 1, 1891		800,000 00	
" Balance due State of Mass. (50-acre lot, South Boston Flats), due May 1, 1892		100,000 00	
" Balance due State of Mass. (12-acre lot, South Boston Flats), due July 1, 1890		86,532 00	
" Debt for equipment purchased of Milford & Woonsocket R. R. Co., due Oct. 1, 1892		22,625 00	
			1,209,157 00
CAR TRUST DEBT.			
" E. W. Clark & Co., Car Trust (principal)			13,928 60
" Supplies transferred from Norwich & Worcester R. R. Co.			61,422 99
LIABILITIES ACCRUED NOT DUE.			
" Interest and Dividends accrued, not due:			
On First Mortgage Bonds, July 1 to Sept. 30, 1888	$165,000 00		
On Second Mortgage Bonds, Aug. 1 to Sept. 30, 1888	45,010 00		
	$210,010 00		
On Funded Indebtedness incurred for purchase of Real Estate	19,281 98		
		$229,291 98	
" Unpaid Dividend of 3½ % on Preferred Stock, payable Nov. 1, 1888		77,000 00	
			306,291 98
UNFUNDED DEBT.			
" First and Second Mortgage Bond coupons not yet presented		$ 9,070 00	
" Notes payable		59,106 69	
" Unpaid Vouchers		151,626 66	
" Unpaid Pay-rolls		53,619 36	
" Due sundry Companies on traffic balances and other accounts		282,159 88	
			555,582 59
			$39,746,383 16

JOS. A. SHINN, *Auditor.*

New York & New England Railroad Company,
Auditor's Office,
Boston, Mass., Nov. 16th, 1888.

Wm. P. Shinn, Esq.,
Vice-President,

Dear Sir:—Herewith I submit statement showing the financial condition and the operations of the Company for the fiscal year ending Sept. 30th, 1888.

The operations of the Norwich & Worcester Division are included in statements of the business of this year, and the schedules showing the comparative figures for last year have been changed to correspond.

Schedule A. Profit and Loss account.
" B. Statement of bond, mortgage, and contract indebtedness.
" C. Earnings, expenses, and net earnings by months.
" D. Gross earnings and operating expenses by months.
" E. Statement of earnings and expenditures in detail.
" F. Earnings and expenses after reducing same to passenger and freight.
" G. Comparison with previous year of earnings, expenses and business.
" H. Passenger statistics.
" I. Freight statistics.
" J. Statement of new construction and expenses charged to property accounts.

Very respectfully,
Jos. A. Shinn, *Auditor.*

SCHEDULE A.

DR. PROFIT AND LOSS ACCOUNT, NEW YORK AND

To Balance (deficit) per last year's report			$512,002 18
" Operating Expenses		$3,511,090 23	
" Insurance		9,501 79	
" Rent of Other Roads		353,744 15	
" Taxes		229,010 12	
" Interest:—			
On First Mortgage Bonds, Oct. 1, 1887, to Sept. 30, 1888:			
$6,000,000.00 at 7% $420,000.00			
$4,000,000.00 at 6% 240,000.00			
	$660,000 00		
On Second Mortgage 6% Bonds..... $229,090.18			
On Second Mortgage 3% Bonds..... 29,940.00			
	259,030 18		
On Funded Indebtedness incurred for Purchase of Property	68,841 28		
On Loans and Car Trust	11,366 61		
		999,238 07	
" Dividends declared:—			
Dividend No. 5, Preferred Stock, 3½% on $1,950,000.00	68,250 00		
Dividend No. 6, Preferred Stock, 3½% on $2,200,000.00 $77,000.00			
Less accrued interest credited 5,833.33			
	71,166 67		
		139,416 67	
			5,242,001 03
" Expenditures during the fiscal year for rentals, renewals of roadway, equipment, etc., pertaining to the business of former years		83,191 29	
" Discrepancy in accounts of Norwich & Worcester lease, caused by settlements in prior years		18,944 37	
" Worthless Accounts charged off.		2,811 52	
			104,947 18
			$5,858,950 39

SCHEDULE A.

NEW ENGLAND RAILROAD CO., SEPTEMBER 30, 1888. CR.

By Gross Earnings	$5,268,407 84	
" Income from Boston Harbor Transfer	5,043 17	$5,273,451 01
" Premium on sale of Preferred Stock	$33,290 42	
" Premium on sale of Second Mortgage Bonds	4,353 75	
" Credit balances transferred, representing income of former years held in abeyance, now regarded as finally settled	6,260 00	43,904 17
" Balance (deficit) September 30, 1888		541,595 21
		$5,858,950 39

JOS. A. SHINN, *Auditor.*

SCHEDULE B.

STATEMENT OF BOND, MORTGAGE AND CONTRACT INDEBTEDNESS,

SEPTEMBER 30, 1888.

Description.	Date.	Date Due.	Interest.		Amount of Principal Outstanding.	Annual Interest Charge.
			Rate.	When Payable		
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	7	Jan. 1, July 1	$6,000,000 00	$420,000 00
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	6	Jan. 1, July 1	4,000,000 00	240,000 00
Second Mortgage Bonds	June 22, 1882	Aug. 1, 1902	6	Feb. 1, Aug. 1	4,002,000 00	240,120 00
Second Mortgage Bonds	June 22, 1882	Aug. 1, 1902	3	Feb. 1, Aug. 1	998,000 00	29,940 00
MORTGAGE NOTES.						
Mortgage Note, "Drake's Wharf" *	Sept. 9, 1886	Sept. 9, 1889	4½	Apr. 1, Oct. 1	100,000 00	4,500 00
B. & A. R. R. Note, (50-acre lot, So. Boston Flats)	Feb. 7, 1879	Feb. 7, 1889	4	July 1, Jan. 1	300,000 00	12,000 00
CONTRACT LIABILITIES.						
Piper Wharf, Boston, (Balance due)	Dec. 1, 1877	Mar. 1, 1893	6–5½	Monthly.	200,000 00	11,166 67
State of Mass., (25-acre lot, So. Boston Flats)	Apr. 24, 1880	May 1, 1891	4	May 1, Nov. 1	800,000 00	32,000 00
State of Mass., (50-acre lot, So. Boston Flats)	Aug. 1, 1882	May 1, 1892	5	May 1, Nov. 1	100,000 00	5,000 00
State of Mass., (12-acre lot, So. Boston Flats)	Apr. 24, 1880	July 1, 1890	4	July 1, Jan. 1	86,532 00	3,461 28
Equipment purchased from Milford & Woonsocket R. R. Co.	Sep. 30, 1887	Oct. 1, 1892	6	May 1, Nov. 1	22,625 00	1,357 50
CAR TRUST NOTES.						
† E. W. Clark & Co., Car Trust	July 1, 1882	July 1, 1889		Monthly.	13,928 60	‡ 4,771 40
					$16,623,085 60	$1,004,316 85

* Date of Renewal. † Principal and interest payable monthly. ‡ Ten months interest remaining.

SCHEDULE C.

EARNINGS, EXPENSES AND NET EARNINGS BY MONTHS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1888.

Months.	Gross Earnings.	Operating Expenses.	Net Earnings.
October, 1887	$469,882 67	$291,663 78	$178,218 89
November, "	448,465 28	299,870 22	148,595 06
December, "	425,856 95	306,016 11	119,840 84
January, 1888	391,539 19	279,083 59	112,455 60
February, "	386,952 71	255,182 95	131,769 76
March, "	378,440 52	288,415 12	90,025 40
April, "	410,325 92	276,674 49	133,651 43
May, "	424,438 63	316,881 32	107,557 31
June, "	450,079 13	320,626 08	129,453 05
July, "	464,990 94	323,101 85	141,889 09
August, "	516,307 52	304,006 32	212,301 20
September, "	501,128 38	249,568 40	251,559 98
Totals	$5,268,407 84	$3,511,090 23	$1,757,317 61

SCHEDULE D.

RECAPITULATION OF GROSS EARNINGS AND OPERATING

GROSS EARNINGS.

Month.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Misc. Earnings.	Gross Earnings.
October, 1887	$163,495.04	$279,805.27	$4,460.24	$10,535.92	$11,586.20	$469,882.67
November, "	141,926.27	282,560.09	4,460.26	10,141.20	9,377.46	448,465.28
December, "	136,341.67	252,328.26	4,460.26	11,108.78	21,617.98	425,856.95
January, 1888	117,640.41	238,686.92	4,460.24	11,552.15	19,199.47	391,539.19
February, "	123,658.50	235,514.86	4,460.26	11,634.83	11,684.26	386,952.71
March, "	120,864.48	230,862.10	4,460.26	11,508.55	10,745.13	378,440.52
April, "	142,129.23	236,102.31	4,460.24	11,301.68	16,332.46	410,325.92
May, "	147,144.47	247,840.62	4,460.26	10,772.35	14,220.93	424,438.63
June, "	150,084.33	270,224.21	4,460.26	10,431.60	14,878.73	450,079.13
July, "	166,414.17	268,824.98	4,460.24	11,408.95	13,882.60	464,990.94
August, "	181,024.97	306,118.75	4,460.26	10,992.93	13,710.61	516,307.52
September, "	178,091.03	288,976.75	4,460.26	11,025.10	18,575.24	501,128.38
Total, 1888 . .	$1,768,814.37	$3,137,845.12	$53,523.04	$132,414.04	$175,811.07	$5,268,407.84
Total, 1887 . .	1,590,934.18	3,069,855.25	52,576.15	118,312.47	137,858.86	4,969,536.91
Increase . .	$177,880.39	$67,989.87	$946.89	$14,101.57	$37,952.21	$298,870.93
Decrease . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .

SCHEDULE D.

EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1888.

OPERATING EXPENSES.

Month.	Con. Trans. Passen'r.	Con. Trans. Freight.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expense.	Hudson Riv. Trans	Total Oper. Expenses.
Oct. 1887	$35,141.90	$79,997.19	$56,127.17	$85,357.86	$24,072.49	$7,059.49	$3,907.68	$291,663.78
Nov. "	32,568.44	76,855.55	57,545.20	93,218.18	27,065.41	8,989.64	3,627.80	299,870.22
Dec. "	37,810.90	88,349.11	36,658.03	104,084.41	25,047.99	9,768.94	4,296.73	306,016.11
Jan. 1888	31,944.83	74,472.98	34,499.21	95,515.80	24,395.96	13,380.25	4,874.56	279,083.59
Feb. "	32,300.23	69,866.51	31,644.72	84,009.95	23,931.38	8,179.07	5,251.09	255,182.95
Mar. "	32,549.25	74,226.55	47,138.10	92,752.11	27,819 07	8,220.91	5,709.13	288,415.12
Apr. "	31,449.32	75,073.36	37,543.27	90,386.27	28,116.97	9,994.53	4,110.77	276,674.49
May "	33,194.07	71,599.68	77,681.89	90,317.64	29,389.32	9,167.63	5,531.09	316,881.32
June "	34,637.98	71,677.49	81,471.26	84,905.90	27,387.33	12,824.49	7,721.63	320,626.08
July "	36,851.23	69,175.84	84,514.74	91,288.28	23,167.85	8,415.67	9,688.24	323,101.85
Aug. "	32,128.47	71,619.61	73,069.91	94,550.78	21,446.44	7,150.19	4,040.92	304,006.3
Sept. "	44,093.49	68,624.22	18,798.39	88,210.68	18,328.05	8,626.88	2,886.69	249,568.40
Tot'l 1888	$414,670.11	891,538.09	$636,691.89	$1,094,597.86	$300,168.26	$111,777.69	$61,646.33	$3,511,090.23
Tot'l 1887	352,925.14	828,634.19	629,586.78	989,683.46	266,898.52	111,124.98	42,810.94	3,221,664.01
Increase	$61,744.97	$62,903.90	$7,105.11	$104,914.40	$33,269.74	$652.71	$18,835.39	$289,426.22
Decrease	. . . .	. . . .	. . . .	. . .	. . .	. . . .	. . .	. . .

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1888.

SOURCE OF EARNINGS.			
Passenger		$1,768,814 57	
Freight		3,137,845 12	
Mail		53,523 04	
Express		132,414 04	
Miscellaneous:			
Rents	$41,123 16		
Wharves and Docks	54,630 64		
Switching, Storage, etc.	57,339 08		
Miscellaneous	22,718 19		
		175,811 07	
Gross Earnings			$5,268,407 84
Income from other sources:			
Boston Harbor Transfer		$5,043 17	
			5,043 17
Total Income			$5,273,451 01
OPERATING EXPENSES.			
Conducting Transportation—Passenger.			
General Passenger Agent and Clerks	$12,824 82		
Superintendence	5,729 68		
Clerks	8,344 54		
Stationery and Printing	12,282 40		
Foreign Agencies	741 16		
Advertising	15,530 22		
Rent of Depot Grounds and B'ld'ngs	37,429 40		
Repairs of Stations	20,587 99		
Oil and Waste for Cars	3,334 00		
Conductors, Baggagemen, & Brakemen	105,951 36		
Mail Expense	1,888 76		
Train Expense	7,687 00		
Fuel and Lights for Cars	10,029 62		
Hire of Cars	3,239 29		
Telegraph Expense	16,695 54		
Loss and Damage to Baggage	74 71		
Loss and Damage to Property	2,026 02		
Personal Injuries	9,660 49		
Station Agents	38,511 05		
Switchmen and Yardmen	27,890 88		
Cleaning and Inspecting Cars	32,155 56		
Labor at Stations	20,107 53		
Expense of Stations	7,791 37		
Fuel and Lights for Stations	10,424 57		
Wrecking	374 87		
Stock Killed	207 70		
Watchmen	1,303 89		
Signals	1,845 69	$414,670 11	
Amounts carried forward,		$414,670 11	$5,273,451 01

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward....	.....	$414,670 11	$5,273,451 01
Conducting Transportation—Freight.			
General Freight Agent and Clerks.	$ 38,737 22		
Superintendence	8,252 40		
Clerks.....	91,967 65		
Stationery and Printing.....	17,152 69		
Foreign Agencies	7,697 91		
Advertising.....	283 43		
Rent of Depot Grounds and B'ld'ngs	2,570 21		
Repairs of Stations.....	10,726 96		
Oil and Waste for Cars.....	6,536 66		
Conductors and Brakemen.....	174,835 90		
Train Expense.....	12,156 62		
Fuel and Lights for Cars.....	2,157 69		
Hire of Cars.....	39,903 13		
Telegraph Expense.....	33,749 14		
Loss and Damage to Freight.....	9,551 12		
Loss and Damage to Property....	3,302 39		
Personal Injuries.....	10,973 10		
Station Agents.....	49,736 70		
Switchmen and Yardmen.....	111,812 23		
Oiling and Inspecting Cars.....	18,905 56		
Labor at Stations.....	180,827 16		
Expense of Stations.....	19,623 89		
Fuel and Lights for Stations.....	6,546 78		
Wrecking.....	2,898 91		
Watchmen	7,647 65		
Stock Killed.....	33 30		
Boston Grain Elevator.....	159 59		
Wharves and Docks—Repairs of...	7,376 77		
" " —Expense of..	10,517 05		
Dorrance Street Wharf and Track..	1,819 46		
Signals	3,078 82		
		891,538 09	
Maintenance of Way.			
Superintendence	$ 18,751 32		
Clerks.....	3,516 25		
Labor Repairing Track.....	273,774 18		
Frogs.....	4,182 63		
Switches	4,406 94		
Spikes.....	6,471 45		
Splices and Bolts.....	6,978 73		
Repairs Hand Cars.....	1,882 48		
Tools and Repairs of.....	6,667 72		
Watchmen	10,204 03		
Railroad Crossings	388 79		
Oil, Fluid and Tallow.....	1,195 56		
Steel Rails	31,928 31		
Iron Rails	2,501 16		
Cross Ties (249,194 Ties).....	104,780 12		
Switch Ties	8,371 34		
Repairs of Bridges, Labor.....	45,513 81		
Amounts carried forward,....	$531,514 82	$1,306,208 20	$5,273,451 01

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward	$531,514 82	$1,306,208 20	$5,273,451 01
Maintenance of Way—Continued.			
Repairs of Bridges, Material.....	37,495 54		
Culverts and Cattle Guards.....	8,365 61		
Highway Crossings and Fences....	18,666 86		
Telegraph Repairs.....	13 15		
Section and Watch Houses.....	1,084 50		
Stationery and Printing.....	238 26		
Repairs of Tenement Buildings...	1,923 43		
Removing Snow and Ice.....	37,389 72		
		636,691 89	
Motive Power.			
Superintendence	$ 5,536 66		
Clerks.....	7,006 43		
Stationery and Printing.....	872 30		
Repairs to Eng. H'ses & Mac. Shops	12,938 85		
Repairs to Passenger Locomotives.	77,368 42		
Repairs to Freight " ..	123,699 03		
Coal for Passenger " ..	157,708 66		
Coal for Freight " ..	310,515 81		
Wood for Passenger " ..	447 63		
Wood for Freight " ..	578 42		
Oil and Waste for Pass. " ..	6,830 94		
Oil and Waste for Freight " ..	8,934 21		
Cleaning Passenger " ..	12,641 28		
Cleaning Freight " ..	12,529 73		
Repairs of Tools and Machinery...	18,892 94		
Fuel and Lights for E. H. & M. S..	13,448 12		
Water Station Expense.....	25,587 32		
Passenger Engineers and Firemen.	100,787 09		
Freight " " ..	161,163 50		
Sand for Engines.....	2,391 08		
Watchmen	12,040 63		
Fuel Stations—Fixtures and Repairs	2,206 80		
Laborers.....	20,472 01		
		1,094,597 86	
Maintenance of Cars.			
Superintendence	3,391 82		
Clerks.....	2,815 44		
Stationery and Printing	260 70		
Repairs, Car Shops and Sheds.....	2,093 06		
Repairs to Pass. and Baggage Cars.	67,230 18		
Repairs to Parlor Cars.....	3,217 79		
Repairs to Freight Cars.....	186,901 41		
Repairs to Pay Car.....	61 07		
Fuel and Lights for Car Shops....	7,295 85		
Repairs Tools and Machinery	12,417 58		
Watchmen	1,556 51		
Laborers.....	12,926 85		
		300,168 26	
Amounts carried forward, ...		$3,337,666 21	$5,273,451 01

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Concluded.*

Amounts brought forward	.....	$3,337,666 21	$5,273,451 01
General Expenses.			
Salaries and Exp. of Gen'l Officers.	$39,622 85		
Clerks at Offices	21,308 51		
Attendents at Offices.....	2,772 11		
Legal Expenses.....	21,722 71		
Stationery and Printing.....	5,698 27		
Expenses at General Offices.....	4,302 12		
Rent of General Offices.....	3,362 64		
Fuel and Lights for General Offices	1,743 02		
Repairs of General Offices.....	1,659 70		
Pay Trip Expenses.....	6,597 34		
Postage.....	2,861 66		
Detective Service.....	9 80		
Advertising.....	116 96		
		111,777 69	
Hudson River Transfer.			
Hull and Upper Works.....	$ 8,985 97		
Boilers and Machinery.....	13,030 33		
Landing Bridge, Racks and Fenders	3,316 07		
Transportation Expenses	36,313 96		
		61,646 33	
			3,511,090 23
Total Net Income.....	.....	.....	$1,762,360 78
CHARGES AGAINST INCOME.			
Taxes		$229,010 12	
Insurance		9,501 79	
Rent of other Roads:			
Newburgh, D. & Conn.....	$47,246 69		
Rhode Island & Mass.	20,000 00		
Boston & Albany.....	5,000 00		
Rockville	4,400 00		
New London Northern.	38,150 00		
Norwich & Worcester			
Corp. Expenses, etc. $ 7,123 46			
Interest 24,000 00			
Dividends 207,824 00			
	238,947 46		
		353,744 15	
Interest:			
On Boston Terminal Lands	$68,841 28		
" First Mortgage Bonds.....	660,000 00		
" Second " "	259,030 18		
Car Trust and Miscellaneous....	11,366 61		
		999,238 07	
Dividends declared:			
3½ per ct. on $1,950,000 preferred stock.....	$68,250 00		
3½ per ct. on $2,200,000 preferred stock, less accrued interest credited, $5,833.33.....	71,166 67		
		139,416 67	
			1,730,910 80
Surplus	.....	.....	$31,449 98

SCHEDULE F.

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1888, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellan's.	Total.
Pass. Earnings....	$1,768,814 57		$53,523 04	$132,414 04	$ 49,132 93	$2,003,884 58
Freight " ...		$3,137,845 12			126,678 14	3,264,523 26
Total	$1,768,814 57	$3,137,845 12	$53,523 04	$132,414 04	$175,811 07	$5,268,407 84

	OPERATING EXPENSES.						
	Transportat'n Department.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	Gen. Exp's.	H. River Transfer.	Total.
Pass. .	$414,670 11	$244,426 02	$420,522 98	$ 77,465 98	$42,520 23		$1,199,605 32
Frt....	891,538 09	392,265 87	674,074 88	222,702 28	69,257 46	$61,646 33	2,311,484 91
Total.	$1,306,208 20	$636,691 89	$1,094,597 86	$300,168 26	$111,777 69	$61,646 33	$3,511,090 23

Gross Passenger Earnings	$2,003,884 58	
" " Expenses	1,199,605 32	
Net Passenger Earnings		$804,279 26
Gross Freight Earnings	$3,264,523 26	
" " Expenses	2,311,484 91	
Net Freight Earnings		953,038 35
Total Net Earnings		$1,757,317 61

SCHEDULE G.

COMPARISON WITH PREVIOUS YEAR OF EARNINGS, EXPENSES AND BUSINESS.

	Year Ending Sept. 30, 1888.	Year Ending Sept. 30, 1887.
Miles of Road Operated	467.30	444.73
Earnings, per mile of road, Passenger	$ 3,785.18	$ 3,577.30
" " " Freight	$ 6,397.21	$ 6,753.77
" " " Mail	$ 114.54	$ 118.22
" " " Express	$ 283.36	$ 266.03
" " " Miscellaneous	$ 376.22	$ 309.98
Gross Earnings per mile of road	$10,956.51	$11,025.30
Expenses, per mile of road, Passenger	$ 887.37	$ 793.19
" " " Freight	$ 1,907.85	$ 1,852.72
" " " Maintenance of Way	$ 1,362.49	$ 1,426.55
" " " Motive Power	$ 2,342.39	$ 2,225.36
" " " Maintenance of Cars	$ 642.34	$ 600.14
" " " General Expenses	$ 239.20	$ 249.86
Operating Expenses per mile of road	$ 7,381.64	$ 7,147.82
Net Earnings " "	$ 3,574.87	$ 3,877.48
Revenue Passenger train miles run	1,712,853	1,476,163
Earnings per train miles run, Passenger	$ 1.033	$ 1.078
" " " Mail	$ .031	$ .036
" " " Express	$ .077	$ .080
" " " Miscellaneous	$ .028	$ .025
Gross Passenger Earnings per train miles run	$ 1.169	$ 1.219
" " Expenses " "	$ .70	$ .728
Net " Earnings " "	$ .469	$ .491
Revenue Freight train miles run	1,498,991	1,327,513
Freight Earnings per train miles run	$ 1.994	$ 2.262
Miscellaneous Earnings per train miles run	$ .085	$ .076
Total Freight " " "	$ 2.079	$ 2.338
Freight Expenses per train miles run	$ 1.501	$ 1.585
Net Earnings " "	$ .578	$ .753
Total Revenue train miles	3,211,849	2,803,676
Gross Earnings per train mile	$ 1.59	$ 1.72
Operating Expenses per train mile	$ 1.07	$ 1.137
Net Earnings per train mile	$ .52	$ .583
Number Local Passengers carried	6,158,868	5,636,548
" Through " "	693,511	666,408
Total Number " "	6,852,379	6,302,956
" " " " one mile	83,319,203	75,685,917
Number of Tons of Local Freight carried	888,830	761,630
" " " Through " "	1,663,502	1,704,500
Total Number of Tons Freight	2,552,332	2,466,130
" " " " carried one mile	200,739,047	169,183,300
Earnings per Passenger, including Mail, Express, and Miscellaneous	$ .292	$ .285
Expenses per Passenger	$ .175	$ .170
Net Earnings per Passenger	$ .117	$ .115
Earnings per Ton, including Miscellaneous	$ 1.221	$ 1.259
Expenses "	$ .881	$ .853
Net Earnings per Ton	$ .340	$ .406

SCHEDULE G.

COMPARISON WITH PREVIOUS YEAR, ETC.—*Concluded.*

	Year Ending Sept. 30, 1888.	Year Ending Sept. 30, 1887.
Percentage of Operating Exp'nses to Gross Earnings	66.64 %	64.83 %
" " Passenger " Pass'ng'r "	59.86 %	59.72 %
" " Freight " Freight "	70.80 %	67.78 %
Earnings per Passenger	$ .258	$ .2524
" " per mile	$ .0211	$ .021
Earnings, including Mail, Express and Miscellaneous, per Passenger	$ .292	$ .285
Earnings, including Mail, Express and Miscellaneous, per passenger per mile	$ .024	$ .0238
Expenses per Passenger	$ .175	$ .170
" " " per mile	$ .0144	$ .0142
Average distance travelled per Passenger	12.16	12.001
Earnings per Ton	$ 1.229	$ 1.218
" " per mile	$ .0156	$ .0172
Earnings, including Miscellaneous, per Ton	$ 1.279	$ 1.259
" " " " per mile	$ .01552	$ .01834
Expenses per Ton	$ .906	$ .853
" " per mile	$ .0112	$ .0124
Average distance each Ton is carried	78.65	68.60
Number of Locomotives in Service	166	147
Mileage of Passenger Locomotives	1,717,914	1,477,903
Expenses per mile of Passenger Locomotives	$ .2011	$ .2038
Mileage of Freight Locomotives	1,503,888	1,328,319
Expenses per mile of Freight Locomotives	$ .3063	$ .3069
Total Mileage of all kinds of Locomotives	4,237,556	3,865,603
Average Expenses per mile of all Locomotives	$ .2297	$ .2283

SCHEDULE H.

PASSENGER STATISTICS.

EARNINGS AND COST PER PASSENGER PER MILE.

	1888. Cents.	1887. Cents.	Increase or Decrease.	Per Cent.
Local	.0203	.0198	Inc. .0005	Inc. .0252
Foreign	.0238	.0246	Dec. .0008	Dec. .0325
Average earnings	.0211	.0209	Inc. .0002	Inc. .0096
Average cost	.0144	.0142	Inc. .0002	Inc. .0141
Net	.0067	.0067		

AVERAGE TRIP PER PASSENGER.

	1888. Miles.	1887. Miles.	Increase or Decrease.	Per Cent.
Local Passengers	10.36	10.40	Dec. .04	Dec. .0038
Foreign Passengers	28.05	25.56	Inc. 2.49	Inc. .0974
Average	12.16	12.00	Inc. .16	Inc. .0133
Aver. no. of Pass. per car	13.32	14.00	Dec. .68	Dec. .0486
" " " " tr'n	48.64	51.27	Dec. 2.63	Dec. .0513

NUMBER OF PASSENGERS CARRIED, REVENUE, ETC.

	1888.	1887.	Increase.	Per Cent.
Local	6,158,868	5,636,548	522,320	.0927
Foreign	693,511	666,408	27,103	.0407
Total	6,852,379	6,302,956	549,423	.0872

PASSENGER MILEAGE.

	1888.	1887.	Increase.	Per Cent.
Local	63,864,714	58,647,425	5,217,289	.0889
Foreign	19,454,489	17,038,492	2,415,997	.1418
Total	83,319,203	75,685,917	7,633,286	.1009

REVENUE.

	1888.	1887.	Increase.	Per Cent.
Local	$1,293,601.52	$1,161,903.52	$131,698.00	.1133
Foreign	462,937.41	418,973.45	43,963.96	.1049
Total	$1,756,538.93	$1,580,876.97	$175.661.96	.1112

SCHEDULE I.

FREIGHT STATISTICS.

	Tonnage.				Per Cent.	
	1888.	1887.	Increase.	Decrease	Inc.	Dec.
Local	1,416,141	1,471,435		55,294		.0376
Through	1,230,645	1,067,043	163,602		.1533	
Total	2,646,786	2,538,478	108,308		.0427	

TONS CARRIED ONE MILE.

	1888.	1887.	Increase.	Decrease	Inc.	Dec.
Local	66,605,556	67,010,845		405,289		.006
Through	134,227,932	102,244,801	31,983,131		.3132	
Total	200,833,488	169,255,646	31,577,842		.1866	

REVENUE.

	1888.	1887.	Increase.	Decrease.	Inc.	Dec.
Local	$1,856,176.02	$1,861,725.46		$5,549.44		.0029
Through	1,281,669.10	1,042,470.76	$239,198.34		.2295	
Total	$3,137,845.12	$2,904,196.22	$233,648.90		.0805	

	Earnings and Cost per Ton per Mile.				Per Cent.	
	1888.	1887.	Increase.	Decrease	Inc.	Dec.
	Cents.	Cents.				
Local	2.79	2.78	.01		.0036	
Through	.96	1.02		.06		.0588
Avg. Earnings	1.56	1.72		.16		.0193
" Cost....	1.12	1.243		.123		.0989
Net.....	.44	.477		.037		.0776

SCHEDULE J.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1888.

Improvements at South Boston Flats		$9,095 46
New Sidings		8,124 80
New Bridges:		
Connecticut River Bridge	$20,496 26	
Hockanum River Bridge	16,351 83	
Quincy St. Bridge	1,571 04	
Filling Fishkill Trestle	6,240 13	
Extension of Sandy Hook Trestle	206 43	
" " Brewster's "	254 24	
New Highway Bridge, City Mills	3,441 39	
Fifth St. Bridge, Waterbury	2,750 40	
Bridge No. 33, Blackstone	10,380 95	
New Guard Rails for Bridges	16,227 45	
	$77,920 12	
Less charged to renewals on Moosup Bridge	1,000 00	76,920 12
Right of Way and Depot Grounds:		
Land at Springfield	$37,500 00	
" " Waterbury	2,600 00	
" " Various Stations	2,904 13	
Miscellaneous Charges	4,064 53	
		47,068 66
New Safety Gates		268 78
New Tools and Improvements at Shops		13,660 16
Machine Shops and Engine House, East Hartford		64,438 59
Engine and Machinery for do		8,966 97
Transfer Table do		2,039 28
Transfer, Shop, and Engine House Tracks		15,328 29
New Water Tank		2,142 97
Black Rock Crossing, New Britain		11,967 92
Asylum St. Crossing, Hartford		65,248 48
Freight House and Yard, Manchester		7,042 40
Sundry Improvements at Stations		1,334 21
Improvement of Equipment		5,599 50
Increased Weight of Steel Rails		6,376 07
Miscellaneous Improvements		2,758 69
		348,381 35
Equipment:		
20 Passenger Coaches	$85,076 80	
2 Combination Cars	6,000 00	
35 Express Freight Cars	25,132 93	
4 Box Cars	1,803 25	
132 Gondola Coal Cars	58,296 72	
8 Dump Cars	2,501 81	
3 Construction Cars	225 00	
1 Snow Plow	450 00	
3 Locomotives	13,380 30	
	192,866 81	
Less credits to equipment transferred to Profit and Loss on account of renewals	5,819 73	187,047 08
Total Charges to Property Accounts		$535,428 43

FOURTEENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK & NEW ENGLAND

RAILROAD COMPANY

MADE AT THE ANNUAL MEETING

TUESDAY, DEC. 16, 1889.

BOSTON:
H. G. COLLINS, PRINTER,
93 FEDERAL STREET.

FOURTEENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK & NEW ENGLAND

RAILROAD COMPANY

MADE AT THE ANNUAL MEETING

TUESDAY, DEC. 10, 1889.

BOSTON:
H. G. COLLINS, PRINTER,
93 FEDERAL STREET

DIRECTORS.

TERM EXPIRING DECEMBER 10th, 1889.

WILLIAM P. SHINN,	Boston, Mass.
JONAS H. FRENCH,	" "
EUSTACE C. FITZ,	" "
EUGENE V. R. THAYER,	" "
CHARLES A. PRINCE,	" "
ROYAL E. ROBBINS,	" "
NICHOLAS SHELDON,	Providence, R. I.
B. F. VAUGHAN,	" "
JAMES L. HOWARD,	Hartford, Conn.
DAVID S. PLUME,	Waterbury, Conn.
GEORGE M. LANDERS,	New Britain, Conn.
THOMAS RUTTER,	New York, N. Y.
JOHN L. MACAULAY,	" "
ALEXANDER E. ORR,	" "
SIDNEY DILLON,	" "
HENRY HENTZ,	" "
J. A. BOSTWICK,	" "
ARTHUR SEWELL,	Portland, Me.
E. V. CARY,	New York, N. Y.

OFFICERS OF THE COMPANY.

J. A. BOSTWICK,	PRESIDENT.
WILLIAM P. SHINN,	VICE-PRESIDENT.
GEORGE B. PHIPPEN,	TREASURER.
JAMES W. PERKINS,	SECRETARY.

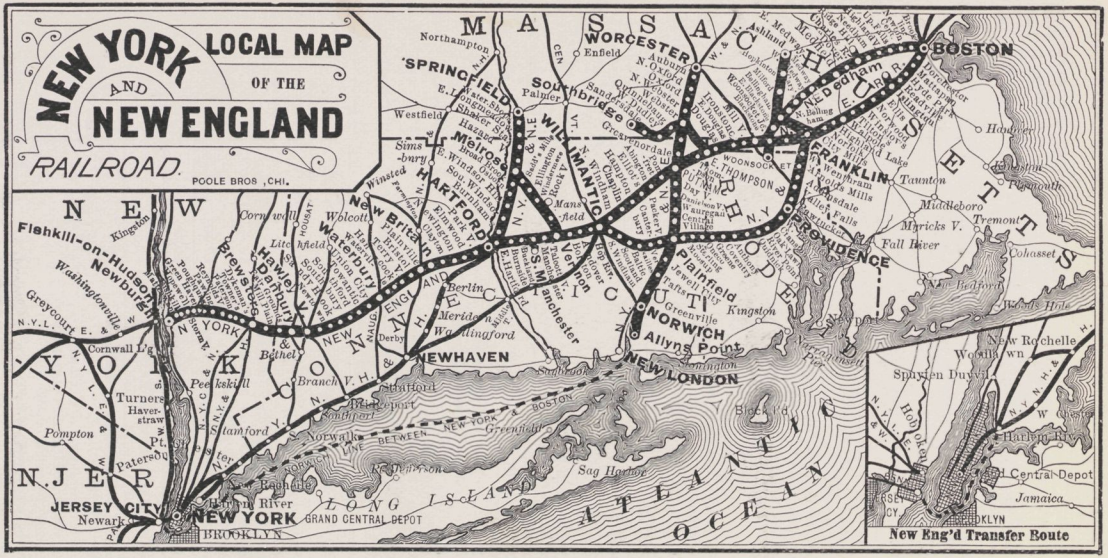
RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE NEW YORK & NEW ENGLAND RAILROAD COMPANY.

LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction.....	214.96	108.10	101.42	424.48
(Hopewell Junction to Wicopee owned by N. D. & C. R. R. Company.)				
Wicopee to Fishkill Landing.....	1.71		5.45	7.16
Fishkill Landing to Newburgh, Transfer Boat.....	.79			.79
Providence to Willimantic.....	58.32		16.36	74.68
Cook St., Newton, to Woonsocket ..	28.62		5.82	34.44
East Thompson to Southbridge.....	17.36		2.65	20.01
East Hartford, Conn., to junction with Boston & Albany R. R., in Springfield.....	27.48		3.99	31.47
Melrose to West St., Rockville.....	7.22		.24	7.46
Dedham Junction to Dedham..... ..	1.53		1.86	3.39
Dorrance St. Track, Providence	.62		.03	.65
Freight Branch, Hartford.....	.67		.98	1.65
Total owned and operated by the Company.....	359.28	108.10	138.80	606.18
LEASED BY THE COMPANY.				
Norwich & Worcester R. R.				
Worcester to Allyn's Point.....	66.16		21.10	87.26
R. I. & M. R. R.				
Franklin to Valley Falls.....	13.60		1.34	14.94
Rockville Railroad.				
Vernon to Rockville.....	4.43		.75	5.18
Boston & Albany R. R.				
From junction of N. Y. & N. E. R. R. to Spring St., in Springfield..	1.20		1.20	2.40
Milford & Woonsocket, and M. F. & P. Railroads.				
Franklin to Ashland.....	19.97		2.43	22.40
Total Leased Lines operated by the Company.....	105.36		26.82	132.18
RUNNING ARRANGEMENTS OVER:				
Newburgh, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction.....	10.95			
New London Northern R. R.				
Norwich to New London.....	13.50			
Total.....	24.45			
CONTROLLED THROUGH LEASE.				
Controlled through Lease of Norwich & Worcester R. R.				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York.....	125.00			

Making the total number of miles of transportation lines controlled by the New York & New England Railroad Company, 614.09 miles.


NEW YORK AND NEW ENGLAND
LOCAL MAP OF THE
RAILROAD.
POOLE BROS, CHI.
MASSACHUSETTS
NEW YORK
CONNECTICUT
RHODE ISLAND
NEW JERSEY
BOSTON
WORCESTER
SPRINGFIELD
WILLIMANTIC
HARTFORD
NEW BRITAIN
Waterbury
Hawley
Brewster
Fishkill-on-Hudson
Newburgh
Southbridge
Melrose
Dedham
FRANKLIN
PROVIDENCE
Plainfield
NORWICH
Allyns Point
NEW LONDON
NEWHAVEN
JERSEY CITY
NEW YORK
GRAND CENTRAL DEPOT
BROOKLYN
LONG ISLAND
ATLANTIC OCEAN
NORWICH LINE BETWEEN NEW YORK & BOSTON
New Eng'd Transfer Route

FOURTEENTH ANNUAL REPORT.

To the Stockholders of the New York and New England Railroad Company:—

The Directors of your Company respectfully submit a report of its operations for the year ending September 30, 1889, for the details of which you are referred to the report of the Vice-President and the Auditor hereto annexed.

During the past year the management has pursued its policy of improving the condition of your property. To do this, as required by the increase of the traffic, it has been necessary to continue large expenditures on improvements in maintenance of way, repairs of its motive power and car equipment. These have been, in some respects, larger than was anticipated at the beginning of the year.

The rates upon freight have remained, during the year, at the low basis of the previous year, in consequence of which the net earnings from that source have not increased to the extent hoped for in the early part of the year.

The condition of the road and equipment has been steadily improved during the past three years which has necessitated large outlays of money chargeable to the maintenance account, thus preventing any material reduction of operating expenses. Notwithstanding this fact, it is shown in the report of the Vice-President that the expense per mile run by trains and the cost of transporting freight per ton, per mile, have been lower than at any previous time in the history of the Company.

To partly meet the material additions to the property of the Company, in its real estate, equipment and structures that have been made during the year, the Board has authorized the issue and there have been sold 4,668 shares of the preferred stock of the Company at an average of $117.54 per share.

At the last annual meeting, the stockholders authorized subscription to the stock of the New England Terminal Company.

This Company has been organized and a considerable portion of its equipment has been provided. The terminal facilities in the City of New York would have been perfected before this, but for legal obstacles which have interfered very materially with the progress of the work. These have now been surmounted, the injunction having been dissolved, and we can look forward to a large increase of business between New York and all points on the road west of Willimantic. The Terminal Company has made an issue of $800,000, five per cent. bonds, of which $700,000 have been sold at ninety-eight and one-half per cent. net to the Company, which amount has been paid into the treasury. The remaining $100,000 of the first mortgage and $300,000 of debenture bonds remain in the treasury of the Company.

At the present outlook there appear to be reasons for anticipating an improvement in the business of railroad properties in the early future in which it is believed that your property, in its better physical condition, is prepared to participate.

The reports of the Vice-President and Auditor herewith submitted show in detail the operations of the road in the various departments, and I trust will be found satisfactory to the stockholders.

By order of the Board of Directors,

J. A. BOSTWICK,

President.

Dated NEW YORK, November 14, 1889.

VICE-PRESIDENT'S REPORT.

To the President and Directors of the New York and New England Railroad Company.

The following report of the financial condition of your Company, and the physical condition of its property on September 30th, 1889, together with its business and operations during the fiscal year ending on that date, is presented for your information and that of the stockholders.

The earnings, expenses and fixed charges for the fiscal year ending September 30, 1889, were as follows: —

Passenger earnings		$1,979,524 80
Freight "		3,196,851 36
Mail "		54,915 24
Express "		149,877 75
Miscellaneous: —		
Rents	$54,417 30	
Wharves and Docks	38,077 23	
Switching, Storage, etc.	72,875 13	
Boston Grain Elevator	11,219 86	
Sundry items	5,649 16	
		182,238 68
Gross earnings of the road and equipment		$5,563,407 83
Income from Boston Harbor Transfer		3,699 20
Total gross income		$5,567,107 03
Operating expenses		3,718,782 26
Net income		$1,848,324 77

From which should be deducted the following charges: —

Taxes	$238,789 89
Insurance	12,850 97
Carried forward	$251,640 86

Brought forward			$251,640 86
Rent of other Roads : —			
Newburgh, Dutchess & Connecticut		$58,102 25	
Rhode Island & Massachusetts .		20,000 00	
Boston & Albany . . .		5,000 00	
Rockville		4,645 61	
Milford & Woonsocket and Milford, Franklin, & Providence .		11,807 89	
New London & Northern . .		39,785 00	
Norwich & Worcester . .			
Corporation expenses	$5,407 37		
Interest . .	30,100 00		
Dividends . .	208,424 00		
		243,931 37	383,272 12
Interest : —			
On Boston Terminal indebtedness		$76,102 06	
On First Mortgage Bonds .		660,000 00	
On Second Mortgage Bonds .		270,060 00	
On Car Trust and Miscellaneous		6,971 11	
			1,013,133 17
Dividends declared : —			
3½ per cent. on $2,400,000.00 Preferred Stock (less accrued interest credited $2,527.77) .		$81,472 23	
3½ per cent. on $2,666,800.00 Preferred Stock (less accrued interest credited $4,468.74) .		88,869 26	
			170,341 49
Total charges against net income . . .			$1,818,387 64
Surplus			$29,937 13

There is an increase in the net income over the preceding year of $85,963.99, and an increase in the charges against income of $87,476.84, resulting in a decrease in the surplus for the year, as compared with the preceding year of $1,512.85.

EARNINGS, EXPENSES AND NET EARNINGS.

The earnings, expenses and net earnings of your system of roads compare with those of the preceding year as follows: —

Earnings.	*1889.*	*1888.*	*Increase.*
Passenger	$1,979,524 80	$1,768,814 57	$210,710 23
Freight	3,196,851 36	3,137,845 12	59,006 24
Mail	54,915 24	53,523 04	1,392 20
Express	149,877 75	132,414 04	17,463 71
Miscellaneous	182,238 68	175,811 07	6,427 61
Total	$5,563,407 83	$5,268,407 84	$294,999 99

OPERATING EXPENSES.

	1889.	*1888.*	*Increase.*
Con. Trans. Pass.	$458,989 99	$414,670 11	$44,319 88
" " Frt.	978,777 01	891,538 09	87,238 92
Mtce. of Way	547,235 81	636,691 89	89,456 08 dec.
Motive Power	1,188,020 08	1,094,597 86	93,422 22
Mtce. of Cars	351,749 69	300,168 26	51,581 43
Gen'l Expenses	142,256 22	111,777 69	30,478 53
H. Riv. Trans.	51,753 46	61,646 33	9,892 87 dec.
Total	$3,718,782 26	$3,511,090 23	$207,692 03
Net Earnings	$1,844,625 57	$1,757,317 61	$87,307 96
Expenses per cent. of Earnings	66.85	66.60	0.25

TRAIN MILEAGE.

	1889.	*1888.*	*Increase.*	*Per Cent.*
Freight Trains	1,631,230	1,498,991	132,239	8.82
Passenger "	1,957,204	1,712,853	244,351	14.27
Total	3,588,434	3,211,844	376,590	11.73

The increase in gross earnings over those of the preceding year was $294,999.99, of which $210,710.23 was in passenger, and $59,006.24 was in freight earnings.

The following statement shows the increase in gross earnings year by year over those of 1886 : —

1887 over 1886 . . .	$290,631 05
1888 over 1887 . . .	298,870 93
1889 over 1888 . . .	294,999 99
1889 over 1886 . . .	$884,501 97

The rate per ton per mile obtained for freight traffic during the past year was 1.36 cents, a reduction of .07 cents per ton per mile from the rate of 1888. This reduction is due largely if not wholly to the fact that many of our rates are the same for a longer as for a shorter distance, and in consequence a longer average haul per ton makes a reduced rate per ton per mile. The average haul per ton during the past five years has been as follows : —

In 1885	62.74 miles.
" 1886	64.53 "
" 1887	68.64 "
" 1888	82.93 "
" 1889	86.38 "

A comparison between the average haul for 1886 and that for 1889 shows an increase in 1889 of 21.85 miles, or 33 1-2 per cent.

The following statement shows a comparison of the average earnings, cost and net earnings per ton per mile during the last five years : —

	Earnings.	*Cost.*	*Net Earnings.*
1885 . .	1.71	1.24	0.47
1886 . .	1.67	1.14	0.53
1887 . .	1.63	1.17	0.46
1888 . .	1.43	1.05	0.38
1889 . .	1.36	1.01	0.35

It is therefore seen that although the operating expenses during 1889 showed a large increase over those of 1888, the actual cost per ton per mile of freight transported was less by 0.04 cents in 1889 than in 1888, and by 0.13 cents than in 1886.

The tons of freight increased 70,318 or 2.66 per cent. and the tons carried one mile increased 15,187,496, or 6.92 per cent., while the revenue increased 59,006.24, or 1.88 per cent., showing the effect of a reduction in the average rate per ton per mile.

A comparison of the rate per ton per mile on local and through freight shows the following : —

	Local.	*Through.*
1888	3.09 Cts.	1.09 Cts.
1889	2.88 "	1.08 "
Decrease	0.21 "	0.01 "

The passenger movement shows an increase in the number of local passengers carried of 722,586 or 11.73 per cent., and an increase in the number of passengers to and from foreign roads of 85,269, or 12.30 per cent., the total increase of passengers carried being 807,855, or 11.79 per cent.

The passenger movement shows an increase in miles travelled of 16.9 per cent., the average distance travelled by passengers having increased from 12.16 miles in 1888 to 12.64 miles in 1889.

The increased facilities for passenger traffic which have been furnished during the past two years are resulting in a very satisfactory development of our local passenger business.

The increase in the average miles travelled by passengers is partly accounted for by the fact that since December, 1888, the Boston and Washington train heretofore run via Hartford has been running via Fishkill, giving us mileage over the whole length of our main line.

The train mileage as compared with that of 1888 shows an increase as follows : —

	Increase.	*Per Ct.*
In passenger train mileage	244,351	14.27
" Freight " "	132,239	8.82
Total	376,590	11.73

The increase of expenses is therefore mainly due to the increased traffic with some exceptions that will be hereafter explained.

The cost of traffic per train mile, including therein all the expenses except that of the Hudson River Transfer, compares during the past five years as follows : —

In 1885	$1.07 4
" 1886	1.09 9
" 1887	1.13 7
" 1888	1.07 0
" 1889	1.02 2

This shows that the cost per train mile during 1889 has been less than in any of the four preceding years.

There have been extraordinary expenses charged to maintenance and operating expenses as follows:—

For filling Fishkill trestle	$18,895	21
" improvement to Passenger Station at Hyde Park	2,609	24
" account of new freight house at Manchester .	850	00
" account of new freight house at Terryville .	200	00
" balance of cost of renewal of track on Rhode Island & Massachusetts Railroad . . .	9,074	28
Total of extraordinary charges to Maintenance of Way	$31,628	73

There have been rebuilt of the passenger equipment and charged to maintenance of cars:—

	Passenger Cars . . .	2	
	Baggage Cars . . .	4	
		—	6
and of freight equipment	Caboose Cars . . .	7	
	Express Cars . . .	2	
	Flat Cars	22	
	Dump Cars	50	
	Gondola Cars . . .	60	
	Box Cars	65	
		—	206

The Superintendent of Motive Power reports regarding the passenger equipment:

"In the years 1887 and 1888 we were very short of cars (the new cars not being in service to any great extent) and it was difficult to get the passenger equipment into the car shops. When they were gotten in we had to hurry them out with only such repairs as were absolutely necessary to keep them running. Last year the repairs were of a thorough character and the condition of the passenger equipment is so much improved that the expenses thereon for the current year should not exceed those of the year 1888 and that without causing any depreciation." We may therefore charge as extraordinary the increase in expenditure on passenger equipment of say $50,000.00.

The flood in Pennsylvania on May 31st and the days following destroyed the Pennsylvania Railroad (our principal connection for through traffic) to such an extent that our business with that line was

very greatly interrupted, resulting, as is estimated, in a loss of earnings which were not afterwards recovered to an amount of not less than $50,000.00.

In 1888 the peach crop in Delaware and Maryland was unusually large, resulting in a revenue from the transportation of peaches in that year considerably in excess of previous years. In 1889 the crop on the contrary was unusually small, resulting in a revenue from the transportation of peaches of not much more than half that of ordinary years. The loss of earnings from this source is estimated to have been at least $25,000.00.

The failure of a number of industrial works upon the lines of our road has resulted in a considerable loss of local traffic to and from them. This has been particularly the case during the last four months of the fiscal year. It is hoped, however, that the most of them will be again put in operation within a reasonable time and the traffic thereby lost may be regained.

Reference to the schedules of the Auditor's report herewith submitted will show the earnings, expenses and net earnings and the details of cost in the usual manner.

ASSETS AND LIABILITIES.

The outstanding permanent liabilities of the Company have been increased during the year by the sale of 4668 shares of preferred stock and the issue of a mortgage on Curtis Wharf for $140,000.00.

The issue of bonds secured by a first mortgage on the terminal property of the Company in the City of Boston, as authorized by the stockholders at the preceding annual meeting, has been completed, an issue of $1,500,000.00 of fifty year four per cent. bonds having been made under an act of the Legislature of the State of Massachusetts making them specifically a first lien upon the property mortgaged and a security in which Savings Banks can invest. Of these bonds $1,386,000.00 have been sold and the proceeds have been applied to take up that amount of the purchase money liability outstanding upon the Boston terminal property.

The transactions of the year, outside of the current operations of the Company, have been as follows :—

EXPENDITURES.

For construction, right of way, &c.,	$220,245 18	
For equipment	412,296 59	
For Curtis Wharf . . .	155,000 00	
		$787,541 77
For capital stock of N. E. Terminal Co. . .		100,000 00
For bal. of principal of Car Trust Notes . .		13,928 60
For payments on Boston terminal property,		
State of Mass. 25 acre lot .	$800,000 00	
do 50 acre lot .	100,000 00	
do 12 acre lot .	86,532 00	
B. & A. R. R. Co. 50 acre lot .	300,000 00	
Drake's Wharf Mortgage . .	100,000 00	
		1,386,532 00
For equipment destroyed in 1882, 1883 and 1885, rebuilt		34,182 76
For worthless accounts charged off . . .		471 18
Total . . .		$2,322,656 31

CREDITS.

Surplus Sept. 30th, 1888	$ 11,419 00
Operating profit for year ending Sept. 30th, '89	29,937 13
Reduction in supplies on hand . . .	50,593 99
Proceeds of sale of 4668 shares pfd. stock .	548,647 72
Proceeds of sale of terminal bonds. Par value $1,386,000 00, less discount $69,300 00 .	1,316,700 00
Mortgage on Curtis Wharf	140,000 00
Received for right sold to street on Richardson's Wharf	23,500 00
Balance remaining unexpended of amount received from the city of New York for change of line at Sodam Dam	48,297 68
Total	$2,169,095 52
Less balance held for adjustment . . .	3,285 70
	$2,165,809 82
Balance	156,846 49
Total	$2,322,656 31

This balance is shown to consist of the following assets :—

Cash	$ 96,620 94	
Due from agents . . .	362,368 50	
Due from companies, &c., .	319,780 91	
		$778,770 35
Less the following liabilities :—		
Overdue coupons	$ 7,035 00	
Notes payable	49,600 00	
Unpaid vouchers . . .	233,532 71	
Unpaid pay-rolls . . .	41,786 32	
Due to companies, &c., . .	271,844 81	
Total liabilities due and payable		603,798 84
Excess of assets over liabilities due . . .		$174,971 51
Dividends due on pfd. stock Nov. 1st,	$ 93,338 00	
Int. accrued due in Jan. and later	238,480 00	
Total liabilities accrued, not due . . .		331,818 00
Difference, being excess of total liabilities due and accrued over present assets . .		$156,846 49

IMPROVEMENTS.

The amount shown in the Auditor's schedule as having been expended in improvements during the year ending September 30th, 1889, is as follows :—

For real estate and right of way .	$165,944 73	
For improvements in and additions to track and structures	209,300 45	
For improvements in and additions to equipment . .	412,296 59	
Total charge to improvements		$787,541 77

The following statement indicates the items for which expenditures were made and charged to improvement account :—

For Real Estate and Right of Way : —		
Curtis Wharf property, Boston .	$155,000 00	
Land purchased of Downer Oil Company	8,276 00	
Land at various stations less proceeds of land sold . .	2,668 73	
Carried forward		$165,944 73

Brought forward, ...		$165,944 73
Improvements in Boston Terminals: —		
Filling and tracks on Curtis and Drake's Wharves . .	$14,430 42	
Freight house, Curtis Wharf .	8,267 79	
Improvements at So. Boston flats	4,984 78	27,682 99
Shops and Machinery: —		
Additions to shops at Norwood .	$6,628 54	
Additions to shops and machinery at East Hartford . .	14,752 33	
New shop tools and machinery .	27,013 10	48,393 97
Changing Grade of Crossings: —		
At Asylum Street, Hartford . .	$62,189 09	
Black Rock crossing, New Britain	972 63	
Street crossings, Waterbury . .	47 00	63,208 72
New Yard Tracks and Sidings: —		
New sidings	$16,592 29	
New cross-overs	437 98	
Shop tracks at East Hartford .	820 80	
Sundry other tracks . . .	766 11	18,617 18
Bridges: —		
Morse Street bridge, Putnam .	$3,974 67	
Hop Brook trestle . . .	8,707 74	
Sundry other bridges . . .	1,276 98	
Guard rails for bridges . .	3,773 07	17,732 46
Stations: —		
Passenger station at Hyde Park .	$3,747 00	
Freight station at Hawleyville .	793 55	
Baggage house, Willimantic .	696 83	
Yard Master's office, East Hartford	730 09	
Paving yard at Providence .	2,066 63	
Sundry small stations . .	504 63	8,538 73
Carried forward, ...		$350,118 78

Brought forward,		$350,118 78
Track scales		5,944 36
Fences and safety gates		3,621 63
Signals		4,881 42
Retaining wall at New Britain		1,555 80
Water tanks		39 28
Coal Platforms: —		
At Willimantic	$1,723 74	
Waterbury	234 39	
Hopewell	1,387 42	3,345 55
Addition to Auditor's office, Boston		419 39
Pile driver float		2,212 02
Increase in weight of steel rails		8,762 13
Miscellaneous improvements		1,090 44
Total		$381,990 80
Less sundry credits		6,745 62
Total real estate and construction		$375,245 18
Equipment: —		
Ten new locomotives	$108,638 08	
Improvements in locomotives rebuilt	18,000 00	
		126,638 08
29 passenger coaches	$146,572 04	
4 parlor cars	41,271 79	
7 baggage cars	20,014 09	
Improvement to passenger cars	23,454 70	
		231,312 62
50 dump cars	$9,597 11	
98 gondola cars	43,577 04	
1 box car	430 00	
1 caboose	507 17	
New Dowling couplers	1,275 00	
	$55,386 32	
Less excess charge in 1888	1,040 43	
		54,345 89
Total equipment		$412,296 59
Total improvement expenditures		$787,541 77

PROFIT AND LOSS ACCOUNT.

The profit and loss account, as shown by schedule A of the Auditor's report, gives the following as the state of that account at the close of the fiscal year:

Balance September 30th, 1888		$541,595 21
DEBITS.		
Expenditures for renewals of equipment destroyed in 1882, 1883 and 1885	$34,182 76	
Discount on sale of four per cent. Terminal bonds	69,300 00	
Worthless accounts charged off	471 18	
Total debits		103,953 94
		$645,549 15
CREDITS.		
Surplus from operations of the year ending September 30th, 1889	$29,937 13	
Premium on 4668 shares pfd. stock sold	81,847 72	
		111,784 85
Balance September 30th, 1889		$533,764 30

Being debit balance as shown by the Auditor's account.

The amount added to the debit balance of the profit and loss account, being the expenditures for renewal of equipment destroyed in 1883 and 1885, is thus explained:

Cost of 6 caboose cars to replace cars destroyed in 1883 and 1885	$3,221 92
Valuation of 3 N. Y. & N. E. R. R. engines, transferred to Norwich & Worcester Division to replace engines Nos. 3, 7 and 19 of Norwich & Worcester R. R. destroyed in 1882	24,000 00
(The N. Y. & N. E. engines were replaced by three new engines.)	
Carried forward,	$27,221 92

Brought forward, ...		$27,221 92
Cost of 2 flat cars to replace cars destroyed prior to October, 1886 .	$689 16	
Cost of 3 box cars destroyed prior to October, 1886	1,335 00	
		2,024 16
Cost of 1 N. & W. passenger car so destroyed . .		4,936 68
Total		$34,182 76

The equipment thus replaced is charged to profit and loss, for the reason that it has never been in the possession of the Company during the present administration, and its replacement is no part of the operating expenses of the year 1889.

The locomotives and passenger equipment destroyed prior to the beginning of the present administration have all been replaced, but there are yet remaining some freight cars which were so destroyed that have not yet been replaced.

DECREASE IN SUPPLIES ON HAND.

The decrease in the amount of supplies on hand, $50,593.99, is thus accounted for:

Decrease in road and bridge materials . . .	$22,349 58
" " fuel	32,624 55
" " general supplies	84 57
	$55,058 70
Less increase in machinery department supplies .	4,464 71
Net decrease	$50,593 99

At the end of 1888 there was shown an increase of supplies on hand over the amount of the previous year of $150,379.08, deducting from which the decrease during the year 1889 of $50,593.99, it leaves the sum of $99,785.09, as representing an increase in the supplies on hand September 30th, 1889, over the amount on hand September 30th, 1887, which indicates that the supplies have not been unduly reduced in amount.

NORWICH AND WORCESTER RAILROAD.

The earnings and expenses of the Norwich & Worcester Railroad have been included with those of the remainder of your lines. The results of the year's business of the Norwich & Worcester Railroad are as follows:—

Earnings:		
Passenger	$222,652 17	
Freight	424,643 56	
Mail	5,753 44	
Express	17,164 01	
Miscellaneous	24,006 31	
Total earnings		$694,219 49
Expenses:		
Conducting Transportation Passenger	$51,143 04	
" " Freight	134,720 78	
Maintenance of Way	55,902 79	
Motive Power	129,869 99	
Maintenance of cars	43,126 42	
General expenses	14,935 49	
Total expenses		$429,698 51
Net earnings		$264,520 98
Taxes	$55,419 68	
Interest on bonds and notes	30,100 00	
Dividends on stock	208,424 00	
Organization expenses	5,407 37	
New London & Northern Track Rental	39,785 00	$339,136 05
Deficit		$74,615 07

The earnings of this division show a decrease of $29,316.34. The freight earnings show a decrease of $34,830.01, all of which is in the earnings from coal shipped from Norwich and Allyn's Point. The shipments of coal were very light during the early months of 1889. This decrease is partly offset by an increase in the passenger earnings of $8,813.51.

NORWICH AND NEW YORK TRANSPORTATION COMPANY.

The operations of this Company during the year have shown a profit of $27,304.48, which has been arrived at as follows:

Earnings from passengers	$96,058 26	
" from freight	304,583 90	
" from express	18,300 90	
" from staterooms	27,386 65	
" meals	19,389 18	
" miscellaneous	6,670 85	
Total Earnings, carried forward,		$472,389 74

Total Earnings, brought forward, . .		$472,389 74
Expenses:		
Conducting Transportation passenger	$13,410 66	
" " freight	96,920 98	
Stateroom expenses . . .	4,564 02	
Subsistence passengers and crews .	65,774 90	
Steamer repairs	65,678 53	
Operating expenses of steamers .	164,565 68	
General expenses . . .	16,212 87	
Total expenses		427,127 64
Net earnings		$45,262 10
Taxes	$6,947 50	
Interest	11,010 12	
		17,957 62
Balance, being profit		$27,304 48

The only large and extraordinary expense incurred during the year was in the renewal of boilers of the City of Lawrence, which cost $31,500. There are no similar heavy expenses to be incurred during the ensuing year.

The reduction in the taxes was not quite what the Board had anticipated, but a reduction was secured of $2,570.00.

A reduction was made as compared with the preceding year in the cost of subsistence of $13,036.76.

CONDITION OF ROAD.

The General Superintendent reports very material improvements in the condition of the track and road-bed of your Company's roads.

There have been laid during the year, 1559.35 tons of new steel rails, of which 1500 tons were of the new pattern, 75 pound steel rails, five inches high, regarding which the Railroad Commissioners of Connecticut in their report make the following statement:—

"The track is generally in good condition and has been much improved by laying 500 tons of new steel rails between Terryville and the Summit Siding, also 500 tons on the grade west of Bolton and 500 tons between Bolton and Andover. This new steel rail is five inches high and five inches base, weighing 75 pounds per yard, over which the train passes so smoothly and steadily as to make its location apparent to those passing over the line of the road."

In addition to the new rails laid as above stated, there have been 1174.85 tons of partially worn steel rails which were taken out of the track in the main line and which have been laid in tracks on the branches and in sidings.

Our main tracks are now all steel railed excepting the Melrose Branch, in which the iron is in good condition.

Of cross ties there were laid during the year, 246,414 in the main tracks and 9,588 in new sidings.

There have been built during the year, of new Company sidings 2½ miles and of private sidings 1 5-100 miles.

There have been built 11,497 panels of new fence.

New electric block signals have been put up between Hyde Park and Norwood Central, and those between Boston and Hyde Park have been doubled. This protects the main tracks with automatic electric signals from Boston to Winslows.

Electric signals have also been erected to protect the elevated track at Hartford, while mechanical signals were put up at East Hartford yard, Waterbury and Bristol.

The filling of Hop Brook trestle has been commenced and about one-third completed during the year.

There have been no large bridges renewed during the year, but there are under contract and in process of renewal, bridge No. 11, 80 feet long, west of Hyde Park, bridge No. 55, 208 feet long, west of Willimantic, and the landing bridge at Fishkill-on-Hudson, used by our transfer boat. These it is hoped will all be completed before January 1st.

Our stations and platforms are in fair condition, with the exception of the freight house at New Britain, but a large proportion of the station buildings need painting, which should be done as soon we can see our way clear to meet the cost of the work.

The requirements for the repairs of track for the ensuing year, are estimated to be 1500 tons 75 pound steel rails, 225,000 cross ties, 90 sets of switch ties and 30 sets of long timber for cross-over tracks.

There are a number of improvements in the way of branch tracks and new and additional station facilities, which, if they could be provided, would add materially to the income of the Company.

CONDITION OF EQUIPMENT.

The General Superintendent reports a very considerable improvement in the equipment of the Company.

There have been added during the year by purchase, 13 new locomotive engines, all of the Mogul type and of large capacity, one of which has been specially constructed for a passenger engine and appears to be very effective.

There have been rebuilt during the year ten of the old locomotives, three of which were light Norwich & Worcester passenger engines that were altered to standard switching engines, one was a light switching engine altered to a standard switching engine, and six were passenger engines which were rebuilt and in most cases of increased capacity.

The difference in cost of rebuilding these engines over that of rebuilding them as they were originally, has been carefully estimated by the Superintendent of Motive Power at $18,000.00, which amount has been charged as a betterment on the equipment.

There are some 25 or 30 of the old locomotive engines which will require new boilers during the ensuing three or four years, and which should be treated in like manner with the ten that have been rebuilt this year. With the additional power that will thus be gained, it is not believed that any additional locomotives will be needed during the ensuing year.

The passenger equipment has been increased by the addition of twenty-nine standard 60 feet passenger coaches, four parlor cars, and seven baggage cars, the cost of all of which was charged to improvement account.

There has been in addition passenger equipment rebuilt to take the place of that destroyed as follows:—

Passenger cars, 2; Baggage cars, 4; Total 6.

There was one passenger coach rebuilt to replace a coach condemned prior to 1886 and not since used, the cost of which was charged to profit and loss.

There have been improvements in the nature of additions to the existing passenger equipment made during the year as follows: —

Whistle signals for coaches	$8,910 03	
Steam heating apparatus	8,262 84	
Platform gates for coaches	2,240 00	
Water alcoves and tanks	529 00	
Reclining chairs and covers	1,641 48	
		$21,583 35
Fitting up engines for steam heating and air signal whistle		$1,871 35
Total		$23,454 70

The passenger equipment is now fully up to the present requirements of the Company, and no additions will be needed during the ensuing year, unless it may be two or three combination cars.

The freight equipment has been increased by the building in our Norwood Shops of 50 dump cars, 98 gondola cars, 1 caboose, and 1 box car, which being additional, were charged to improvement account.

In addition, there have been rebuilt to replace cars destroyed, 7 caboose cars, 2 express cars, 22 flat cars, 50 dump cars, 60 gondola cars, and 65 box cars, making a total of 206 freight cars, the cost of which has been charged to maintenance. Also 6 caboose cars, 2 flat cars and 3 box cars, which, having been destroyed prior to 1886, were charged to profit and loss.

There has therefore been an actual increase in the freight equipment of 161 cars, and a total of freight cars rebuilt of 206.

The cars which were rebuilt were all made of a capacity of 40,000 pounds, which in itself is a material addition to the freight equipment.

BOSTON TERMINAL PROPERTY.

The issue of bonds with which to pay the outstanding indebtedness on the Boston terminal property, which was authorized by the stockholders at their meeting in 1887, and amended so as to include newly acquired property by the meeting in 1888, was authorized by the Legislature of Massachusetts at its session of this year, with a provision making the bonds a savings bank security. The whole issue has been sold, and all of them have been delivered excepting those required to take up the indebtedness on Curtis Wharf. The Company is for the first time in the possession of the title to the 87 acres of valuable terminal property in South Boston.

There was purchased in October, 1888, the property adjoining that heretofore owned by the Company in the City of Boston, known as Curtis Wharf, at a cost of $155,000. The slip between it and Drake's Wharf has been mostly filled up, new and additional tracks have been laid thereon, and a new freight station has been erected on Curtis Wharf, which is used for the fast freight traffic to and from New York, and is proving a very great addition to the Company's facilities.

The increase in shipping using our piers in South Boston will make it necessary to have very soon an addition to the freight shed on Pier No. 2. This addition, it is estimated, will cost about $50,000, and will bring in an additional revenue, which will fully justify its erection.

Arrangements have been made with the City of Boston whereby the bridge over Fort Point Channel at Oliver Street and Northern Avenue will be erected by the City as soon as the authority can be obtained from the General Government, as required by the recent act of Congress.

By the time this bridge is completed, the Company will need another freight house in South Boston of a size equal to those now in use.

Arrangements have been substantially agreed upon to carry Congress Street over the whole of the Company's grounds in South Boston, and a bridge should be built there during the ensuing year.

It is also important that a bridge should be built at the same time to carry A Street over the passenger tracks in South Boston. This crossing is becoming very important, and it is desirable that the street should be carried over at as early a date as possible, as every year's delay will add very largely to the expense.

TERMINAL FACILITIES AT PROVIDENCE.

The question of improved terminal facilities for the railroads entering the City of Providence, which has been agitated for some six years past, seems to be in the way of an early solution.

A plan has been agreed upon by the Railroad Companies, including the officers of this Company, under which a new passenger station is to be erected west of the present passenger station, on what is now a portion of the Cove which is being filled up by the City.

The southern approach to this new station would occupy the grounds which are now used by this Company as a freight yard.

These grounds are not of nearly sufficient extent, and the representatives of the City have agreed to sell to the Railroad Companies additional ground upon what is known as the Cove Lands, to enable them to get enough land for their wants. It will be very desirable that this Company should avail itself of the opportunity to increase its freight facilities in the City of Providence by purchasing a considerable amount of the Cove Lands.

The connection of the road of this Company from Valley Falls to Providence, which is now over the Providence & Worcester R. R., would be greatly improved by the building of an independent line for our use, a charter for which is held by the Rhode Island & Massachusetts R. R. Co., and controlled by this Company under its lease.

This Company now has an opportunity to become a one-fourth owner in the new depot at Providence, it having heretofore occupied the present depot as a tenant-at-will.

The business of the Company in Providence is increasing in importance, and could be added to very materially if we had our own line into that City from Boston, and additional freight facilities such as can now be obtained.

ROCKVILLE RAILROAD.

The contract for the purchase of the Rockville Railroad and franchise for the sum of $100,000 is in process of being carried out. The Legislature of Connecticut at its session of this year passed a law authorizing the sale by the Rockville Railroad Company and the purchase by this Company, and the issue of bonds of this Company, secured by a mortgage on the Rockville Railroad to run thirty years, and bearing interest at the rate of five per cent. per annum. It only remains to issue the bonds and make the transfer of the property.

FREIGHT REGULATIONS.

Mention was made in the last annual report of the new rules which had been made, regarding the collection of freight bills and for charging for the detention of cars and storage of goods in our stations.

Complaint in regard to the collection of freight bills has almost entirely ceased, and the wisdom of the regulations adopted has been abundantly shown in the cases of the industrial establishments on

our lines which have failed during the last six months, and from which our losses have been very materially reduced by those rules.

The demurrrage regulations have been the cause of a great many complaints, but the propriety of such rules has been very strongly attested during the past year, not only in the experience of this Company, but in that of many others.

The roads entering the City of Chicago, adopted about one year ago, stringent rules governing charges for the detention of cars, the result of which has been so satisfactory that similar rules are being adopted in other cities. More recently, the principal railroad lines in New England, through their Board of Presidents, have adopted a uniform schedule for charging for demurrage and storage upon all of their lines.

The Legislature of Connecticut at its last session enacted a law providing that no charge should be made for demurrage upon any car until it had stood four secular days. It is believed by your officers that it is not within the province of the legislature to require a Railroad Company to furnish cars for an arbitrary period for nothing, but even if within its power, your officers are advised by their counsel that the law of the State can not be made to apply to interstate commerce, and therefore the new law is being applied to traffic which is wholly within the State of Connecticut.

The effect of the demurrage charge has been to greatly expedite the unloading of cars, and to that extent it has increased the capacity, not only of the Company's equipment, but of its stations and sidings.

GENERAL REMARKS.

Our passenger trains have continued to run during the past year with great regularity, and the reputation of the Company for having its trains on time, has been maintained.

There has been no serious accident to any passenger train during the year.

The increase in the passenger equipment has enabled the management to bring its local trains running out of Boston to a standard which is very acceptable to our suburban travel, and which is resulting in its very rapid increase.

The so-called New England Limited train continues its prestige as the most prompt and best patronized through train running between New York and Boston.

On June 1st, 1889, Mr. Joseph A. Shinn was appointed Gen'l Freight Agent to fill the vacancy which existed and Mr. W. H. Dudley was appointed Auditor to fill the vacancy thus created. Mr. B. F. Cash was appointed Ass't Auditor to take the place vacated by Mr. Dudley. All of these appointments have resulted very satisfactorily and all departments of the organization appear to be in very satisfactory accord.

I desire to again place upon record my indebtedness to the Gen'l Superintendent, and the Division Superintendents, for the regular and efficient operation of the road; to the Engineer of Maintenance of Way for material improvements in the track and structures, and to the Superintendent of Motive Power for having conducted his department with very satisfactory and economical results.

The efforts of the Traffic Manager and Gen'l Freight Agent to increase the volume of the Company's traffic have been fairly successful, even in the face of more or less successful efforts by other parties to divert traffic from our line.

There appears to be good reason for anticipating an improvement in the gross earnings and a decrease in the proportion of the expenses during the ensuing year.

The reason which has heretofore prevailed for closing the fiscal year of the Company on September 30th having been removed by the change in the date to which the State reports are made to June 30th, it is recommended that the fiscal year of the Company be hereafter made to end with December 31st. The fact that the maintenance and improvement work is generally closed for the winter before that time, makes that date especially favorable and convenient for closing the accounts of the Company.

All of which is respectfully submitted.

WILLIAM P. SHINN,

Vice-President.

OFFICIAL ORGANIZATION FOR THE OPERATING OF THE ROAD.

TRANSPORTATION DEPARTMENT.

General Superintendent,	**A. A. JACKSON.**
Superintendent Eastern Division,	R. E. EAVENSON.
" Providence "	L. W. PALMER.
" Western "	C. H. PLATT.
" Woonsocket "	E. H. TUCKER.
" N. & W. "	P. ST. M. ANDREWS.
Chief Engineer,	L. B. BIDWELL.
Engineer Maintenance of Way,	G. M. FARLEY.
Superintendent Motive Power,	J. B. HENNEY.
Purchasing Agent,	R. E. ROCKWELL.
Superintendent of Telegraph,	G. L. LANG.
Car Accountant,	W. H. BOSS.

TRAFFIC DEPARTMENT.

Traffic Manager,	**E. P. VINING.**
General Freight Agent,	JOS. A. SHINN.
Division Freight Agent, Western Division,	C. M. BOWMAN.
" " " N. & W. "	G. A. HARRIS.
General Passenger Agent,	A. C. KENDALL.
General Agent in New York,	F. KNOWLAND.

ACCOUNTING DEPARTMENT.

Auditor,	**W. H. DUDLEY.**
Assistant Auditor,	B. F. CASH.

LEGAL DEPARTMENT.

General Counsel,	CHAS. A. PRINCE.
General Solicitor,	R. M. SALTONSTALL.

DR. CONDENSED GENERAL BALANCE SHEET,

PERMANENT INVESTMENTS.		
To Railroad, Equipment, and Property, as represented by Boston, Hartford & Erie Railroad Bonds	$20,000,000 00	
" Expenditures for underlying liens, equipment and improvements of property, including terminal facilities:		
Underlying liens, including payments to obtain possession of H. P. & F. R. R. $4,487,483 76		
Construction and improvement of property 7,343,032 49		
	11,830,516 25	
" Equipment purchased through car trusts	1,484,928 84	
" Extension of road west of Waterbury	2,689,217 71	
" Purchase of South Boston Flats	1,550,390 00	
" Purchase of Drake's Wharf	131,000 00	
" Purchase of Piper's Wharf	260,000 00	
" Purchase of Curtis' Wharf	155,000 00	
" Investment in Connecticut Central R.R., acquired under foreclosure of mortgage	290,377 69	
" Payments for Capital Stock, Property and Franchise of Springfield & New London R. R. Co.	89,492 00	
" Transfer Steamer Wm. T. Hart, at		
Newburgh, cost $177,194 33		
Less estimated depreciation 24,281 62		
	152,912, 71	
Total cost of Road and Equipment		$38,633,835 20
OTHER INVESTMENTS.		
" Investment in Stock of New England Terminal Co.		100,000 00
ACCOUNTS IN THE NATURE OF ASSETS.		
" Supplies and materials on hand	$434,606 96	
" Due from agents and conductors	362,368 50	
" Due from companies and individuals	319,780 91	
" Cash	96,620 94	
		1,213,377 31
" Profit and Loss balance (deficit)		533,764 30
		$40,480,976 81

SEPTEMBER 30, 1889. CR.

CAPITAL STOCK.			
By Common Stock:			
Amount for which certificates have been actually issued	$19,759,000 00		
B., H. & E. R. R. Berdell Bonds, convertible into stock	241,000 00		
		$20,000,000 00	
" Preferred Stock		2,666,800 00	
			$22,666,800 00
BONDED DEBT.			
" First Mortgage 7 % Bonds, due Jan. 1, 1905	$6,000,000 00		
" First Mortgage 6 % Bonds, due Jan. 1, 1905	4,000,000 00		
		$10,000,000 00	
" Second Mortgage 6 % Bonds, due Aug. 1, 1902	$4,002,000 00		
" Second Mortgage 3 % Bonds, due August 1, 1902	998,000 00		
		5,000,000 00	
" Boston Terminal First Mortgage 4 % Bonds, due April 1, 1939		1,386,000 00	
			16,386,000 00
REAL ESTATE MORTGAGES.			
" Mortgage Note, Curtis Wharf, due to Lowell Institution for Savings		$60,000 00	
" Mortgage Note, Curtis Wharf, due Oct. 1, 1893		80,000 00	
			140,000 00
CONTRACT OBLIGATIONS FOR PURCHASE OF REAL ESTATE AND EQUIPMENT.			
" Balance due on Purchase of Piper's Wharf, due March 1, 1893		$200,000 00	
" Debt for Equipment Purchased of Milford & Woonsocket R. R. Co., due Oct. 1, 1892		22,625 00	
			222,625 00
" SUPPLIES TRANSFERRED from Nor. & Wor. R. R. Co.			61,422 99
CREDIT BALANCES.			
" Amount received under agreement for contingent rights in Richardson's Wharf		$23,500 00	
" Unexpended balance of amount received from the city of New York, for work of changing line at Sodam Dam	$48,297 68		
" Less sundry unadjusted balances	3,285 70		
		45,011 98	68,511 98
LIABILITIES ACCRUED, NOT DUE.			
" Interest and Dividends accrued, not due:			7,035
On First Mortgage Bonds, July 1 to Sept. 30, 1889	$165,000 00		136970
On Second Mortgage Bonds, Aug. 1 to Sept. 30, 1889	45,010 00		
On Boston Terminal Mortgage Bonds, April 1, 1889 to Sept. 30, 1889	27,720 00		
On other Boston Terminal Obligations	750 00		
		$238,480 00	
" Unpaid Dividend of 3½ % on Preferred Stock, payable Nov. 1, 1889		93,338 00	331,818 00
UNFUNDED DEBT.			
" First and Second Mortgage Bond Coupons not yet presented		$ 7,035 00	
" Notes payable		49,600 00	
" Unpaid Vouchers		233,532 71	
" Unpaid Pay-roll		41,786 32	
" Due sundry Companies on traffic balances and other accounts		271,844 81	603,798 84
			$40,480,976 81

W. H. DUDLEY, *Auditor.*

New York & New England Railroad Company,
Auditor's Office,
Boston, Mass., Nov. 8th, 1889.

Wm. P. Shinn, Esq.,
Vice-President,

Dear Sir: —Herewith I present statements showing the financial condition and the operations of the Company for the fiscal year ending September 30th, 1889.

Schedule A. Profit and Loss account.
" B. Statement of bond, mortgage, and contract indebtedness.
" C. Earnings, expenses, and net earnings by months.
" D. Gross earnings and operating expenses by months.
" E. Statement of earnings and expenditures in detail.
" F. Earnings and expenses after reducing same to passenger and freight.
" G. Comparison with previous year of earnings, expenses and business.
" H. Passenger statistics.
" I. Freight statistics.
" J. Statement of new construction and expenses charged to property accounts.

Very respectfully,

W. H. Dudley,
Auditor.

SCHEDULE A.

DR. PROFIT AND LOSS ACCOUNT, NEW YORK AND

To Balance (deficit) per last year's report				$541,595 21
" Operating expenses			$3,718,782 26	
" Insurance			12,850 97	
" Rent of Other Roads			383,272 12	
" Taxes			238,789 89	
" Interest:—				
On First Mortgage Bonds, Oct. 1, 1888, to Sept. 30, 1889:				
$6,000,000.00 at 7%	$420,000 00			
$4,000,000.00 at 6%	240,000 00			
		$660,000 00		
On Second Mortgage 6% Bonds	$240,120 00			
On Second Mortgage 3% Bonds	29,940 00			
		270,060 00		
On Boston Terminal Lands		76,102 06		
On Car Trust and Miscellaneous Accounts		6,971 11		
			1,013,133 17	
" Dividends declared:—				
Dividend No. 7, Preferred Stock, 3½% on $2,400,000.00	$84,000 00			
Less accrued interest credited	2,527 77	$81,472 23		
Dividend No. 8, Preferred Stock, 3½% on $2,666,800.00	93,338 00			
Less accrued interest credited	4,468 74	88,869 26		
			170,341 49	
				5,537,169 90
" Expenditures during the fiscal year for renewal of equipment destroyed in 1882, 1883 and 1885			$34,182 76	
" Discount on sale of Boston Terminal First Mortgage Bonds			69,300 00	
" Worthless Accounts charged off			471 18	
				103,953 94
				$6,182,719 05

SCHEDULE A.

NEW ENGLAND RAILROAD CO., SEPTEMBER 30, 1889. Cr.

By Gross Earnings	$5,563,407 83	
" Income from Boston Harbor Transfer	3,699 20	$5,567,107 03
" Premium on sale of Preferred Stock		81,847 72
" Balance (deficit) September 30, 1889		533,764 30
		$6,182,719 05

W. H. DUDLEY, *Auditor.*

SCHEDULE B.

STATEMENT OF BOND, MORTGAGE AND CONTRACT INDEBTEDNESS.

SEPTEMBER 30, 1889.

DESCRIPTION.	DATE.	DATE DUE.	INTEREST.		AMOUNT OF PRINCIPAL OUTSTANDING.	ANNUAL INTEREST CHARGE.
			Rate.	When Payable.		
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	7	Jan. 1, July 1	$6,000,000 00	$420,000 00
First Mortgage Bonds	Jan. 1, 1876	Jan. 1, 1905	6	Jan. 1, July 1	4,000,000 00	240,000 00
Second Mortgage Bonds	June 22, 1882	Aug. 1, 1902	6	Feb. 1, Aug. 1	4,002,000 00	240,120 00
Second Mortgage Bonds	June 22, 1882	Aug. 1, 1902	3	Feb. 1, Aug 1	998,000 00	29,940 00
Boston Terminal, 1st Mortgage Bonds	Apr. 1, 1889	Apr. 1, 1939	4	Apr. 1, Oct. 1	1,386,000 00	55,440 00
MORTGAGE NOTES.						
Mortgage Notes, Curtis Wharf	*Feb. 10, 1887	.....	4½	Feb. 10, Aug. 10	60,000 00	2,700 00
	Oct. 1, 1888	Oct. 1, 1893	5	Apr. 1, Oct. 1	80,000 00	4,000 00
CONTRACT LIABILITIES.						
Piper Wharf, Boston, (Balance due)	Dec. 1, 1877	Mar. 1, 1893	5½	Monthly.	200,000 00	11,000 00
Equipment purchased from Milford & Woonsocket R. R. Co.	Sept. 30, 1887	Oct. 1, 1892	6	May 1, Nov. 1	22,625 00	1,357 50
					$16,748,625 00	$1,004,557 50

* Assumed by this Company, October 1, 1888.

SCHEDULE C.

EARNINGS, EXPENSES AND NET EARNINGS BY MONTHS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1889.

MONTHS.	GROSS EARNINGS.	OPERATING EXPENSES.	NET EARNINGS.
October, 1888	$526,446 91	$311,197 05	$215,249 86
November, "	459,546 88	300,732 49	158,814 39
December, "	429,869 96	307,254 31	122,615 65
January, 1889	412,573 43	316,166 51	96,406 92
February, "	385,713 43	262,181 76	123,531 67
March, "	422,803 96	292,053 60	130,750 36
April, "	422,113 37	296,276 76	125,836 61
May, "	476,023 78	357,272 63	118,751 15
June, "	479,880 17	340,635 74	139,244 43
July, "	492,069 22	350,564 78	141,504 44
August, "	537,443 11	342,342 88	195,100 23
September, "	518,923 61	242,103 75	276,819 86
Totals, ...	$5,563,407 83	$3,718,782 26	$1,844,625 57

SCHEDULE D.

RECAPITULATION OF GROSS EARNINGS AND OPERATING

GROSS EARNINGS.

Months.	Passenger Earnings.	Freight Earnings.	Mail Earnings.	Express Earnings.	Misc. Earnings.	Gross Earnings.
October, 1888	$177,452.17	$319,650.78	$4,460.24	$11,107.42	$13,776.30	$526,446.91
November, "	155,981.92	275,558.61	4,460.26	10,761.83	12,784.26	459,546.88
December, "	154,164.11	243,976.13	4,460.26	10,961.90	16,307.56	429,869.96
January, 1889	143,799.92	233,314.05	4,460.24	11,526.74	19,472.48	412,573.43
February, "	142,327.83	210,535.93	4,460.26	11,621.14	16,768.27	385,713.43
March, "	154,616.47	236,805.93	4,460.26	11,447.75	15,473.55	422,803.96
April, "	163,911.70	230,612.10	4,460.24	11,348.03	11,781.30	422,113.37
May, "	160,509.75	286,096.38	4,460.26	10,503.90	14,453.49	476,023.78
June, "	154,601.73	289,433.26	4,460.26	17,021.48	14,363.44	479,880.17
July, "	180,295.44	283,317.70	4,460.24	10,960.53	13,035.31	492,069.22
August, "	201,385.88	298,722.08	5,235.57	18,642.13	13,457.45	537,443.11
September, "	190,477.88	288,828.41	5,077.15	13,974.90	20,565.27	518,923.61
Total, 1889 . .	$1,979,524.80	$3,196,851.36	$54,915.24	$149,877 75	$182,238.68	$5,563,407.83
Total, 1888 . .	1,768,814.57	3,137,845.12	53,523.04	132,414.04	175,811.07	5,268,407.84
Increase . .	$210,710.23	$59,006.24	$1,392.20	$17,463.71	$6,427.61	$294,999.99
Decrease . .	. . . .	. . . .	. . . .	. . . .	. . . .	. . . .

SCHEDULE D.

EXPENSES FOR THE FISCAL YEAR ENDING SEPT. 30, 1889.

OPERATING EXPENSES.

Months.	Con. Trans. Passen'r.	Con. Trans. Freight.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	General Expenses.	Hudson Riv. Trans	Total Oper. Expenses.
Oct. 1888	$40,977.53	$79,781.20	$42,429.71	$104,910.33	$28,217.93	$10,449.48	$4,430.87	$311,197.05
Nov. "	40,238.63	82,528.23	40,167.02	100,448.50	23,028.19.	10,198.37	4,123.55	300,732.49
Dec. "	37,684.56	86,047.21	32,547.26	106,950.51	30,684.77	9,555.95	3,784.05	307,254.31
Jan. 1889	38,978.14	86,487.00	34,156.73	105,142.95	33,078.30	13,476.90	4,846.49	316,166.51
Feb. "	34,782.35	71,767,16	27,556.60	85,356.54	25,926.78	12,096.12	4,696.21	262,181.76
Mar. "	36,870.77	76,602.07	32,994.66	98,054.50	28,155.40	14,964.93	4,411.27	292,053.60
Apr. "	34,337.11	76,809.68	41,491.20	93,626.08	34,049.11	11,642.95	4,320.63	296,276.76
May "	35,412.69	84,270.75	82,430.11	103,384.02	33,262.83	13,649.32	4,862.91	357,272.63
June "	36,443.50	80,597.90	82,151.18	98,771,84	27,374.44	11,314.55	3,982.33	340,635.74
July "	40,440.10	84,043.89	65,732.92	105,489.77	38,987.71	11,956.64	3,913.75	350,564.78
Aug. "	37,387.42	88,681.23	57,030.77	106,539.29	38,289.38	9,847.84	4,566.95	342,342.88
Sept. "	45,437.19	81,160.69	8,547.65	79,345.75	10,694.85	13,103.17	3,814.45	242,103.75
Total, 1889	$458,989.99	$978,777.01	$547,235.81	$1,188,020.08	$351,749.69	$142,256.22	$51,753.46	$3,718,782.26
Total, 1888	414,670.11	891,538.09	636,691.89	1,094,597.86	300,168.26	111,777.69	61,646.33	3,511,090.23
Increase	$44,319.88	$87,238.92	. . . .	$93,422.22	$51,581.43	$30,478.53	. . . .	$207,692.03
Decrease	. . . .	. . . .	$89,456.08	. . . .	. . . .	. . . .	$9,892.87	. . . .

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES IN DETAIL FOR THE YEAR ENDING SEPTEMBER 30, 1889.

SOURCE OF EARNINGS.			
Passenger		$1,979,524 80	
Freight		3,196,851 36	
Mail		54,915 24	
Express		149,877 75	
Miscellaneous:			
Rents	$54,417 30		
Wharves and Docks	38,077 23		
Switching, Storage, etc.	72,875 13		
Boston Grain Elevator	11,219 86		
Sundry Items	5,649 16		
		182,238 68	
Gross Earnings			$5,563,407 83
Income from other sources:			
Boston Harbor Transfer		$3,699 20	
			3,699 20
Total Income			$5,567,107 03
OPERATING EXPENSES.			
Conducting Transportation — Passenger.			
General Passenger Agent and Clerks	$14,435 46		
Superintendence	6,547 53		
Clerks	9,677 87		
Stationery and Printing	15,507 53		
Foreign Agencies	2,197 96		
Advertising	22,629 64		
Rent of Depot Grounds and B'ld'ngs	38,284 48		
Repairs of Stations	14,688 94		
Oil and Waste for Cars	2,693 39		
Conductors, Baggagemen & Brakemen	121,068 30		
Mail Expense	2,210 45		
Train Expense	14,004 52		
Fuel and Lights for Cars	8,323 95		
Hire of Cars	2,753 34		
Telegraph Expense	18,163 01		
Loss and Damage to Baggage	79 50		
Loss and Damage to Property	2,796 07		
Personal Injuries	6,767 52		
Station Agents	39,094 74		
Switchmen and Yardmen	30,368 04		
Cleaning and Inspecting Cars	42,940 93		
Labor at Stations	21,212 04		
Expense of Stations	8,243 59		
Fuel and Lights for Stations	10,303 90		
Wrecking	581 56		
Stock Killed	263 66		
Watchmen	1,266 50		
Signals	1,885 57	$458,989 99	
Amounts carried forward,		$458,989 99	$5,567,107 03

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward.....	....	$458,989 99	$5,567,107 03
Conducting Transportation — Freight.			
General Freight Agent and Clerks.	$ 46,944 61		
Superintendence.....	8,661 24		
Clerks.....	96,519 48		
Stationery and Printing.....	19,764 73		
Foreign Agencies.....	8,586 47		
Advertising	362 12		
Rent of Depot Grounds and B'ld'ngs	2,334 38		
Repairs of Stations.....	18,684 59		
Oil and Waste for Cars.....	4,179 28		
Conductors and Brakemen.....	190,351 42		
Train Expense.....	10,973 89		
Fuel and Lights for Cars.....	2,771 34		
Hire of Cars.....	35,930 85		
Telegraph Expense.	37,839 09		
Loss and Damage to Freight.....	13,052 49		
Loss and Damage to Property	4,030 95		
Personal Injuries.....	6,133 51		
Station Agents.....	51,414 97		
Switchmen and Yardmen.....	121,389 79		
Oiling and Inspecting Cars.....	21,361 29		
Labor at Stations.....	197,238 13		
Expense of Stations.....	22,008 81		
Fuel and Lights for Stations.....	7,242 07		
Wrecking....	7,859 14		
Watchmen.....	7,742 81		
Stock Killed.....	266 00		
Boston Grain Elevator.....	10,955 34		
Wharves and Docks—Repairs of..	4,201 96		
" " —Expenses of.	8,542 17		
Dorrance Street Wharf and Track.	8,385 13		
Signals.....	3,048 96		
		978,777 01	
Maintenance of Way.			
Superintendence.....	$ 15,507 05		
Clerks.....	4,369 35		
Labor Repairing Track.....	282,072 88		
Frogs.....	3,742 34		
Switches.....	7,277 21		
Spikes	4,166 68		
Splices and Bolts.....	5,318 14		
Repairs Hand Cars..... ...	2,569 12		
Tools and Repairs of	6,197 72		
Watchmen.....	8,295 07		
Railroad Crossings.....	602 42		
Oil, Fluid and Tallow.....	1,352 52		
Steel Rails.....	8,970 97		
Iron Rails.....	150 81		
Cross Ties (246,414).....	96,352 23		
Switch Ties.....	8,893 27		
Repairs of Bridges—Labor.....	33,775 27		
Amounts carried forward,....	$489,613 05	$1,437,767 00	$5,567,107 03

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES.—*Continued.*

Amounts brought forward....	$489,613 05	$1,437,767 00	$5,567,107 03
Maintenance of Way—Continued.			
Repairs of Bridges, Material.....	24,840 41		
Culverts and Cattle Guards.....	6,812 13		
Highway Crossings and Fences....	20,665 08		
Telegraph Repairs.....	318 09		
Section and Watch Houses.....	794 76		
Stationery and Printing.....	75 73		
Repairs of Tenement Buildings...	1,184 53		
Removing Snow and Ice.....	2,932 03		
		547,235 81	
Motive Power.			
Superintendence	$ 5,384 71		
Clerks	6,674 16		
Stationery and Printing.....	978 91		
Repairs to Eng. H'ses & Mac. Shops	11,411 73		
Repairs to Passenger Locomotives..	99,617 11		
Repairs to Freight " ..	134,774 59		
Coal for Passenger " ..	180,965 74		
Coal for Freight " ..	307,913 72		
Wood for Passenger " ..	355 98		
Wood for Freight " ..	756 22		
Oil and Waste for Pass. " ..	5,772 92		
Oil and Waste for Freight " ..	7,098 36		
Cleaning Passenger " ..	14,444 29		
Cleaning Freight " ..	13,615 99		
Repairs of Tools and Machinery...	29,582 12		
Fuel and Lights for E. H. & M. S..	13,998 50		
Water Station Expense.....	29,013 10		
Passenger Engineers and Firemen.	111,376 21		
Freight " "	169,816 79		
Sand for Engines.....	2,341 46		
Watchmen	14,122 73		
Fuel Stations —Fixtures and Repairs	2,701 32		
Laborers	25,303 42		
		1,188,020 08	
Maintenance of Cars.			
Superintendence.....	$ 3,141 41		
Clerks	2,583 35		
Stationery and Printing.....	460 42		
Repairs, Car Shops and Sheds....	4,084 88		
Repairs to Pass. and Baggage Cars.	117,953 22		
Repairs to Sleeping Cars.....	433 28		
Repairs to Freight Cars.....	183,504 90		
Repairs to Pay Car.....	271 09		
Fuel and Lights for Car Shops....	8,251 34		
Repairs, Tools and Machinery....	14,333 53		
Watchmen.....	1,433 62		
Laborers	15,298 65		
		351,749 69	
Amounts carried forward,....	.....	$3,524,772 58	$5,567,107 03

SCHEDULE E.

STATEMENT OF EARNINGS AND EXPENDITURES—*Concluded.*

Amounts brought forward		$3,524,772 58	$5,567,107 03
General Expenses.			
Salaries and Exp. of Gen'l Officers.	$44,185 07		
Clerks at General Offices	26,087 98		
Attendants at General Offices	2,845 87		
Legal Expenses	38,621 32		
Stationery and Printing	9,561 03		
Expenses at General Offices	4,686 02		
Rent of General Offices	3,639 78		
Fuel and Lights for General Offices	1,584 19		
Repairs of General Offices	1,941 57		
Pay Trip Expenses	6,655 86		
Postage	2,298 99		
Discount and Interest	5 00		
Advertising	143 54		
		142,256 22	
Hudson River Transfer.			
Hull and Upper Works	$ 3,542 66		
Boilers and Machinery	2,765 01		
Landing Bridge, Racks and Fenders	4,449 05		
Transportation Expenses	40,996 74		
		51,753 46	
			3,718,782 26
Total Net Income			$1,848,324 77
CHARGES AGAINST INCOME.			
Taxes		$238,789 89	
Insurance		12,850 97	
Rent of other Roads:			
Newburgh, D. & Conn.	$ 58,102 25		
Rhode Island & Mass.	20,000 00		
Boston & Albany	5,000 00		
Rockville	4,645 61		
M. & W. and M. F. & P.	11,807 89		
New London Northern	39,785 00		
Norwich & Worcester			
Corp. Expenses, $ 5,407 37			
Interest 30,100 00			
Dividends 208,424 00			
	243,931 37		
		383,272 12	
Interest:			
On Boston Terminal Lands	$ 76,102 06		
" First Mortgage Bonds	660,000 00		
" Second " "	270,060 00		
Car Trust and Miscellaneous	6,971 11		
		1,013,133 17	
Dividends declared:			
Div. No. 7 on $2,400,000 preferred stock, less accrued interest credited, $2,527.77	$ 81,472 23		
Div. No. 8 on $2,666,800 preferred stock, less accrued interest credited, $4,468.74	88,869 26		
		170,341 49	1,818,387 64
Surplus			$29,937 13

SCHEDULE F.

STATEMENT SHOWING EARNINGS AND OPERATING EXPENSES FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1889, AFTER REDUCING SAME TO PASSENGER AND FREIGHT.

Apportionment.	EARNINGS.					
	Passenger.	Freight.	Mail.	Express.	Miscellan's.	Total.
Pass. Earnings..	$1,979,524 80		$54,915 24	$149,877 75	$58,696 32	$2,243,014 11
Freight " ..		$3,196,851 36			123,542 36	3,320,393 72
Total.....	$1,979,524 80	$3,196,851 36	$54,915 24	$149,877 75	$182,238 68	$5,563,407 83

	OPERATING EXPENSES.						
	Transportat'n Department.	Maintenance of Way.	Motive Power.	Maintenance of Cars.	Gen. Exp's.	H. River Transfer.	Total.
Pass....	$458,989 99	$222,123 02	$489,712 98	$127,211 42	$57,357 71	$3,607 22	$1,359,002 34
Frt.	978,777 01	325,112 79	698,307 10	224,538 27	84,898 51	48,146 24	2,359,779 92
Total.	$1,437,767 00	$547,235 81	$1,188,020 08	$351,749 69	$142,256 22	$51,753 46	$3,718,782 26

Gross Passenger Earnings		$2,243,014 11
" " Expenses		1,359,002 34
Net Passenger Earnings		$884,011 77
ross Freight Earnings	$3,320,393 72	
" " Expenses	2,359,779 92	
Net Freight Earnings		960,613 80
Total Net Earnings		$1,844,625 57

SCHEDULE G.

COMPARISON WITH PREVIOUS YEAR OF EARNINGS, EXPENSES AND BUSINESS.

	Year Ending Sept. 30, 1889.	Year Ending Sept. 30, 1888.
Miles of Road Operated	463.85	467.30
Earnings, per mile of road, Passenger	$ 4,245.53	$ 3,785.18
" " " Freight	$ 6,508.63	$ 6,397.21
" " " Mail	$ 118.39	$ 114.54
" " " Express	$ 316.48	$ 283.36
" " " Miscellaneous	$ 392.87	$ 376.22
Gross Earnings per mile of road	$11,581.90	$10,956.51
Expenses, per mile of road, Passenger	$ 989.52	$ 887.37
" " " Freight	$ 2,110.12	$ 1,907.85
" " " Maintenance of Way	$ 1,179.77	$ 1,362.49
" " " Motive Power	$ 2,561.21	$ 2,342.39
" " " Maintenance of Cars	$ 758.33	$ 642.34
" " " General Expenses	$ 306.68	$ 239.20
Operating Expenses per mile of road	$ 7,905.63	$ 7,381.64
Net Earnings " "	$ 3,676.27	$ 3,574.87
Revenue Passenger train miles run	1,957,204	1,712,853
Earnings per train miles run, Passenger	$ 1.006	$ 1.033
" " " Mail	$ .028	$ .031
" " " Express	$ .075	$ .077
" " " Miscellaneous	$ .030	$ .028
Gross Passenger Earnings per train miles run	$ 1.139	$ 1.169
" " Expenses " "	$ .692	$ .70
Net " Earnings " "	$ .447	$ .469
Revenue Freight train miles run	1,631,230	1,498,991
Freight Earnings per train miles run	$ 1.851	$ 1.994
Miscellaneous Earnings per train miles run	$ .075	$ .085
Total Freight " "	$ 1.926	$ 2.079
Freight Expenses " "	$ 1.417	$ 1.501
Net Freight Earnings " "	$ .509	$ .578
Total Revenue train miles	3,588,434	3,211,844
Gross Earnings per train mile	$ 1.497	$ 1.59
Operating Expenses per train mile	$ 1.022	$ 1.07
Net Earnings per train mile	$ .475	$ .52
Number Local Passengers carried	6,881,454	6,158,868
" Through " "	778,780	693,511
Total Number " "	7,660,234	6,852,379
" " " " one mile	97,401,960	83,319,203
Number of Tons of Local Freight carried	850,630	888,830*
" " Through " "	1,866,474	1,757,956*
Total Number of Tons Freight	2,717,104	2,646,786*
" " " " carried one mile	234,699,067	219,511,571*
Earnings per Passenger, including Mail, Express and Miscellaneous	$ .292	$ .292*
Expenses per Passenger	$ .177	$ .175*
Net Earnings per Passenger	$ .115	$ .117*
Earnings per Ton, including Miscellaneous	$ 1.222	$ 1.233*
Expenses "	$ .868	$ .873*
Net Earnings "	$ .354	$ .360*

* Includes Hudson River Transfer. See note, page 48.

SCHEDULE G.

COMPARISON WITH PREVIOUS YEAR, ETC.—*Concluded.*

	Year Ending Sept. 30, 1889.	Year Ending Sept. 30, 1888.
Percentage of Operating Expenses to Gross Earnings	66.85 %	66.64 %
Percentage of Passenger Expenses to Passenger Earnings	60.58 %	59.86 %
Percentage of Freight Expenses to Freight Earnings	71.06 %	70.80 %
Earnings per Passenger	$ .258	$ .258
" " " per mile	$ .0202	$ .0211
Earnings, including Mail, Express and Miscellaneous, per Passenger	$ .292	$ .292
Earnings, including Mail, Express and Miscellaneous, per Passenger per mile	$ .023	$ .024
Expenses per Passenger	$ .177	$ .175
" " " per mile	$ .0140	$ .0144
Average distance travelled per Passenger	12.64	12.16
Earnings, per Ton	$ 1.176	$ 1.198 *
" " per mile	$ .0136	$ .0143*
Earnings, including Miscellaneous, per Ton	$ 1.222	$ 1.233 *
" " " " per mile	$ .01414	$ .01483*
Expenses per Ton	$ .868	$ .873 *
" " per mile	$ .0101	$ .0105*
Average distance each Ton is carried	86.38	82.93 *
Number of Locomotives in service	180	166
Mileage of Passenger Locomotives	1,965,369	1,717,914
Expenses per mile of Passenger Locomotives	$ .2113	$ .2011
Mileage of Freight Locomotives	1,640,563	1,503,888
Expenses per mile of Freight Locomotives	$ .3036	$ .3063
Total Mileage of all kinds of Locomotives	4,548,784	4,237,556
Average Expenses per mile of all Locomotives, including Switch, Work, and Miscellaneous Service	$ .2416	$ .2356

* Includes Hudson River Transfer. See note, page 48.

SCHEDULE H.

PASSENGER STATISTICS.

EARNINGS AND COST PER PASSENGER PER MILE.

	1889. Cents.	1888. Cents.	Decrease.	Per Cent.
Local	1.95	2.03	.08	3.93
Foreign	2.19	2.38	.19	7.98
Average earnings	2.02	2.11	.09	4.26
Average cost	1.40	1.44	.04	2.78
Net	.62	.67	.05	7.46

AVERAGE TRIP PER PASSENGER.

	1889. Miles.	1888. Miles.	Increase or Decrease.	Per Cent.
Local Passengers	10.39	10.36	Inc. .03	Inc. .29
Foreign Passengers	32.59	28.05	Inc. 4.54	Inc. 16.19
Average	12.64	12.16	Inc. .48	Inc. 3.95
Aver. no. of pass. per car	13.11	13.32	Dec. .21	Dec. 1.57
" " " " tr'n	49.48	48.64	Inc. .84	Inc. 1.73

NUMBER OF PASSENGERS CARRIED.

	1889.	1888.	Increase.	Per Cent.
Local	6,881,454	6,158,868	722,586	11.73
Foreign	778,780	693,511	85,269	12.30
Total	7,660,234	6,852,379	807,855	11.79

PASSENGER MILEAGE.

	1889.	1888.	Increase.	Per Cent.
Local	71,477,393	63,864,714	7,612,679	11.92
Foreign	25,924,567	19,454,489	6,470,078	33.26
Total	97,401,960	83,319,203	14,082,757	16.90

REVENUE.

	1889.	1888.	Increase.	Per Cent.
Local	$1,394,535.58	$1,293,601.52	$100,934.06	7.80
Foreign	568,622.89	462,937.41	105,685.48	22.83
Total	$1,963,158.47	$1,756,538.93	$206,619.54	11.76

SCHEDULE I.

FREIGHT STATISTICS.

	TONNAGE.				Per Cent.	
	1889.	1888.	Increase.	Decrease	Inc.	Dec.
Local	850,630	888,830		38,200		4.29
Through	1,866,474	1,757,956	108,518		6.17	
Total	2,717,104	2,646,786	70,318		2.66	

TONS CARRIED ONE MILE.

	1889.	1888.	Increase.	Decrease	Inc.	Dec.
Local	37,076,688	36,414,042	662,646		1.82	
Through	197,622,379	183,097,529	14,524,850		7.93	
Total	234,699,067	219,511,571	15,187,496		6.92	

REVENUE.

	1889.	1888.	Increase.	Decrease.	Inc.	Dec.
Local	$1,069,329.82	$1,126,795.22		$57,465.40		5.09
Through	2,127,521.54	2,011,049.90	$116,471.64		5.79	
Total	$3,196,851.36	$3,137,845.12	$ 59,006.24		1.88	

EARNINGS AND COST PER TON PER MILE.

	1889.	1888.	Increase.	Decrease	Inc.	Dec.
	Cents.	Cents.	Cents.	Cents.		
Local	2.88	3.09		.21		6.78
Through	1.08	1.09		.01		.92
Avg. Earnings	1.36	1.43		.07		4.90
" Cost	1.01	1.05		.04		3.81
Net	.35	.38		.03		7.89

NOTE.—The figures given under Local Freight in former reports include the tonnage and revenue of freight interchanged with New England roads. The above table shows under the same head only the purely local business of the Company, the figures for the year ending September 30, 1888, having been revised and put upon the same basis as those for the current year, for comparison.

The through tonnage carried one mile, as shown above, includes a constructive mileage allowance of 25 miles for all freight transferred between Newburgh and Fishkill-on-Hudson.

SCHEDULE J.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1889.

Curtis Wharf Property		$155,000 00
Right of Way and Depot Grounds		10,944 73
Improvements at So. Boston Flats	$4,984 78	
Improvements of Boston Terminal	14,430 42	
Freight House, Curtis Wharf	8,267 79	27,682 99
Iron Shed and Store Room, Norwood	$ 609 41	
Rebuilding and extending Erecting Shop, Norwood	3,215 42	
Extending Engine Room, Norwood	1,390 56	
Shaving House, Norwood	1,413 15	6,628 54
Machine Shops and Engine House, East Hartford	$7,033 87	
Engine and Machinery for New Shops, East Hartford	4,812 87	
New Transfer Table, East Hartford	1,010 14	
Well and Pump, East Hartford	1,895 45	14,752 33
New Shop Tools and Machinery		27,013 10
Asylum Street Improvement, Hartford	$62,189 09	
Street Crossings, Waterbury	47 00	
Black Rock Crossing, New Britain	972 63	63,208 72
New Sidings	$16,592 29	
New Cross-overs	437 98	
New Transfer Tracks, Hartford	132 09	
New Shop Tracks, East Hartford	820 80	
New Engine Tracks, Hopewell	147 00	
Housatonic R. R. Connection, Danbury	487 02	18,617 18
New Culverts	$ 471 70	
Hop Brook Trestle, Filling	8,707 74	
Hockanum Bridge	39 59	
Morse Street Bridge, Putnam	3,974 67	
Bridge No. 55, west of Willimantic	102 88	
Transfer Bridge, Fishkill	304 87	
Bridge No. 11, River Street	7 00	
Bridge No. 70, Elmwood	350 94	
Guard Rails for Bridges	3,773 07	
	$17,732 46	
Less Credits on account of renewals to Fishkill Trestle	1,240 13	16,492 33
Freight House, Manchester	$ 139 95	
Freight House, Cranston	13 48	
Freight Station, Terryville	204 17	
Freight Office, Providence	147 03	
Repaving Yard, Providence	2,066 63	
Yard Master's Office, East Hartford	730 09	
Baggage House, Willimantic	696 83	
Freight Platform, Hawleyville	793 55	
Amounts carried forward,	$4,791 73	$340,339 92

SCHEDULE J.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1889.—*Concluded.*

Amounts brought forward.....	$4,791 73	$340,339 92
Passenger Station, Hyde Park.....	3,747 00	
	$8,538 73	
Less Credit to Freight House, Manchester.....	833 11	7,705 62
Track Scales.....		5,944 36
Safety Gates.....		252 52
Fences.....		3,369 11
Signals.....		4,881 42
Retaining Wall, New Britain.....		1,555 80
Water Tank, Plainville.....	$32 63	
Water Tank, East Hartford.....	6 65	
		39 28
Coal Platform, Willimantic.....	$1,723 74	
Coal Bin, Hopewell.....	1,387 42	
Coal Bin, Waterbury.....	234 39	3,345 55
Addition to General Offices.....		419 39
Pile Driver Float.....		2,212 02
Increase in weight of Steel Rails.....		8,762 13
Miscellaneous Improvements.....		1,090 44
		$379,917 56
Less credits:		
Change of Line, Brewsters.....	$1,558 88	
Material removed from Bridge Hill Branch..	2,968 67	
Material removed from old siding at Water Shops, Springfield.....	144 83	4,672 38
		$375,245 18
Equipment:		
10 New Locomotives.....	$108,638 08	
Improvements to Locomotives.....	18,000 00	$126,638 08
29 Passenger Coaches.....	$146,572 04	
4 Parlor Cars.....	41,271 79	
7 Baggage Cars.....	20,014 09	
Improvements to Passenger Cars.....	23,454 70	231,312 62
50 Dump Cars.....	$ 9,597 11	
98 Gondola Cars.....	43,577 04	
1 Box Car.....	430 00	
1 Caboose Car.....	507 17	
Dowling Couplers.....	1,275 00	
	$55,386 32	
Less credit for changing brakes on Express Cars, charged last year.....	1,040 43	54,345 89
Total Equipment.....		$412,296 59
Total Improvement Expenditures.....		$787,541 77

FIFTEENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK & NEW ENGLAND

RAILROAD COMPANY

MADE AT THE ANNUAL MEETING,

1890

TUESDAY, MARCH 10, 1891.

BOSTON:
H. G. COLLINS, PRINTER,
15 MILTON PLACE.

FIFTEENTH ANNUAL REPORT

TO THE

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BOSTON:
H. G. COLLINS, PRINTER,
15 MILTON PLACE.

DIRECTORS.

J. A. BOSTWICK,	New York,	N. Y.
THOMAS RUTTER,	" "	"
JOHN L. MACAULAY,	" "	"
SIDNEY DILLON,	" "	"
HENRY HENTZ,	" "	"
ALEXANDER E. ORR,	" "	"
E. V. CARY,	" "	"
WM. A. HASKELL,	Boston,	Mass.
CHARLES A. SINCLAIR,	"	"
EUSTACE C. FITZ,	"	"
CHARLES HOWARD,	"	"
JONAS H. FRENCH,	"	"
CHARLES A. PRINCE,	"	"
NICHOLAS SHELDON,	Providence,	R. I.
B. F. VAUGHAN,	"	"
JAMES L. HOWARD,	Hartford,	Conn.
DAVID S. PLUME,	Waterbury,	"
GEO. M. LANDERS,	New Britain,	"
ARTHUR SEWALL,	Portland,	Me.

OFFICERS.

J. A. BOSTWICK,
President.

WM. A. HASKELL,
Vice-President.

CHARLES HOWARD,
General Manager.

JAS. W. PERKINS,
Secretary.

E. V. CARY,
Assistant Secretary.

GEO. B. PHIPPEN,
Treasurer.

LEGAL DEPARTMENT.

CHAS. A. PRINCE,
General Counsel.

R. D. WESTON SMITH,
Assistant Counsel.

ACCOUNTING DEPARTMENT.

W. H. DUDLEY,
Auditor.

B. F. CASH,
Assistant Auditor.

TRAFFIC DEPARTMENT.

GEO. F. RANDOLPH,
General Freight Agent.

C. H. GOODRICH,
Asst. Gen. Freight Agent.

H. HYDE,
Division Freight Agent.

C. M. BOWMAN,
" " "

GEO. A. HARRIS,
" " "

SAMUEL FINLAY,
Travelling Freight Agent.

E. A. GORDON,
" " "

TRAFFIC DEPARTMENT.—*Continued.*

A. C. KENDALL,
General Passenger Agent.

E. R. FULLER,
Genl. Agt. & Genl. Baggage Agt.

W. R. BABCOCK,
Genl. Western Passenger Agent.

FRANK N. MCCLURE,
General Agent.

TRANSPORTATION DEPARTMENT.

D. H. NICHOLS,
General Superintendent.

C. N. CHEVALIER,
Superintendent Eastern Division.

R. B. WILLIAMS,
Superintendent Western Division.

L. W. PALMER,
Supt. Providence Division.

E. H. TUCKER,
Supt. Woonsocket Division.

P. ST. M. ANDREWS,
Supt. Norwich & Worcester Div.

ALBERT GRIGGS,
Superintendent Motive Power.

L. B. BIDWELL,
Chief Engineer.

SAMUEL LETCHWORTH,
General Road Master.

G. L. LANG,
Superintendent of Telegraph.

W. H. BOSS,
Car Service Agent.

R. E. ROCKWELL,
Purchasing Agent.

M. M. WHITTEMORE,
Treasurer N. & W. Division.

I. W. FOSTER,
Paymaster.

C. H. DENT,
Agent Freight Terminals.

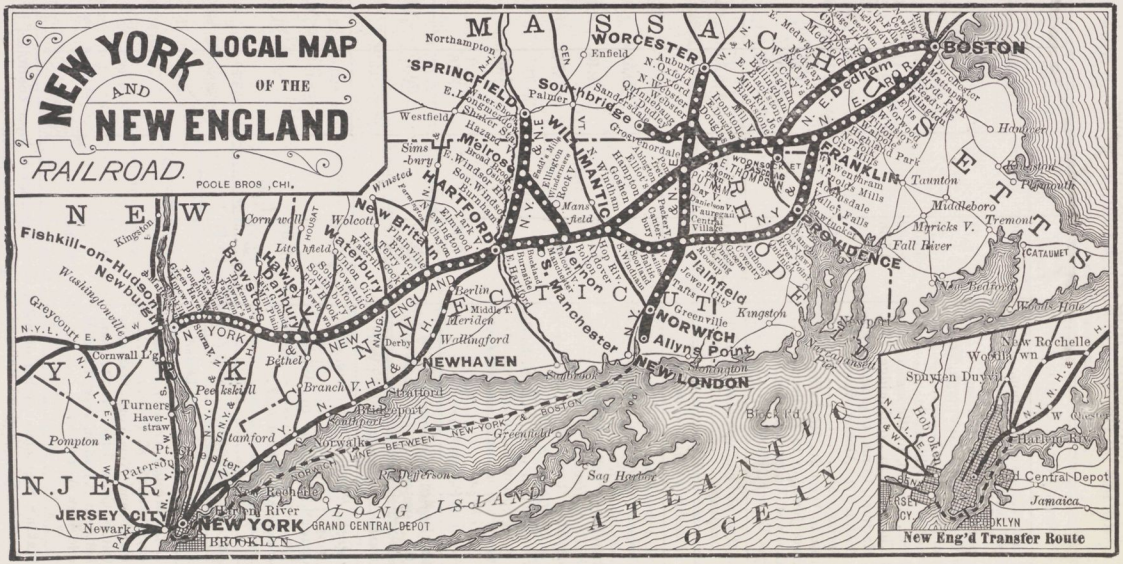
RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE NEW YORK & NEW ENGLAND RAILROAD COMPANY.

LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction.....	214.96	108.82	108.25	432.03
(Hopewell Junction to Wicopee owned by N. D. & C. R. R. Company.)				
Wicopee to Fishkill Landing.....	1.71		5.86	7.57
Fishkill Landing to Newburgh, Transfer Boat.....	.79			.79
Providence to Willimantic	58.32		16.76	75.08
Cook St., Newton, to Woonsocket...	28.62		6.11	34.73
East Thompson to Southbridge.....	17.36		2.65	20.01
East Hartford, Conn., to junction with Boston & Albany R. R., in Springfield.....	27.48		4.11	31.59
Melrose to West St., Rockville.....	7.22		.24	7.46
Dedham Junction to Dedham.....	2.90		1.86	4.76
Dorrance St. Track, Providence.....	.62		.03	.65
Freight Branch, Hartford.....	.67		.98	1.65
Total owned and operated by the Company.....	360.65	108.82	146.85	616.32
LEASED BY THE COMPANY.				
Norwich & Worcester R. R.				
Worcester to Allyn's Point.....	66.16		22.53	88.69
R. I. & M. R. R.				
Franklin to Valley Falls.....	13.60		1.46	15.06
Rockville Railroad.				
Vernon to Rockville	4.43		.75	5.18
Boston & Albany R. R.				
From junction of N. Y. & N. E. R. R. to Spring St., in Springfield..	1.20		1.20	2.40
Milford & Woonsocket, and M. F. & P. Railroads.				
Franklin to Ashland.....	19.97		3.16	23.13
Total Leased Lines operated by the Company.....	105.36		29.10	134.46
RUNNING ARRANGEMENTS OVER:				
Newburgh, Dutchess & Connecticut R. R.				
Hopewell Junction to Wicopee Junction	10.95			
New London Northern R. R.				
Norwich to New London.....	13.50			
Total	24.45			
CONTROLLED THROUGH LEASE.				
Controlled through Lease of Norwich & Worcester R. R......				
Norwich and New York Transportation Co.'s Line of Steamers between Norwich, New London and New York.....	125.00			

Making the total number of miles of transportation lines controlled by the New York & New England Railroad Company, 615.46 miles.


NEW YORK AND NEW ENGLAND
LOCAL MAP OF THE RAILROAD.
POOLE BROS., CHI.
MASSACHUSETTS
NEW YORK
CONNECTICUT
RHODE ISLAND
NEW JERSEY
ATLANTIC OCEAN
LONG ISLAND
BOSTON
WORCESTER
SPRINGFIELD
HARTFORD
NEW BRITAIN
WILLIMANTIC
NORWICH
NEW LONDON
NEWHAVEN
FRANKLIN
PROVIDENCE
Dedham
Southbridge
Melrose
Waterbury
Hawley
Brewster
Fishkill-on-Hudson
Newburgh
Pompton
Turners
Peekskill
Stamford
Norwalk
Bridgeport
Stratford
Wallingford
Meriden
Berlin
Manchester
Hartford
Plainfield
Allyns Point
Greenville
Kingston
Taunton
Middleboro
Fall River
Tremont
Mericks V.
Woods Hole
New Rochelle
Spuyten Duyvil
Harlem River
Central Depot
Jamaica
BROOKLYN
JERSEY CITY
Newark
Harlem River
New York
GRAND CENTRAL DEPOT
Sag Harbor
Greenfield
Sandbrook
Stonington
Norwich
Hoboken
New Eng'd Transfer Route

FIFTEENTH ANNUAL REPORT.

To the Stockholders of the New York & New England Railroad Company:

GENTLEMEN, — Your Board of Directors begs to submit to you herewith a report of the operations of the road for the fifteen months ending Dec. 31, 1890.

We take pleasure in stating that many improvements have been undertaken since the presentation of our last report, which have resulted in diminishing the operating expenses as well as increasing the earning capacity of your lines, by affording better facilities for the handling of traffic, and thereby attracting to your property business which otherwise would have sought other channels. The physical condition of your property is now better than ever before, and is fully up to the standard of what a first-class railroad ought to be.

The rolling stock and motive-power of your company have been fully maintained, and many additions have been made thereto.

Your Board regrets to report a tendency to decreasing rates for the transportation of freight and passengers, and the lower rates, as compared with those obtained in former years, which have prevailed for the transportation of freight for the past twelve months, have made serious inroads on your revenue; and although in addition to this your officers have had to contend with the competition of newly established lines, the earnings of the company have shown a very gratifying increase.

A new contract has been made during the past year for the operation of the cars of the Pullman Palace Car Company over your lines, and new cars built by the said company have also been purchased to be operated on the New England Limited train. It is believed that this arrangement will result largely in increasing the passenger returns.

Your Board takes pleasure in calling your attention to the steady increase in the earning capacity of your lines, and to the numerous improvements they have thereby been enabled to make, all of which demonstrates that your interests are being carefully looked after by the officers intrusted with the management of your property, and it has resulted in creating a feeling of confidence and a belief that the future of your company will be prosperous.

While we have had accidents incident to the management of all railroads, we are pleased to state that no serious casualties have occurred during the past year, and your Board believes that the thanks of the stockholders are properly due to the officers and employees of the company for the efficient and able manner in which they have seconded the efforts of your Directors in caring for the present and promoting the future welfare of your road.

By order of the Board of Directors,

WM. A. HASKELL,

Vice-President.

GENERAL MANAGER'S REPORT.

To the President and Board of Directors of the New York & New England Railroad Company:

GENTLEMEN,—The annual meeting of this company coming in March, 1891, and the end of the fiscal year having been changed from Sept. 30. to Dec. 31, necessitates a report of the operations of the road for fifteen months.

By a careful examination of the statements annexed, compiled by the Auditor of the company, it will be seen that the period covered has been fairly prosperous, and especially so when the adverse conditions with which the management has had to contend are taken into consideration, which will be referred to more at length later on.

The geographical location of a railroad vitally affects its welfare, and unless fully understood many errors of judgment are liable to be made in its management; and the stockholders should also carefully consider this element in estimating the results that should be obtained by the operation of their property.

The New York & New England Railroad is so situated as to show beyond question that it is not a road capable of a large local freight business, but must foster that which legitimately belongs to it, and develop its competitive traffic to the utmost. All of the cities tributary to it have also other railroad corporations competing for the business to and from said points, — roads that are well managed, desirous of handling the traffic, and indefatigable in their efforts to obtain it. No management of this road can adopt any iron-clad rule as to what class of business it will handle, but must be ready to concede to the wishes of its patrons all reasonable demands, and furthermore it must keep in accord with its connecting roads.

The New England road, owing to these conditions, must seek to increase its through business to the utmost. When it has developed and increased the capacity of its lines so as to admit of the easy handling of freight, and thereby diminished the expenses usually inci-

dent to the handling of large volumes of traffic, it will be found that this class of business will yield satisfactory profits. It cannot afford to ignore its through traffic, as has been done in the past. By taking this position it would simply reduce its earnings, and that without a corresponding reduction of expenses. The earnings from its local traffic is not a large percentage of the total freight revenue, and it should be stated that while there has been an increase in the through freight, in no way has the local trade been neglected, but strenuous efforts have been made to increase the tonnage at local stations by affording to all patrons good facilities for the transaction of their business.

The local traffic for the twelve months of the calendar year 1890, as compared with a corresponding period of 1889, shows an increase of $66,243.48 as revenue, and an increase of 125,318 tons, which should be satisfactory evidence that cultivation of the local business of the road has not been neglected.

There has been earned for the fifteen months a total revenue of		$7,532,086.02
Operating expenses amounted to		4,947,734.45
Net earnings		$2,584,351.57
Fixed charges	$2,159,577.28	
Dividend on preferred stock	189,000.00	
Accrued dividend on preferred stock for October, November, and December, 1890	47,250.00	2,395,827.28
Surplus		$188,524.29
Boston Harbor transfer		5,822,38
		$194,346.67

Since last May the coal tariff of the road was reduced twenty-five cents per ton, owing to the reductions by other coal-carrying roads in New England of their rates on this commodity, which necessarily reduced the revenue in this item alone during the past eight months, $44,035.07.

The Washington train was diverted from its route via Newburgh in May, thereby depleting the company's passenger revenue nearly $5,000 per month, equal to a reduction of $40,000. Low rates of

freight have also prevailed in other ways, over which the management had no control, and yet, notwithstanding these adverse conditions, the earning capacity of the road has been increased month by month.

The property of the company has been fully maintained, its track, bridges, and in fact its superstructure kept in first-class order, and the expenditures towards such maintenance charged direct to operating expenses.

I have no hesitancy in stating that the track of this road was never in as good condition. There have been placed in the track 271,858 cross-ties. All connections with sidings have been properly tied and put in excellent order; 1,958 tons of new steel rails, of 75 pounds to a yard, have been laid.

In order to keep it in proper shape for the transit of trains, over 250,000 ties and 3,000 tons of heavy steel rails have been ordered for use this coming year. It should be remembered that your property is possessed of many miles of track on its branches over which the traffic is light. Said branches have steel rails thereon, which reduces the percentage needed for renewal.

The purchase of one thousand freight cars as additional equipment, to enable the road to more expeditiously handle its increasing business and materially assist the freight department in obtaining traffic, has proved wise. This equipment was purchased on favorable terms, the payments therefor extending over a period of years.

After being in charge of this property for a few months, I deemed it advisable to suggest that the Providence & Springfield and Woonsocket & Pascoag Railroads be taken into the New York & New England system, which suggestions were acted upon favorably and leases made by the Board of said properties. In my judgment the action taken is to be commended, as it will eventually result in benefit to the property we represent.

By assuming control of the Providence & Springfield Railroad, the situation in Providence has been greatly simplified, and a valuable feeder has been provided, which will increase the revenue to be earned. The extension of the Providence & Springfield road from Pascoag to East Thompson, opens a line between Providence and Worcester that cannot be otherwise than remunerative, and on its completion it will become a source of revenue to the lessee company.

The building of the Woonsocket & Pascoag Railroad completes a line between the Providence & Springfield and the New York & New England, enabling the reaching of a local business on the said

Woonsocket & Pascoag Railroad that will be remunerative and capable of development. In addition to this, it gives a direct entrance to Providence from Boston to this company by its own rails, as well as a new one from Boston to East Thompson. In fact, the control of these two properties gives to the company you represent a position in Rhode Island that cannot be assailed to your disadvantage.

The property account has been increased during the year by the purchase of real estate.

Ten miles and two tenths of new sidings have been constructed.

Extended improvements have been made to the South Boston terminals which will assist materially in diminishing the expense of handling the freight traffic, and which also provide added accommodations which have been very much needed.

The Dedham Branch, extending from Islington to Dedham, was rebuilt during the past season, after being without a track for a number of years, as it was deemed for the best interests of the company that its existence should be recognized by an actually constructed road.

A new landing bridge has been constructed at Fishkill, with the necessary approaches. This bridge is of iron, of the latest improved pattern, and now the company has available for use at all times two landing bridges.

A float capable of carrying seventeen cars has been purchased, and by these outlays at that point the possibility of any interference with the transfer of freight across the river to and from the lines west of the Hudson, either by accident to the steamer "Hart" or to the landing bridge, has been provided for.

There have been built at Fishkill a cement shed and a storehouse for flour, which are proving remunerative to the company, as these improvements create a possibility in the handling of these classes of freight, and controls to a certain extent their shipment. Shippers and consignees are much pleased at these opportunities to store their merchandise while in transit.

Fifteen new locomotives have been purchased and added to the equipment of the company, at an expense of $124,821.36. There has been expended upon the motive-power of the company, in the nature of improvements, the sum of $7,100.57, making a total of $131,921.93.

A new dining-car has been purchased, and there has been more or less labor performed in constructing new passenger cars, the whole amounting to $16,633.91.

A perusal of the property account statement will demonstrate that the other expenditures charged therein are all necessary improvements, and the value of your securities has been increased to an amount fully equal to their cost.

New terminals at Springfield have had to be provided, owing to the expiration of the lease of the Athol road, which was formerly leased of the Boston & Albany Railroad for the purpose of securing an entrance into the city of Springfield. Real estate has been acquired at that point, and when the arrangements now in contemplation are completed, this company will be in a first-class position in Springfield, as it will own its terminals.

Negotiations with the city authorities of Providence for the exchange of land, to provide improved terminal facilities at that point, have proceeded to that extent that there is apparently no doubt but what the final consummation of the arrangements will be made, and in a manner satisfactory to the New York & New England Railroad Company.

The earnings and expenses of the Norwich & Worcester Railroad have been included this year in the general accounts of the company.

The Norwich & New York Transportation Company has been successfully operated, and a dividend of five per cent was declared by the Board of Directors of that company at their last meeting.

In regard to the liabilities, there have been disposed of during the past fifteen months only 332 shares of preferred stock; and while a further issue of 3,000 shares has been authorized, they have not been sold. If this stock should be sold in the market at its intrinsic value, it would about extinguish the entire floating debt of the company.

During the week of the Grand Army celebration in Boston the passenger traffic was exceedingly heavy, and the resources of the road taxed to their utmost capacity, but the trains were all handled with great promptness, and much satisfaction was expressed by the patrons of the road at the arrangements which had been made to provide for their comfort.

There have been built seven caboose cars, eighteen flat cars, twenty-three box cars, nine four-wheel and twenty-two eight-wheel coal cars, and four locomotives, the cost of which has been charged to operating expenses. The equipment of the company has been fully maintained, and is now in good condition.

The average haul per ton the past year was 96.48 miles. The average earnings per ton per mile, 1.186 cents.

Earnings per train mile, $1.429; operating expense per train mile, .962; net, .467.

Rate per passenger per mile, local, 1.95 cents; foreign, 2.07; average rate, 1.98. Average trip per passenger, local, 10.49 miles; foreign, 33.65; average, 12.85 miles.

The total number of local passengers carried during the fifteen months was 9,019,287; through passengers, 1,023,040. Total number of passengers carried, 10,042,327.

There were transported 1,255,979.64 tons of local freight, and 2,716,703.39 tons of through freight; making a total tonnage of 3,972,683.03.

The passenger train mileage was 2,579,252 miles; freight train mileage, 2,482,939 miles.

The percentage of operating expenses to gross earnings was 65.69 per cent, against 66.85 in the year ending Sept. 30, 1889.

I desire to call the attention of the Board to the importance of continuing the line of policy that has been pursued the past year with such favorable results. The New England road needs to be further developed, and by continuing the same methods its future success will be assured. The source of revenue susceptible of the greatest development is its through traffic, and to get the necessary net revenue the facilities of the road should be increased, so that the expenses which are incident to the handling of large amounts of freight may be reduced to the minimum.

All managers of railroads are confronted with a problem, the solving of which is dependent entirely upon their ability to keep rates at a fairly profitable percentage above economic transit. Your management have used every effort to maintain proper figures, so that a suitable remuneration over and above the cost of handling could remain in the company's treasury; and although the statistics herewith submitted show a comparatively lower rate per ton per mile, still the cost of transportation has been decreased in a ratio that leaves to the company a better result than in past years.

All of which is respectfully submitted.

CHARLES HOWARD,

General Manager.

NEW YORK & NEW ENGLAND RAILROAD COMPANY,
AUDITOR'S OFFICE,
BOSTON, MASS., Feb. 19th, 1891.

CHARLES HOWARD, ESQ.,
General Manager.

DEAR SIR,—I herewith present statements showing the operations of the Company for the fifteen months ending December 31st, 1890, and its financial condition on that date:

SCHEDULE A. Profit and Loss account.
" B. Statement of earnings, expenditures and surplus.
" C. Statement of rolling stock equipment.
" D. Statement of new construction and expenses charged to property account.

Yours respectfully,

W. H. DUDLEY,
Auditor.

DR. CONDENSED GENERAL BALANCE SHEET,

	PERMANENT INVESTMENTS.		
To	Railroad Equipment and Property as represented by Boston, Hartford & Erie Railroad Bonds	$20,000,000 00	
"	Expenditures for underlying liens, including payments to obtain possession of Hartford, Providence & Fishkill Railroad	4,496,073 76	
"	Equipment, improvement, and additions to property	8,405,291 57	
"	Equipment purchased through Car Trusts	1,484,928 84	
"	Extension of road west of Waterbury	2,689,217 71	
"	Purchase of South Boston Flats	1,550,390 00	
"	Purchase of Drake's Wharf, Boston	131,000 00	
"	Purchase of Piper's Wharf, Boston	260,000 00	
"	Purchase of Curtis's Wharf, Boston	155,000 00	
"	Cost of Connecticut Central Railroad	290,377 69	
"	Cost of Springfield & New London Railroad	89,492 00	
"	Investment in Stock of New England Terminal Co.	99,900 00	
	Total Cost of Road, Equipment and Other Investments		$39,651,671 57
"	Expenditures undistributed, being principally Taxes now paid, but chargeable in the accounts of the next fiscal year		234,664 94
"	Supplies and Materials on hand, Dec. 31, 1890		396,031 12
	AVAILABLE CURRENT ASSETS.		
"	Due from Agents and Conductors	$524,050 53	
	Due from Companies and Individuals	450,862 01	
"	Cash	245,177 99	
			1,220,090 53
"	Profit and Loss balance (deficit)		302,668 57
			$41,805,126 73

DECEMBER 31, 1890. CR.

CAPITAL STOCK.			
By Common Stock:			
Amount for which certificates have been actually issued	$19,777,000 00		
B. H. & E. R. R. Burdell Bonds, convertible into Stock	223,000 00		
		$20,000,000 00	
" Preferred Stock		2,700,000 00	
			$22,700,000 00
BONDED DEBT.			
" First Mortgage 7% Bonds, due Jan. 1, 1905	$6,000,000 00		
" First Mortgage 6% Bonds, due Jan. 1, 1905	4,000,000 00		
		$10,000,000 00	
" Second Mortgage 6% Bonds, due Aug. 1, 1902	$4,002,000 00		
" Second Mortgage 5% Bonds, due Aug. 1, 1902	998,000 00		
		5,000,000 00	
" Boston Terminal First Mortgage 4% Bonds, due April 1, 1939		1,386,000 00	
			16,386,000 00
REAL ESTATE MORTGAGES.			
" Mortgage Note, Curtis's Wharf, due to Lowell Institution for Savings		$60,000 00	
" Mortgage Note, Curtis's Wharf, due Oct. 1, 1893		80,000 00	
			140,000 00
CONTRACT OBLIGATIONS FOR PURCHASE OF REAL ESTATE AND EQUIPMENT.			
" Balance due on purchase of Piper's Wharf, due March 1, 1893		$200,000 00	
" Balance due for 1,000 Freight Cars purchased		460,910 00	
" Debt for Equipment purchased of Milford & Woonsocket Railroad Co., due Oct. 1, 1892		22,625 00	
			683,535 00
" SUPPLIES TRANSFERRED FROM NOR. & WOR. R. R. Co.			61,422 99
CREDIT BALANCE.			
" Amount received under agreement for contingent rights in Richardson's Wharf			23,500 00
INTEREST ACCRUED.			
" Interest on First Mortgage Bonds, July 1 to Dec. 31, 1890		$330,000 00	
" Interest on Second Mortgage Bonds, Aug. 1 to Dec. 31, 1890		120,841 66	
" Interest on Boston Terminal First Mortgage Bonds, Oct. 1 to Dec. 31, 1890		13,860 00	
" Interest on Mortgage and Contract Indebtedness		4,950 61	
			469,652 27
UNFUNDED DEBT.			
" First and Second Mortgage Bond coupons not yet presented		$2,080 00	
" Notes Payable		342,750 00	
" Unpaid Vouchers		556,109 63	
" Unpaid Pay Roll		39,290 00	
" Due sundry Companies on Traffic Balances and other Accounts		400,786 84	
			1,341,016 47
			$41,805,126 73

W. H. DUDLEY, *Auditor.*

SCHEDULE A.

DR. PROFIT AND LOSS ACCOUNT, NEW YORK AND

To Balance (deficit), Sept. 30, 1889,			$533,764 30
" Operating Expenses, Oct. 1, 1889, to Dec. 31, 1890.....		$4,947,734 45	
" Rent of other Roads, Oct. 1, 1889, to Dec. 31, 1890.....		509,692 44	
" Taxes, Oct. 1, 1889, to Dec. 31, 1890		328,500 00	
" Insurance, Oct. 1, 1889, to Dec. 31, 1890		24,000 00	
" Interest: —			
On First Mortgage Bonds, Oct. 1, 1889, to Dec. 31, 1890:			
$6,000,000.00 @ 7% per annum.... $525,000 00			
$4,000,000.00 @ 6% per annum.... 300,000 00	$825,000 00		
On Second Mortgage Bonds:			
$4,002,000.00 @ 6% per annum.... $300,150 00			
$998,000.00 @ 3% per annum, Oct. 1, 1889, to Jan. 31, 1890.....9,980 00			
@ 5% per annum, Feb. 1, 1890, to Dec. 31, 1890....45,741 66	355,871 66		
On Boston Terminal Bonds: $1,386,000.00 @ 4% per annum,	69,300 00		
On Curtis's Wharf and Piper's Wharf Obligations.....	22,125 00		
On Contract Indebtedness, and Miscellaneous Accounts...	25,088 18	1,297,384 84	
" Dividends declared:—			
Dividend No. 9, Preferred stock, due May 1, 1890, 3½% on $2,700,000.00	$94,500 00		
Dividend No. 10, Preferred Stock, due Nov. 1, 1890, 3½% on $2,700,000 00 ...	94,500 00	189,000 00	
			7,296,311 73
" Worthless balances written off, consisting principally of old uncollectible demurrage charges			14,715 69
			$7,844,791 72

SCHEDULE A.

NEW ENGLAND RAILROAD CO., DECEMBER 31, 1890. CR.

By Gross Earnings, Oct. 1, 1889, to Dec. 31, 1890,	$7,532,086 02	
" Income from Boston Harbor Transfer.....	5,822 38	$7,537,908 40
" Premium on Preferred Stock.....		4,214 75
" Balance (deficit) Dec. 31, 1890.....		302,668 57
		$7,844,791 72

W. H. DUDLEY, *Auditor.*

SCHEDULE B.

EARNINGS, EXPENDITURES, AND SURPLUS FOR THE FIFTEEN MONTHS ENDING DECEMBER 31, 1890.

Earnings:			
Passenger		$2,580,586 92	
Freight		4,484,044 68	
Mail		73,882 06	
Express		173.002 23	
Miscellaneous		220,570 13	
Gross Earnings, 15 months			$7,532,086 02
Operating Expenses:			
Conducting Trans. Passenger		$631,516 79	
Conducting Trans. Freight		1,404,910 79	
Maintenance of Way		628,390 29	
Motive Power		1,670,979 00	
Maintenance of Cars		346,165 74	
General Expenses		188,687 41	
Hudson River Transfer		77,084 43	
Operating Expenses, 15 months (65.69% of gross earnings)			4,947,734 45
Net Earnings, 15 months			$2,584,351 57
Rent of other Roads:			
Newburgh, Dutchess & Conn. R.R.	$91,576 09		
Rhode Island & Mass. R. R.	25,000 00		
Boston & Albany R. R.	6,250 00		
Rockville R. R.	5,704 68		
Milford & Woonsocket and M. F. & P. R. R.	16,260 09		
New London Northern R. R.	50,004 98		
Norwich & Worcester R. R.:			
Corporation Expen's $6,883 22			
Interest 45,983 38			
Dividends 262,030 00			
	314,896 60		
		$509,692 44	
Taxes		328,500 00	
Insurance		24,000 00	
Interest:			
Boston Terminal Lands	$91,424 99		
First Mortgage Bonds	825,000 00		
Second Mortgage Bonds	355,871 66		
Freight Car Equipment purchased	11,522 75		
Miscellaneous Accounts	13,565 44		
		1,297,384 84	
Total Fixed Charges		$2,159,577 28	
Twelve months' Dividend on Preferred Stock, paid		189,000 00	
Total Fixed Charges and Dividends			2,348,577 28
Surplus of Net Earnings over Fixed Charges and Dividends			$235,774 29
Add Income from Boston Harbor Transfer, 15 months			5,822 38
Operating Surplus for 15 months ending Dec. 31, 1890			$241,596 67
Deduct Accrued Dividends for Oct., Nov. and Dec., 1890, on Preferred Stock now outstanding			47,250 00
Net Surplus, 15 months			$194,346 67

SCHEDULE C.

ROLLING STOCK EQUIPMENT, DECEMBER 31, 1890.

Locomotives:		
Passenger	78	
Freight	83	
Switching	30	
Total		191
Cars in Passenger Service:		
First Class	178	
Combination	45	
Dining	3	
Parlor	4	
Baggage, Express, and Postal	29	
Total		259
Cars in Freight Service:		
Box, 8 wheel	2,410	
Box, 4 "	38	
Flat, 8 "	470	
Coal, 8 "	2,254	
Dump, 4 "	770	
Total		5,942
Cars in Company's Service:		
Gravel	11	
Derrick and Tool	13	
Caboose	84	
Pay	1	
Officers'	1	
Total		110
Grand total		6,502

SCHEDULE D.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE FIFTEEN MONTHS ENDING DECEMBER 31, 1890.

Right of Way and Depot Grounds:		
Land at Olneyville, R. I.	$20,711 87	
Land at Waterbury, Conn.	1,257 00	
Sundry Items	1,265 48	
		$23,234 35
Relocation of Station St., Walpole, Mass.		1,300 00
Improvement of Boston Terminals, Curtis's Wharf and So. Boston	$38,622 03	
New Freight Crane and Driveway, So. Boston	6,013 87	
		44,635 90
Improvements at Providence, R. I.		1,697 33
Improvements at Springfield, Mass.		4,787 12
Retaining Wall, New Britain, Conn.		702 82
New Shop, Tools, and Machinery	$3,529 77	
Additions to Shops, Norwood Central	2,427 58	
New Tinsmith's Shop, Putnam, Conn.	670 38	
Well and Pump, East Hartford, Conn.	2,563 90	
		9,191 63
Burnham St. Crossing, Waterbury, Conn	$1,847 29	
Change of Highway Crossings, Osborn and Sadd's Mills, Conn.	112 04	
		1,959 33
New Sidings	$29,995 01	
Coal Trestle and Track, River Street, Mass.	2,403 76	
Coal Trestle, Hyde Park, Mass.	1,304 91	
Extension of Double Track, New Britain, Conn.	3,492 48	
New Cross-overs	1,019 43	
New Shop Tracks, East Hartford, Conn.	449 21	
Improvement of Dedham Branch	6,858 23	
Connection with Woonsocket & Pascoag R. R., Woonsocket, R. I.	428 61	
Change of Line, Brewsters, N. Y.	293 91	
Increased weight of Steel Rails	10,735 70	
		56,981 25
Filling Trestle, Hop Brook, Conn.	$3,952 88	
Filling Trestle, Fishkill-on-Hudson, N. Y.	859 70	
Hockanum Bridge	132 00	
Bridge No. 55, west of Willimantic, Conn.	8,583 73	
Transfer Bridge, Fishkill-on-Hudson, N. Y.	38,035 54	
Bridge No. 4, West Dudley, Mass.	70 08	
Bridge No. 8, Southbridge, Mass.	470 69	
Bridge No. 11, River Street, Mass.	3,538 90	
Guard Rails for Bridges	12,084 02	
		67,727 54
Cement Shed, Fishkill-on-Hudson, N. Y.	$2,531 59	
Storehouse for Flour, " "	5,411 47	
Freight House, Cranston, R. I.	1,088 86	
Passenger Station, Anthony, R. I.	1,450 00	
Freight House, Quinebaug, Conn.	204 64	
Waiting Shed, Cambridge St., Worcester Mass.	779 24	
Sundry Station Improvements	338 64	
		11,804 44
Amount carried forward		$224,021 71

SCHEDULE D.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE FIFTEEN MONTHS ENDING DECEMBER 31, 1890.

Amount brought forward		$224,021 71
Fences		1,001 30
Safety Gates		454 22
Track Scales		453 58
Freight Crane, Bristol, Conn.		1,169 46
Signals		5,830 36
Water Tank, Plainville, Conn.	$2,262 77	
Water Tank and Stand Pipe, Bristol, Conn.	511 99	
Water Cranes	195 08	
		2,969 84
Car Float No. 2, Fishkill-on-Hudson, N. Y.		21,064 20
Survey of New Lines		6,238 57
Miscellaneous Improvements		3,264 07
Underlying Liens purchased		8,590 00
		$275,057 31
Less Credit to Improvements at Hartford		331 86
		$274,725 45
Equipment:		
15 New Locomotives	$124,821 36	
Improvements to Locomotives	7,100 57	
		$131,921 93
New Dining Car	$9,093 64	
Work on New Passenger Cars	1,397 60	
Improvements to Passenger Cars	6,142 67	
		16,633 91
600 Box Freight Cars	$332,416 18	
400 Gondola Freight Cars	158,344 26	
1 Caboose Car	500 00	
		491,260 44
3 Snow Plows		3,394 64
Total Equipment Charges		$643,210 92
Total Expenditures for Construction, Improvement and Equipment		$917,936 37
Less: sale of one share New England Terminal Company's capital stock		100 00
Total Increase of Property Accounts for the 15 months		$917,836 37

Note:

Of the aboves charges, $460,910.00 is a deferred liability, being the balance due on the contract of Aug. 1, 1890, for 1,000 freight cars. This liability is assumed by this company as a contract indebtedness, payments thereon extending over a period of several years.

SIXTEENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK & NEW ENGLAND

RAILROAD COMPANY

MADE AT THE ANNUAL MEETING,

1891

TUESDAY, MARCH 8, 1892.

BOSTON:
H. G. COLLINS PRINTER,
15 MILTON PLACE.

SIXTEENTH ANNUAL REPORT

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OF THE

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TUESDAY, MARCH 8, 1892.

BOSTON:
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15 MILTON PLACE.

DIRECTORS.

J. A. BOSTWICK,	New York,	N. Y.
AUSTIN CORBIN,	" "	"
CHARLES PARSONS,	" "	"
THOMAS RUTTER,	" "	"
JOHN L. MACAULAY,	" "	"
SIDNEY DILLON,	" "	"
HENRY HENTZ,	" "	"
ALEXANDER E. ORR,	" "	"
EUSTACE C. FITZ,	Boston,	Mass.
CHARLES HOWARD,	"	"
F. H. PRINCE,	"	"
CHAS. A. PRINCE,	"	"
SAMUEL A. CARLTON,	"	"
R. H. DEMING,	Providence,	R. I.
B. F. VAUGHAN,	"	"
JAMES L. HOWARD,	Hartford,	Conn.
DAVID S. PLUME,	Waterbury,	"
GEO. M. LANDERS,	New Britain,	"
ARTHUR SEWALL,	Bath,	Me.

OFFICERS OF THE CORPORATION.

J. A. BOSTWICK,	Chairman of the Board.
AUSTIN CORBIN,	President.
CHARLES HOWARD,	Vice-President.
GEO. B. PHIPPEN,	Treasurer.
JAMES W. PERKINS,	Secretary.
E. V. CARY,	Assistant Secretary.

RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE NEW YORK & NEW ENGLAND RAILROAD COMPANY.

LINES OPERATED BY THE COMPANY.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction..... (Hopewell Junction to Wicopee owned by N. D. & C. R. R. Company.)	214.98	109.22	107.00	431.20
Wicopee to Fishkill Landing.....	1.71		6.26	7.97
Providence to Willimantic.....	58.32	1.36	17.33	77.01
Cook Street, Newton, to Woonsocket.	28.67		6.33	35.00
East Thompson to Southbridge.....	17.36		2.70	20.06
East Hartford, Conn., to junction with Boston & Albany R. R., in Springfield.....	27.48		4.45	31.93
Melrose to West Street, Rockville....	7.22		.24	7.46
Dedham Junction to Dedham.....	1.53		.84	2.37
Islington to Dedham.....	2.00			2.00
Dorrance Street Track, Providence...	.62		.03	.65
Freight Branch, Hartford.....	.67		.98	1.65
Total Railroad Lines owned by the Company.....	360.56	110.58	146.16	617.30
LEASED BY THE COMPANY.				
Norwich & Worcester R. R.				
Worcester to Allyn's Point.....	66.16		23.15	89.31
R. I. & M. R. R.				
Franklin to Valley Falls.....	13.60		1.46	15.06
Rockville Railroad.				
Vernon to Rockville.....	4.43		.75	5.18
Boston & Albany R. R.				
From junction of N. Y. & N. E. R. R. to Station in Springfield.....	1.41		1.38	2.79
Milford & Woonsocket, and M. F. & P. Railroads.				
Franklin to Ashland.....	19.97		3.30	23.27
Providence & Springfield R. R.				
Providence to Pascoag.....	21.34		6.36	27.70
Woonsocket & Pascoag R. R.				
Woonsocket to Harrisville.....	9.50		.72	10.22
Total Leased Lines operated by the Company.....	136.41		37.12	173.53

The Company has RUNNING ARRANGEMENTS over other railroads as follows: *Newburgh, Dutchess & Connecticut R. R.*, Hopewell Junction to Wicopee Junction, 10.95 miles; *New York, Providence & Boston R. R.*, from junction with New York & New England R. R. to station, Providence, .10 mile; total TRACKAGE RIGHTS, 11.05 miles.

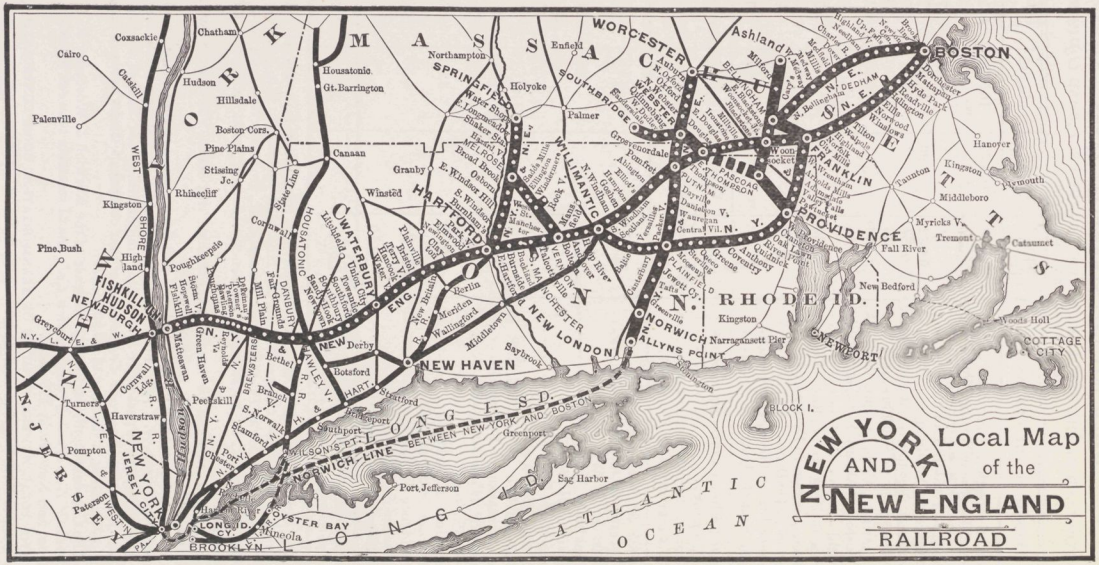
THE TOTAL NUMBER OF MILES OPERATED BY THE NEW YORK & NEW ENGLAND RAILROAD COMPANY IS 508.02 MILES.

The transfer steamer "Wm. T. Hart" and floats owned by the Company operate between Newburgh, N. Y., and Fishkill-on-Hudson, N. Y., a distance of .79 of a mile.

The Company's passenger trains and freight trains are hauled by the *New London Northern Railroad Company* over that company's tracks between Norwich and New London, a distance of 13.50 miles.

The Company controls, through its lease of the Norwich & Worcester R. R., the *Norwich & New York Transportation Co.'s* line of steamers between Norwich, New London, and New York, 125 miles.

THE TOTAL NUMBER OF MILES OF TRANSPORTATION LINES CONTROLLED by the New York & New England Railroad Company is 647.31 miles.


NEW YORK AND NEW ENGLAND RAILROAD
Local Map of the
BOSTON
PROVIDENCE
NEW HAVEN
NORWICH
HARTFORD
SPRINGFIELD
WORCESTER
NEWPORT
NEW YORK
BROOKLYN
LONG ISLAND
ATLANTIC OCEAN
RHODE ID.
MASSACHUSETTS
CONNECTICUT
NORWICH LINE
BETWEEN NEW YORK AND BOSTON
Cohasack
Chatham
Cairo
Catskill
Hudson
Hillsdale
Palenville
Boston Cors.
Pine Plains
Stissing Jc.
Rhinecliff
Kingston
Pine Bush
Poughkeepsie
Fishkill
Newburgh
Greycourt
Turners
Haverstraw
Pompton
Paterson
Jersey City
Hoboken
Housatonic
Gt. Barrington
Canaan
Granby
Winsted
Northampton
Holyoke
Palmer
Enfield
Ashland
Framingham
Natick
Dedham
Hanover
Kingston
Plymouth
Middleboro
Myricks
Tremont
Fall River
Taunton
Dighton
Somerset
Catsunnet
New Bedford
Woods Holl
COTTAGE CITY
Newport
Narragansett Pier
Kingston
Block I.
Sag Harbor
Port Jefferson
Greenport
Southport
Stamford
Norwalk
Bridgeport
Fairfield
Westport
Saybrook
Middletown
Wallingford
Meriden
Berlin
New Britain
Bristol
Plainville
Farmington
Waterbury
Derby
Botsford
Bethel
Danbury
Brewsters
Mt. Kisco
Peekskill
Matteawan
Fishkill
Green Haven
Poughkeepsie
Rhinebeck
Hudson
Catskill
Coxsackie
Albany
Troy
Schenectady
Utica
Rome
Oswego
Syracuse
Auburn
Rochester
Buffalo
Niagara Falls
Suspension Bridge
Lockport
Batavia
Attica
Dunkirk
Salamanca
Olean
Corning
Elmira
Binghamton
Oneonta
Cooperstown
Richfield Springs
Little Falls
Ogdensburg
Canton
Potsdam
Malone
Rouses Point
Plattsburgh
Whitehall
Saratoga
Ballston
Schuylerville
Glens Falls
Lake George
Lake Champlain
Rutland
Bellows Falls
Brattleboro
Keene
Nashua
Manchester
Concord
Lowell
Lawrence
Haverhill
Portland
Augusta
Bangor
Lewiston
Rockland
Worcester
Milford
Uxbridge
Woonsocket
Pascoag
Chepachet
Providence
Pawtucket
Central Falls
Valley Falls
Lonsdale
Pawtucket
Attleboro
Mansfield
Norton
Taunton
Dighton
Somerset
Fall River
New Bedford
Woods Holl
Cottage City
Newport
Narragansett Pier
Kingston
Block I.
Sag Harbor
Port Jefferson
Greenport
Southport
Stamford
Norwalk
Bridgeport
Fairfield
Westport
Saybrook
Middletown
Wallingford
Meriden
Berlin
New Britain
Bristol
Plainville
Farmington
Waterbury
Derby
Botsford
Bethel
Danbury
Brewsters
Mt. Kisco
Peekskill
Matteawan
Fishkill
Green Haven
Poughkeepsie
Rhinebeck
Hudson
Catskill
Coxsackie
Albany
Troy
Schenectady
Utica
Rome
Oswego
Syracuse
Auburn
Rochester
Buffalo
Niagara Falls
Suspension Bridge
Lockport
Batavia
Attica
Dunkirk
Salamanca
Olean
Corning
Elmira
Binghamton
Oneonta
Cooperstown
Richfield Springs
Little Falls
Ogdensburg
Canton
Potsdam
Malone
Rouses Point
Plattsburgh
Whitehall
Saratoga
Ballston
Schuylerville
Glens Falls
Lake George
Lake Champlain
Rutland
Bellows Falls
Brattleboro
Keene
Nashua
Manchester
Concord
Lowell
Lawrence
Haverhill
Portland
Augusta
Bangor
Lewiston
Rockland
Worcester
Milford
Uxbridge
Woonsocket
Pascoag
Chepachet
Providence
Pawtucket
Central Falls
Valley Falls
Lonsdale
Pawtucket
Attleboro
Mansfield
Norton
Taunton
Dighton
Somerset

SIXTEENTH ANNUAL REPORT.

To the Stockholders of the New York & New England Railroad Company:

The operation of your railroad lines for the year shows the following results: —

EARNINGS.

Passenger	$2,154,227.90	
Freight	3,646,508.76	
Mail	60,566.27	
Express	158,122.08	
Miscellaneous	209,604.69	
		$6,229,029.70

OPERATING EXPENSES.

Conducting Transportation, Passenger	$535,310.59	
" " Freight	1,251,821.63	
Maintenance of Way	506,240.88	
Motive Power	1,525,745.88	
Maintenance of Cars	272,925.86	
General Expenses	169,228.10	
Hudson River Transfer	52,073.62	
		4,313,346.56
Net earnings		$1,915,683.14

FIXED CHARGES.

Rent of other roads	$460,239.59	
Taxes	264,764.85	
Insurance	19,200.00	
Interest	1,096,856.24	
		1,841,060.68
Operating surplus		$74,622.46
To which add net income from the operation of Boston Harbor Transfer		7,203.88
And we have as applicable to the payment of dividends on preferred stock		$81,826.34

The dividends on the preferred stock paid during the year amounted to $210,000.00, so that the company's books as of December 31, 1891, show an apparent failure to earn the dividends paid, by $128,173.66. If, however, we take into account the net results of the twelve months comprising the two dividend periods for which dividends were paid in the year 1891, that is, if we reckon from October 1, 1890, to September 30, 1891, it will be found that there was a net surplus, above the dividends paid, of $19,520.20.

The net income of the year has been decreased by charging off various amounts which have accumulated in previous years and which cannot be considered at the present time as reliable assets, having been mainly carried in former reports as debit balances and expenditures undistributed. These accumulated balances have been the result of expenditures which in some instances pertain to transactions as far back as the year 1883, and being of doubtful value, your directors deem it better that the accounts should now show these various items absolutely charged off, so that the books may at least be a correct statement of the present condition of the company. Whatever may be realized from the sums now charged off will go into future accounts, but the present action will clear the books of questionable balances, and enable shareholders better to understand the real situation of the company. It will be the policy hereafter to make careful inventories every year of the assets of the company, and as far as possible have every year show its assets at their value in cash.

The last report of the company covered operations for fifteen months.

The operating results of the twelve months of 1891 compared with the twelve months of 1890 are as follows: —

	1891.	1890.	Increase.
Gross earnings	$6,229,029.70	$6,029,125.51	$199,904.19
Operating expenses	4,313,346.56	4,020,409.98	292,936.58
Net earnings	$1,915,683.14	$2,008,715.53	*$93,032.39
Fixed charges	1,841,060.68	1,737,976.80	103,083.88
Operating surplus,	74,622.46	270,738.73	*196,116.27
Income from Boston Harbor Transfer	7,203.88	5,085.50	2,118.38
Applicable to payment of dividends on preferred stock	$81,826.34	$275,824.23	*$193,997.89

*Decrease.

Besides being burdened with charges that properly belonged in the accounts of preceding years, the operating expenses for the current year have been largely increased because of lack of facilities to properly handle the freight business which has passed over our lines, so that business which might have proved a considerable source of revenue has not given the results that, under ordinary circumstances, might have been expected. With contemplated additions to the equipment, and to the freight terminals, especially in view of the fact that the gross earnings are constantly increasing, and that the rates received for the transportation of freight are found by other railroads to be remunerative, it is the belief of your directors that, with wise economy and careful superintendence, the net earnings of the road may be materially increased.

Of the increased fixed charges, $64,958.30 is on account of the rental of the Providence & Springfield Railroad, and of the Woonsocket & Pascoag Railroad, from the operation of which we cannot as yet expect full returns. The interest paid on freight car equipment notes increased $33,238.95; but the larger part of this increase served to reduce the balance paid by this company for freight car service, as the cars covered by the obligations upon which the interest is paid operate mostly over foreign roads, and earn a very large proportion of the interest charges.

EARNINGS.

The passenger business of the year shows the gratifying increase of $90,972.49, as compared with the preceding twelve months. The number of passengers carried in 1891 was 8,504,202 as against 7,974,694 in 1890, an increase of 529,508, and this as against the very large business transacted in the preceding year on account of the excursions to the encampment of the Grand Army at Boston. The number of passenger miles, however, decreased from 104,493,235 in 1890 to 102,033,215 in 1891, so that the average distance travelled by each passenger was reduced from 13.1 miles to 12 miles. The earnings per passenger decreased from 25.8 cents to 25.3 cents, but the rates per passenger per mile show an increase from 2.02 cents in 1890 to 2.36 cents in 1891 for through passengers, owing to less excursion business, while the rates for local passengers increased from 1.94 cents in 1890 to 2.01 cents in 1891.

The freight earnings increased $57,533.44 over those of the preceding year. The average of rates was well maintained, the net rate received per ton per mile in 1891 being 1.147 cents against 1.137

cents in 1890, while the average haul in 1891 was 97 miles against 98 miles in 1890. The total tonnage transported during the year was 3,279,980.93 tons, an increase over the preceding year of 60,886.97 tons, while the ton miles were 317,897,541, an increase of 2,278,566. The result of the freight business of the year, therefore, offers great encouragement as to the future earnings of your property from this source when its facilities shall be made adequate not only to meet the necessities of the through traffic, but to provide for the extension of business at local competing points, where we may derive benefit from the transportation of local manufactures and products which we have been unable as yet to handle satisfactorily to our patrons.

As compared with the preceding year, the mail earnings increased $1,453.27, express earnings increased $18,812.39, and miscellaneous earnings increased $31,132.60, which, together with the increased passenger and freight earnings, make a total increase of gross earnings amounting to $199,904.19.

MAINTENANCE OF WAY AND STRUCTURES.

During the year, 230,197 oak and chestnut cross-ties have been put into the track, or 454 ties per mile of road operated, and 3,562.5 tons of steel rails, weighing 75 pounds per yard, have been laid, thus keeping the road-bed in good condition. Several bridges have been rebuilt during the year, including the overhead bridge at Sixth Street, South Boston; the overhead bridge east of Brewster's; bridge No. 137, east of West Pawling; bridge No. 3, Melrose Branch; bridge No. 3, Springfield Branch; overhead bridge at Broadway, Providence; bridge No. 8 over the New York, Providence & Boston Railroad at Woonsocket; and Southbridge Street bridge, Worcester; besides which 63 other bridges have been renewed in some of their parts, including new floor systems, guard rails, ties, etc., in addition to the ordinary bridge repairs. Of the culverts and cattle guards, 23 have been rebuilt, and 50 surface cattle guards have been put in. The coal shed at South Boston has been extensively repaired, on account of its partial destruction by fire, and the freight and passenger stations have received the usual amount of attention, although some of them need further expenditures to put them in the best order.

MAINTENANCE OF EQUIPMENT.

The equipment has been tested to its utmost capacity during the year, and considerable expenditures have been made for its repair and renewal. Of the freight cars, 1,962 have received general repairs, in-

cluding 401 coal cars which were in such condition that they had to be practically rebuilt. There were 38 other freight cars rebuilt, and 10,280 received light repairs. Of the passenger cars, 58 were overhauled, cleaned, and revarnished, 14 were repainted, and 43 received general repairs. We overhauled 55 engines and rebuilt one engine, while ordinary repairs were made to 91 others.

There is felt to be imperative necessity for further additions to the equipment.

IMPROVEMENT EXPENDITURES.

There has been expended during the year, for improvements and additions to property accounts, the sum of $334,224.73, of which amount $152,993.97 was on account of equipment purchased, and $181,230.76 was for additions and improvement to the property generally. Among the principal improvements of the year may be mentioned the construction of the new yard and freight house at Springfield, upon which $28,949.63 has been spent to date, thus providing good terminals and putting the company in a position to serve the business public of that city in a satisfactory manner. We have added during the year 7.33 miles of new sidings, at a cost of $19,185.98, besides greatly improving some of the most used of the old sidings by relaying them with serviceable steel rails taken from the main track, where new 75-pound steel has been put in. The value of the increased weight of new steel rails laid in the main track over the rails they replaced has been $17,225.74. Permanent improvements amounting to about $27,000 have been made on our bridges, and we have paid $9,585.02 as our proportion of the cost of bridge No. 9 over the Blackstone River at Woonsocket. New fences, safety gates, signals, and track scales have been constructed. At Hawleyville a new turn-table and track have been built to facilitate the handling of our business with the Housatonic Railroad Company, and various small station improvements made at other points. The branch from Islington to Dedham has been put in the best order for the use of the Old Colony Railroad, which has trackage rights over it, at a cost of $9,913.60. There have been changes of grade crossings at Sadd's Mills and west of Terryville, at a total cost of $9,837.63. Some work has also been done at Waterbury in connection with the change of grade at the Burnham Street and Bank Street crossings. A connection has been made between the main line and the Woonsocket Division at Woonsocket Junction, which will prove ecomomical in the handling of the very considerable business which is transferred at that point.

Four new locomotives have been bought during the year at a cost of $38,222.57, and we have made improvements to locomotives amounting to $7,611.64. New passenger equipment for the New England limited train has been purchased, and a new milk car has been added, which, with work on the dining cars and improvements to passenger cars, aggregate a total cost of $65,895.63. We have bought 50 new Eastman Heater cars for freight service, at a cost of $36,750.00; and two new caboose cars, and some work done on new freight cars, and on new snow-plows, have cost $4,514.13.

GENERAL ACCOUNTS.

The changes in the general balance sheet during the year may be summarized as follows: —

CREDITS.

Amount received from the sale of 6,000 shares of preferred stock		$600,000.00
Decrease in amount carried as expenditures undistributed, being principally taxes chargeable in the accounts of the next fiscal year		47,498.74
		$647,498.74

DEBITS.

Charged for construction and improvement	$181,230.76	
Charged for equipment purchased	152,993.97	
Total additions to property accounts		$334,224.73
Increase in value of supplies on hand		6,843.71
Payment on account of freight car equipment contract		25,000.00
Charges to Income Account: —		
Dividends paid on preferred stock declared to September 31, 1891	$210,000.00	
Less surplus from operation, December 31, 1891	81,826.34	
	$128,173.66	
Cost of rebuilding two caboose cars destroyed in 1883	1,071.50	
		129,245.16
Net reduction of floating debt, including all interest accrued to December 31		152,185.14
		$647,498.74

CONTEMPLATED IMPROVEMENTS AND REPAIRS.

At Providence, which is the second most important city immediately reached by your lines, many improvements are needed to meet the demands of the large and constantly increasing freight traffic. Negotiations are in progress with a view to acquiring additional land for freight house and freight yard purposes, and for additional side-tracks where bulk freight may be received and unloaded. Your company has not received its full share of the business of this important city, simply because of inability to handle it, and very material results will follow the proposed acquisitions.

At Woonsocket, land is needed for station purposes, the present situation in that city making it very inconvenient to conduct the large and profitable business offered.

At our Boston terminal the freight yard needs to be rearranged and the side-tracks increased in order to handle freight economically. New freight houses could be profitably utilized, and the lumber and hay sheds require enlargement. A considerable amount of repairs to the South Boston piers will be a necessary expense of the coming year.

At Hartford, land has been acquired on Front Street and Morgan Street, at an advantageous price, for greatly needed freight facilities.

There are other stations which have the same needs, and where, with increased accommodations, we should secure competitive business that now goes to rival lines.

Some of the bridges will need extensive repairs. The old transfer bridge at Fishkill and the bridge west of Plainville may be mentioned in this connection. The stone arches of the Blackstone viaduct need extensive renewals.

BONDED INDEBTEDNESS.

The original capital stock of the company was fixed at $20,000,000, not as representing the cost of the road, but because mortgage bonds to that amount had been issued upon it by the former owner, the Boston, Hartford & Erie Railroad Company, and the bondholders, after foreclosure, desired to reorganize on the basis of an equal exchange of bonds in the old company for stock in the new one. The Boston, Hartford & Erie Railroad Company was authorized by its charter to bond the road for half its cost, and the same right now belongs to the New York & New England Railroad Company.

The large excess of the original cost of the road over the $20,000,000 mortgage put upon it has been greatly increased by expenditures made during the twenty years that have now elapsed since the fore-

closure; but the mortgage indebtedness is still much less than that of the old company. In the opinion of the Board, the time has now arrived when the proper development of the property, to meet the demands of its increasing business, justifies and requires a further issue of bonds, and this matter will be submitted for your consideration at the annual meeting.

GENERAL REMARKS.

The operations of the Norwich & Worcester Railroad have been included with those of the rest of your line. As compared with the preceding year, they may be considered favorable.

The Norwich & New York Transportation Company, controlled through your lease of the Norwich & Worcester Railroad, shows excellent results and good prospects, with a constantly increasing and profitable freight business. A dividend of five per cent was paid by this company for the year ending September 30, 1891, which, upon the stock controlled, $270,000.00, yielded the railroad company an additional income of $13,500.00.

By order of the Board of Directors,

JAMES W. PERKINS,

Secretary.

SCHEDULE A.

DR. CONDENSED GENERAL BALANCE SHEET,

	PERMANENT INVESTMENTS.		
To	Railroad Equipment and Property as represented by Boston, Hartford & Erie Railroad Bonds	$20,000,000 00	
"	Expenditures for underlying liens, including payments to obtain possession of Hartford, Providence & Fishkill Railroad	4,486,593 75	
"	Equipment, improvement, and additions to property	8,762,924 91	
"	Equipment purchased through Car Trusts	1,471,000 24	
"	Extension of road west of Waterbury	2,689,217 71	
"	Purchase of South Boston Flats	1,550,390 00	
"	Purchase of Drake's Wharf, Boston	131,000 00	
"	Purchase of Piper's Wharf, Boston	260,000 00	
"	Purchase of Curtis's Wharf, Boston	155,000 00	
"	Cost of Connecticut Central Railroad	290,377 69	
"	Cost of Springfield & New London Railroad	89,492 00	
"	Investment in stock of New England Terminal Co.	99,900 00	
	Total cost of Road, Equipment, and other Investments		$39,985,896 30
"	Expenditures undistributed, being principally taxes chargeable in the accounts of the next fiscal year		187,166 20
"	Supplies and Materials on hand		402,874 83
	AVAILABLE CURRENT ASSETS.		
"	Due from Agents and Conductors	$661,540 12	
"	Due from Companies and Individuals	497,221 65	
"	Cash	286,504 49	
			1,445,266 26
"	Profit and Loss balance (deficit)		431,913 73
			$42,453,117 32

SCHEDULE A.

DECEMBER 31, 1891. CR.

CAPITAL STOCK.			
By Common Stock:			
Amount for which certificates have been actually issued.	$19,781,000 00		
Boston, Hartford, & Erie R. R., Berdell Bonds convertible into Stock.....	219,000 00	$20,000,000 00	
" Preferred Stock.....		3,300,000 00	
			$23,300,000 00
BONDED DEBT.			
" First Mortgage 7% Bonds, due Jan. 1, 1905.....	$6,000,000 00		
" First Mortgage 6% Bonds, due Jan. 1, 1905.....	4,000,000 00	$10,000,000 00	
" Second Mortgage 6% Bonds, due Aug. 1, 1902.....	$4,002,000 00		
" Second Mortgage 5% Bonds, due Aug. 1, 1902 (6% after Feb. 1, 1892).....	998,000 00	5,000,000 00	
" Boston Terminal First Mortgage 4% Bonds, due April 1, 1939.....		1,386,000 00	
			16,386,000 00
REAL ESTATE MORTGAGES.			
" Mortgage Note, Curtis's Wharf, due to Lowell Institution for Savings.....		$60,000 00	
" Mortgage Note, Curtis's Wharf, due Oct. 1, 1893.....		80,000 00	
			140,000 00
CONTRACT OBLIGATIONS FOR PURCHASE OF REAL ESTATE AND EQUIPMENT.			
" Balance due on purchase of Piper's Wharf, due March 1, 1893.....		$200,000 00	
" Balance due for 1,000 Freight Cars purchased.....		435,910 00	
" Debt for Equipment purchased of Milford & Woonsocket R. R. Co., due Oct. 1, 1892		22,625 00	
			658,535 00
" SUPPLIES TRANSFERRED FROM NORWICH & WORCESTER R. R. CO., DUE IN 1969....			61,422 99
CREDIT BALANCE.			
" Amount received under agreement for contingent rights in Richardson's Wharf.....			23,500 00
INTEREST ACCRUED.			
" Interest on First Mortgage Bonds, July 1, 1891, to Dec. 31, 1891.....		$330,000 00	
" Interest on Second Mortgage Bonds, Aug. 1, 1891, to Dec. 31, 1891.....		120,841 66	
" Interest on Boston Terminal First Mortgage Bonds, Oct. 1, 1891, to Dec. 31, 1891....		13,860 00	
" Interest on other Boston Terminal obligations.....		2,050 00	
			466,751 66
UNFUNDED DEBT.			
" First and Second Mortgage Bond coupons not yet presented.....		$1,450 00	
" Notes Payable.....		331,303 04	
" Unpaid Vouchers.....		614,180 88	
" Unpaid Pay-rolls.....		82,321 27	
" Due sundry companies on Traffic Balances and other accounts.....		387,652 48	
			1,416,907 67
			$42,453,117 32

SCHEDULE B.

INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31, 1891.

Earnings:			
Passenger		$2,154,227 90	
Freight		3,646,508 76	
Mail		60,566 27	
Express		158,122 08	
Miscellaneous		209,604 69	
Gross Earnings, 12 months			$6,229,029 70
Operating Expenses:			
Conducting Transportation, Passenger		$535,310 59	
Conducting Transportation, Freight		1,251,821 63	
Maintenance of Way		506,240 88	
Motive Power		1,525,745 88	
Maintenance of Cars		272,925 86	
General Expenses		169,228 10	
Hudson River Transfer		52,073 62	
Operating Expenses, 12 months (69.25% of gross earnings)			4,313,346 56
Net Earnings, 12 months			$1,915,683 14
Rent of other Roads:			
Newburgh, Dutchess & Connecticut R. R.	$56,772 53		
Rhode Island & Massachusetts R. R.	20,000 00		
Boston & Albany R. R.	6,381 29		
Rockville R. R.	4,563 75		
Milford & Woonsocket, and Milford, Franklin & Providence R. Rs.	13,574 90		
New London Northern R. R.	39,225 00		
Woonsocket & Pascoag R. R.	12,500 00		
Providence & Springfield R. R.	52,458 30		
Norwich & Worcester R. R.:			
Corporation Expenses $5,246 24			
Interest 38,960 25			
Dividends 210,557 33			
	254,763 82	$460,239 59	
Taxes		264,764 85	
Insurance		19,200 00	
Interest:			
On First Mortgage Bonds, $6,000,000.00 @ 7% per annum $420,000 00			
On First Mortgage Bonds, $4,000,000.00 @ 6% per annum 240,000 00			
	$660,000 00		
On Second Mortgage Bonds, $4,002,000.00 @ 6% per annum $240,120 00			
On Second Mortgage Bonds, $998,000.00 @ 5% per annum 49,900 00			
	290,020 00		
On Boston Terminal Bonds, $1,386,000.00 @ 4% per annum	55,440 00		
On Curtis's Wharf and Piper's Wharf obligations	17,700 00		
On Freight Car Equipment purchased	44,761 70		
On Miscellaneous Accounts	28,934 54		
		1,096,856 24	
Total Fixed Charges			1,841,060 68
Operating Surplus, *carried forward*			$74,622 46

SCHEDULE B.

INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31, 1891.— *Concluded.*

Operating Surplus, *brought forward*			$74,622 46
Add income from operation of Boston Harbor Transfer			7,203 88
Surplus applicable to Dividends on Preferred Stock			$81,826 34
Dividends declared:			
Dividend No. 11 on Preferred Stock, due May 1, 1891, 3½% on	$2,700,000 00	$94,500 00	
Dividend No. 12 on Preferred Stock, due Nov. 1, 1891, 3½% on	3,300,000 00	115,500 00	210,000 00
Deficiency of Net Income to meet Dividends Paid			$128,173 66
Expended for renewal of two Caboose Cars, destroyed in 1883			1,071 50
Net Debit for the year			$129,245 16
Profit and Loss Balance (Deficit) Dec. 31, 1890			302,668 57
Profit and Loss Balance (Deficit) Dec. 31, 1891			$431,913 73

SCHEDULE C.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 1891.

Right of Way and Depot Grounds		$7,221 30
Improvement of Boston Terminals		1,349 89
Improvements at Providence, R. I.	$2,806 80	
Improvements at Springfield, Mass.	28,949 63	
Improvements at Hawleyville, Conn.	5,034 64	
Improvements at New Britain, Conn.	174 20	
Improvements at Manchester, Conn.	441 03	
	$37,406 30	
Less Credits to Improvements at Hartford, Conn.	4,985 10	
		32,421 20
New Shop Tools and Machinery	$380 80	
Addition to Shops, Norwood Central, Mass.	702 98	
		1,083 78
Burnham Street Crossing, Waterbury, Conn.	$1,730 37	
Bank Street Crossing, Waterbury, Conn.	905 62	
Change of Highway Crossing, Sadd's Mill, Conn.	2,217 08	
Change of Highway Crossings, Plymouth, Conn.	7,620 55	
Highway Bridge, east of Bristol, Conn.	1,934 96	
		14,408 58
New Sidings	$30,245 48	
Trestle and Track, Dudley Street, Mass.	295 58	
Extension of Double Track, New Britain	1,314 46	
New Cross-overs	1,202 68	
Improvement of Dedham Branch	9,913 60	
Connection with Woonsocket & Pascoag Railroad, Woonsocket, R. I.	535 10	
Connecting Main Line with Woonsocket Division, Woonsocket Junction, Mass.	3,908 05	
Increased weight of Steel Rails	17,225 74	
		64,640 69
Bridge No. 55, west of Willimantic, Conn.	$1,099 86	
Bridge No. 4, West Dudley, Mass.	7,727 73	
Bridge No. 8, Southbridge Mass.	4,106 95	
Bridge No. 11, River Street, Mass.	2,592 88	
Transfer Bridge, Fishkill-on-Hudson, N. Y.	1,119 12	
Bridge No. 9, Blackstone River, Woonsocket, R. I.	9,585 02	
Improvements to Bridges	8,396 01	
		34,627 57
Sundry Station Improvements		2,544 57
Amount carried forward		$158,297 58

SCHEDULE C.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 1891.

Amount brought forward		$158,297 58
Fences		2,318 44
Safety Gates		541 62
Signals		885 26
Track Scales		1,657 75
Coal Station, Plainfield, Conn	$2,666 88	
Water Tank and Standpipe, Bristol, Conn	1,270 11	
		3,936 99
Office Building, East Hartford, Conn		1,650 16
Car Float No. 2, Fishkill-on-Hudson, N. Y		2,137 43
Survey of New Lines		1,618 45
Pintsch Gas Pipe Line, Boston, Mass		574 95
Passenger Car Heating Plants		3,145 47
Miscellaneous Improvements		13,946 67
		$190,710 77
Less Credit to Underlying Liens:		
Amounts returned by the Circuit Court, Hartford, and by the Supreme Court of Mass., being old deposits to secure underlying liens	$19,679 35	
Underlying Liens purchased	10,199 34	
		9,480 01
		$181,230 76
Equipment:		
4 New Locomotives	$38,222 57	
Improvements to Locomotives	7,611 64	
		$45,834 21
2 New Passenger Coaches	$13,217 58	
3 New Parlor Cars	25,488 43	
Work on New Dining and Baggage Cars	2,002 08	
1 New Combination Car	7,118 09	
1 New Milk Car	2,952 27	
Improvements to Passenger Cars	15,117 18	
		65,895 63
Work on New Freight Cars	$661 00	
50 New Eastman Heater Freight Cars	36,750 00	
2 New Caboose Cars	1,071 50	
Improvements to Freight Cars	2,357 49	
		40,839 99
New Snow-plows		424 14
Total Equipment Charges		$152,993 97
Total Increase of Property Accounts for the 12 Months		$334,224 73

SCHEDULE D.

GENERAL STATISTICS.

	Year Ending Dec. 31, 1891.	Year Ending Dec. 31, 1890.
Revenue Passenger train miles run	2,172,644	2,077,932
*Earnings per Passenger train mile run:		
Passenger	$ .99152	$ .98954
Mail	$ .02788	$ .02845
Express	$ .07278	$ .06704
Miscellaneous	$ .02744	$ .02528
Gross Passenger Earnings	$ 1.11962	$ 1.11031
Revenue Freight train miles run	2,395,040	2,027,886
*Earnings per Freight train mile run:		
Freight	$ 1.42836	$ 1.65349
Miscellaneous	$ .06262	$ .06210
Gross Freight Earnings	$ 1.49098	$ 1.71559
Total Revenue train miles run	4,567,684	4,105,818
*Earnings per Revenue train mile run:		
Gross Earnings	$ 1.31434	$ 1.40926
Operating Expenses	$ .93292	$ .96413
Net Earnings	$ .38142	$ .44513
Number Local Passengers carried	7,815,589	7,231,896
Number of Through Passengers carried	688,613	742,798
Total Number of Passengers carried	8,504,202	7,974,694
Total Number of Passengers carried one mile	102,033,215	104,493,235
Earnings per Passenger, including Excess Baggage	$ .25331	$ .25873
Earnings per Passenger per mile	$ .02091	$ .01960
Earnings per Passenger, including Mail, Express, Miscellaneous, and Excess Baggage	$ .28604	$ .29020
Earnings per Passenger per mile, including Mail, Express, Miscellaneous, and Excess Baggage	$ .02384	$ .02215
Average Distance travelled per Passenger.....miles	11.99798	13.10310
Total Number of Tons of Freight carried	3,279,980.93	3,219,093.96
Total Number of Tons of Freight carried one mile.	317,897,541	315,618,975
Earnings per Ton	$ 1.11174	$ 1.11490
Earnings per Ton per mile	$ .01147	$ .01137
Earnings per Ton, including Miscellaneous	$ 1.15747	$ 1.15402
Earnings per Ton per mile, including Miscellaneous.	$ .01194	$ .01177
Average Distance each Ton carried.....miles	96.92055	98.04590
Percentage of Operating Expenses to Gross Earnings	69.25	66.68
Average Earnings per Passenger per mile:		
Through	$ .02366	$ .02024
Local	$ .02014	$ .01936
Passenger car miles run	8,128,047	8,083,555
Freight car miles run, loaded	31,297,374	29,709,061
" " " " empty	12,190,552	10,721,477

* Does not include Earnings of the Hudson River Transfer.

F. H. Prince & Co,
2 State St.

SEVENTEENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK & NEW ENGLAND

RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

1892

TUESDAY, MARCH 14, 1893.

NEW YORK:
THE EVENING POST JOB PRINTING HOUSE, 156 FULTON STREET.
(EVENING POST BUILDING.)

1893.

SEVENTEENTH ANNUAL REPORT

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NEW YORK:
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(EVENING POST BUILDING.)

1893.

Directors.

List of Directors of the New York and New England Railroad Company:

CHAS. PARSONS,	New York, N. Y.
CHAS. PARSONS, Jr.,	" "
WM. LUMMIS,	" "
CLARENCE S. DAY,	" "
A. R. FLOWER,	" "
JOS. HENSLER, Jr.,	" "
THOS. RUTTER,	" "
ALEX. E. ORR,	" "
C. B. TEDCASTLE,	" "
D. S. PLUME,	Waterbury, Conn.
GEO. M. LANDERS,	New Britain, "
JAS. L. HOWARD,	Hartford, "
B. F. VAUGHAN,	Providence, R. I.
CHAS. A. PRINCE,	Boston, Mass.
F. H. PRINCE,	" "
EUSTACE C. FITZ,	" "
ARETAS BLOOD,	Manchester, N. H.
ARTHUR SEWALL,	Bath, Me.

Officers of the Corporation.

Charles Parsons,	*President.*
F. H. Prince,	*1st Vice-President.*
Charles Parsons, Jr.,	*2d Vice-President.*
Geo. B. Phippen,	*Treasurer.*
James W. Perkins,	*Secretary.*

RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE NEW YORK AND NEW ENGLAND RAILROAD COMPANY.

Lines Operated by the Company.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction	214.98	109.22	111.27	435.47
(Hopewell Junction to Wicopee, owned by N. D. & C. R. R Co.)				
Wicopee to Fishkill Landing	1.71	.....	6.26	7.97
Providence to Willimantic	58.32	1.36	17.88	77.56
Cook Street, Newton, to Woonsocket	28.67	.....	6.33	35.00
East Thompson to Southbridge	17.36	.....	2.70	20.06
East Hartford, Conn., to junction with Boston & Albany R. R., in Springfield	27.48	.....	4.80	32.28
Melrose to West Street, Rockville	7.22	.....	.24	7.46
Dedham Junction to Dedham	1.53	.....	.86	2.39
Islington to Dedham	2.00	.....		2 00
Dorrance Street Track, Providence	.62	.....	.03	.65
Freight Branch, Hartford	.67	.....	.98	1.65
Total Railroad Lines owned by the Company	360.56	110.58	151.35	622.49
LEASED BY THE COMPANY.				
Norwich & Worcester R. R.				
Worcester to Allyn's Point	66.16	.....	23.51	89.67
Rhode Island & Mass. R. R.				
Franklin to Valley Falls	13.60	.....	1.56	15.16
Rockville Railroad.				
Vernon to Rockville	4.43	.....	.75	5.18
Boston & Albany R. R.				
From junction of N. Y. & N. E. R. R. to Station in Springfield	1.41	.....	1.38	2.79
Milford & Woonsocket, and M. F. & P. Railroads.				
Franklin to Ashland	19.97	.....	3.70	23.67
Providence & Springfield R. R.				
Providence to Pascoag	21.34	.....	6.43	27.77
Woonsocket & Pascoag R. R.				
Woonsocket to Harrisville	9.50	.....	.72	10.22
Meriden, Waterbury and Connecticut River R. R.				
Waterbury to Cromwell	30.34	.....	7.14	37.48
Total Leased Lines operated by the Company	166.75		45.19	211.94

The Company has RUNNING ARRANGEMENTS over other railroads, as follows: *Newburgh, Dutchess and Connecticut Railroad*, Hopewell Junction to Wicopee Junction, 10.95 miles; *New York, Providence and Boston Railroad*, from junction with *New York and New England Railroad* to station, Providence, .10 mile; total TRACKAGE RIGHTS, 11.05 miles.

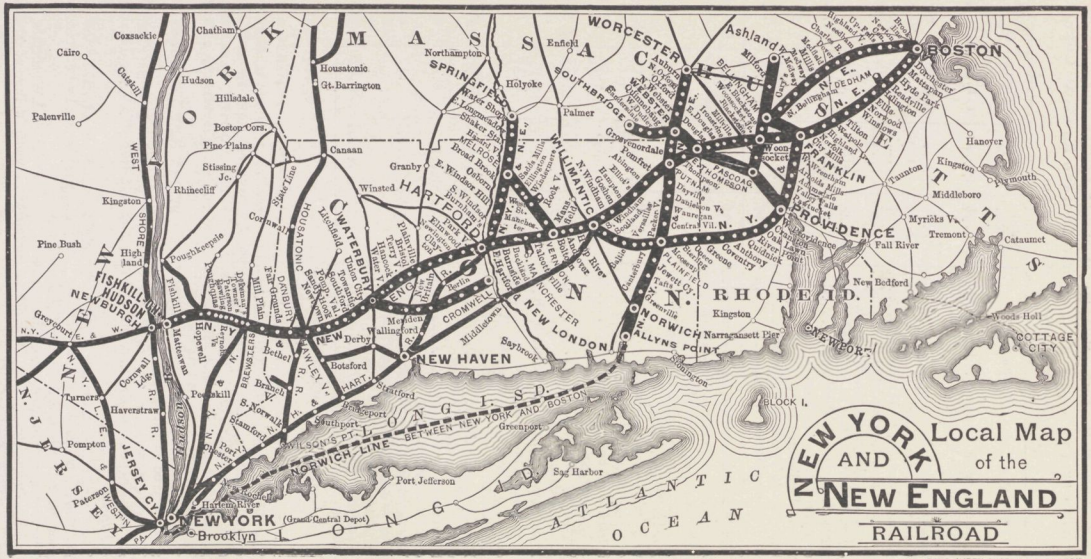
THE TOTAL NUMBER OF MILES OPERATED BY THE NEW YORK AND NEW ENGLAND RAILROAD COMPANY IS 538.36 MILES.

The transfer steamer "Wm. T. Hart" and floats owned by the Company operate between Newburgh, N. Y., and Fishkill-on-Hudson, N. Y., a distance of .79 of a mile.

The Company's passenger trains and freight trains are hauled by the *New London Northern Railroad Company* over that company's tracks between Norwich and New London, a distance of 13.50 miles.

The Company controls, through its lease of the Norwich and Worcester Railroad, the *Norwich and New York Transportation Company's* line of steamers between Norwich, New London and New York, 125 miles.

THE TOTAL NUMBER OF MILES OF TRANSPORTATION LINES CONTROLLED by the New York and New England Railroad Company is 677.65 miles.


NEW YORK AND NEW ENGLAND RAILROAD
Local Map of the
NEW YORK
Brooklyn
Jersey City
Hoboken
Harlem River
Port Jefferson
Sag Harbor
Greenport
Orient Point
Wilson's Pt.
Norwich Line
Between New York and Boston
Long Island
Atlantic Ocean
Sound
Hudson River
Fishkill Landing
Newburgh
Poughkeepsie
Rhinecliff
Kingston
Catskill
Hudson
Coxsackie
Cairo
Palenville
Chatham
Housatonic
Gt. Barrington
Northampton
Springfield
Holyoke
Palmer
Enfield
Worcester
Southbridge
Ashland
Framingham
Boston
Hanover
Kingston
Plymouth
Middleboro
Myricks
Tremont
Cataumet
Fall River
Providence
Pawtucket
Franklin
Taunton
Attleboro
Woonsocket
Pascoag
Thompson
Putnam
Danielson
Willimantic
Norwich
Allyns Point
Narragansett Pier
Kingston
Rhode Island
New Bedford
Newport
Cottage City
Woods Holl
Block I.
Martha's Vineyard
Nantucket
Hartford
New Haven
Meriden
Wallingford
Cromwell
Middletown
Berlin
Bristol
Plainville
Farmington
Canal
Waterbury
Naugatuck
Danbury
Housatonic
Winsted
Granby
Canaan
Stissing Jc.
Pine Plains
Boston Corners
Hillsdale
Pine Bush
Highland
Cornwall
Fishkill
Matteawan
Beacon
Greycourt
Turners
Haverstraw
Pomona
Pompton
Paterson
Passaic
Jersey City
Hoboken
Harlem River
Newburgh
Fishkill Landing
Hudson River
Stamford
Greenwich
Port Chester
Rye
Mt. Vernon
Pelham
Mt. Kisco
Brewster
Bethel
Botsford
Derby
Ansonia
Shelton
Stratford
Bridgeport
Southport
Fairfield
Westport
Norwalk
South Norwalk
Darien
New Canaan

SEVENTEENTH ANNUAL REPORT.

To the Stockholders of the New York and New England Railroad Company.

The operation of your railroad lines for the year ending December 31, 1892, shows the following results:—

EARNINGS.

Passenger	$2,169,153 57	
Freight	3,633,865 03	
Mail	61,023 28	
Express	155,778 83	
Miscellaneous	200,673 83	
Gross Earnings		$6,220,494 54

OPERATING EXPENSES.

Conducting Transportation, Passenger	$ 556,683 95	
Conducting Transportation, Freight	1,327,876 27	
Maintenance of Way	470,379 11	
Motive Power	1,490,078 85	
Maintenance of Cars	325,578 98	
General Expenses	176,405 36	
Hudson River Transfer	65,144 24	
Operating Expenses		$4,412,146 76
Net Earnings		$1,808,347 78

FIXED CHARGES.

Rent of Other Roads	$ 476,478 98	
Taxes	254,403 44	
Insurance	27,709 23	
Interest	1,115,541 33	
Total Fixed Charges		1,874,132 98
Deficit		$65,785 20
Income from operation of Boston Harbor Transfer		5,354 29
Net Deficit		$60,430 91

The Fixed Charges increased during the year as follows:

RENT OF OTHER ROADS.			
New London Northern	Increase,	$1,515 00	
Woodsocket & Pascoag	"	2,500 00	
Providence & Springfield	"	9,071 18	
Norwich & Worcester	"	3,829 29	
Meriden, Waterbury & Conn. River	"	6,666 67	
			$23,582 14
Newburgh, Dutchess & Connecticut	Decrease,	$4,531 12	
Boston & Albany	"	1,381 29	
Milford & Woonsocket, and Milford, Franklin & Providence	"	1,430 34	
			7,342 75
Net increase			$16,239 39
INTEREST.			
Second mortgage bonds	Increase,	$ 9,148 34	
Freight car equipment	"	15,548 84	
		$24,697 18	
Miscellaneous accounts	Decrease,	6,012 09	
Net increase			18,685 09
INSURANCE	Increase,		8,509 23
			$43,433 71
TAXES	Decrease,		10,361 41
Total net increase in Fixed Charges			$33,072 30

The operating results of the twelve months of 1892 compared with the twelve months of 1891 are as follows:

	1892.	1891.	Increase.	Decrease.
Gross Earnings	$6,220,494 54	$6,229,029 70	.....	$8,535 16
Operating Expenses	4,412,146 76	4,313,346 56	$98,800 20	.....
Net Earnings	$1,808,347 78	$1,915,683 14	.....	$107,335 36

It is noticeable that the loss in the first quarter was largely in excess of the loss for the entire year.

	Jan. 1—Mar. 31, 1892.	Jan. 1—Mar. 31, 1891.	
Gross Earnings	$1,360,887 78	$1,345,769 90	
Operating Expenses	1,173,811 20	961,881 09	
			Decrease.
Net Earnings	$187,076 58	$383,888 81	$196,812 23
	Apl. 1—Dec. 31, 1892.	Apl. 1—Dec. 31, 1891.	
Gross Earnings	$4,859,606 76	$4,883,259 80	
Operating Expenses	3,238,335 56	3,351,465 47	
			Increase.
Net Earnings	$1,621,271 20	$1,531,794 33	$89,476 8

During the first quarter of the year 1891, however, a deduction was arbitrarily made from the operating expenses to the amount of $50,000, which amount of expenses, although incurred in the first quarter, was charged into the remainder of the year.

The suppressed car mileage (hereinafter referred to) for January, 1892, was $2,876.94. This was not charged until December, 1892, as the discovery of the suppression was not made until late in the year 1892.

Correcting the above figures by the restoration of these amounts to the periods in which they belonged, the result will be—

Decrease net earnings, first three months.....	$149,689 17
Increase net earnings, last nine months.....	42,353 81

The gross earnings during the first quarter show an increase, and the decrease in net was due to an extraordinary increase in the percentage of operating cost, due to causes largely within the control of the management of the road.

During the last nine months of the year, on the other hand, there was a large diversion of business beyond the control of the company, resulting in a decrease in gross earnings so large at times that the strictest economy could not offset it. The showing has, therefore, the satisfactory feature that with careful management, and the retention of the present business, the first quarter of the year 1893 should show a large increase in net earnings.

An analysis of the results of the two years as shown affords convincing proof that they neither represent a fair comparison of the business of one year with the other, nor the present earning capacity of your road.

During the fall and winter of 1891–92 the operation of your road can be said to have been in a demoralized condition, and your management showed its inability to handle the traffic offered. The tracks were blockaded, great delays occurred, and the expense of operation was increased in many ways.

Additional trainmen, switchmen and yardmen were employed, a competing road was paid to haul returning empty cars to relieve the congestion on your tracks, and under the system of paying trainmen for overtime, every delay increased the wage cost as well as the coal consumption. The irregularities in the service drove business away. In the midst of this demoralization, within sixty days, your management was changed twice. Reductions were made as fast as possible, but the conditions could not be changed at once. In some cases the

salaries of officers of two managements had to be paid for the same period, the unprofitable Long Island and Eastern States Line was being run at a heavy loss, and a large amount of expense of this line which accrued and should have been charged in the year 1891 was charged in the first quarter of the year 1892. In addition to this the condition of your equipment had been allowed to deteriorate in 1891, rendering extraordinary repairs necessary. During the corresponding quarter of 1891 the shop force was largely reduced.

A large amount was paid on account of personal injuries which occurred in the previous year and, in short, your road was struggling under the burden of demoralization in its business and in its operation, due to mismanagement, and the legacies of a seriously impaired equipment and undistributed and unpaid expenses.

A few items of the increase for the first quarter of 1892 will indicate how abnormal the results were. It should be noted that in making this comparison the amounts arbitrarily transferred from the first quarter of 1891 to the remainder of the year have been restored to their proper period.

	Total for Year.	Total First Quarter.	Increase for Year.	Increase First Quarter.
PASSENGER.				
Advertising	$24,680	$11,171	$5,855	$8,943
Conductors, baggage-men, and brakemen	140,196	35,096	5,299	4,585
Fuel and lights for cars	23,537	14,329	9,687	9,338
Personal injuries	15,139	8,559	652	5,560
FREIGHT.				
Conductors and brakemen	294,871	81,010	*7,758	6,438
Personal injuries	39,067	11,878	18,778	8,013
Switchmen and yardmen	208,087	53,701	7,118	3,912
Repairs to passenger cars	83,037	25,510	19,782	7,894
Repairs to freight cars	212,535	58,413	38,764	17,369
Repairs to locomotives	253,139	77,403	22,804	23,911
Salaries of general officers	48,718	17,876	*2,000	5,848
Engineers and firemen	393,880	103,957	5,203	11,148

*Decrease.

On the other hand, it is believed that the reductions made in operating expenses during the last nine months of the year have in no case been such as to impair the efficiency or condition of roadbed, superstructure, buildings or equipment. The principal changes during the nine months are as follows :

In conducting transportation, passenger, there was a total decrease

of $16,628. Of this amount the decreases in agents, clerks, advertising, personal injuries, station labor, and station fuel and lights, account for $16,099.

In conducting transportation, freight, there was an increase of $18,003.33. This was due to the large increase in hire of cars, which, as will be shown hereafter, was erroneous by comparison, and amounted to $46,086
Also, increase in personal injuries 10,764
In loss and damage 12,134
$68,984
Less decreases in agents, clerks, stationery and printing, trainmen, yardmen, station and train expenses 52,651
In maintenance of way, a decrease of 38,288
Principally composed of labor and ties to the amount of $49,081
Less an increase in steel rails 14,146

Two hundred and thirty thousand ties were put into the track in 1891, and but 176,000 in 1892. This was simply because more ties were not needed. An unnecessary number was contracted for; 75,000 ties were paid for during the year 1892 that were not required and have been carried over to the year 1893.

In maintenance of cars there was an increase of $19,748
In motive power there was a decrease of 107,930
Owing to the reduced price at which coal for locomotives was purchased there was a reduction in this item of $91,552
There was a reduction in wages of engineers and firemen of 13,944
Hudson river transfer increased, being for extraordinary repairs on the transfer bridge and the steamer "Hart" 12,142

There are many items of expense in the figures for 1892 which belong in expenses of previous years.

The amount paid for personal injuries for the year was ... $59,149
Of this amount there was paid on account of injuries received in previous years 37,216
$21,933
There are claims for injuries in 1892 which it is estimated will be paid hereafter, to the amount of 11,000
So that a fair amount under this item for the year 1892 is ... $32,933

The expenses, therefore, show about $26,000 more than the year should be charged with.

The expense of advertising the Long Island and Eastern States Line during the year 1891, amounting to $8,142, was charged in the expenses of 1892.

There is an increase in the item of loss and damage to property, under the head of conducting transportation, freight, of $10,798. This is more than accounted for by the amount of $16,000, paid on account of the wreck at East Thompson in 1891.

The percentage of operating expenses for the first quarter of 1892 is 86¼ per cent.

Investigation into the percentages of previous years and careful consideration indicate that the operating cost for the first quarter should not much exceed that for the remaining nine months.

This is also indicated by the earnings of January, 1893, when, with an estimated increase of $70,000 in net earnings, the operating percentage will show a decrease of about 15 per cent.

If the operating percentage for the first quarter had been 70 per cent., the net earnings for the year would have been $2,029,537.53, instead of $1,808,347.78.

Freight Car Mileage.

During the year 1891, the car accounts of your company were deliberately falsified in a manner which your management believes, with perhaps one exception, is unique in the operation of railroads. During that year, month by month, the amounts due other roads for use of their cars were systematically reduced. The amount which was thus simply stolen from other railroad companies during the year 1891 was $80,812.24. In any comparison of the figures for the two years this amount must be added to the expenses for the year 1891, and thereby reduce the actual net earnings for that year by $80,812.24.

The freight car service expenses for 1892 show an increase of $54,177.62, in which is included an amount withheld for January, 1892, of $2,876.94. Deducting this from the amounts not reported to other roads, and withheld from them in 1891, the actual car service expenses for the year show a decrease of $26,634.62. It was not discovered until long after the present management assumed charge of your road that the entire mileage had not been reported, and it was deemed advisable to keep the accounts of the amounts retained prior to 1892 by themselves, and to make a profit and loss charge of them when restitution was made.

This has been done since the close of the fiscal year, and arrangements made to pay the amounts due, with the exception of a small amount due one company. This has been withheld, pending an examination of its car service accounts, it being believed that an amount will be found due from that company which has been retained in the same dishonest manner.

Diversion of Business.

The past year may be called a transition period for your road, during which its connections and channels of doing business have been largely changed. With the change came heavy losses of freight, and, while new channels and new connections were subsequently obtained, there was an intervening period during which little or no business was acquired to replace what was lost. The bulk of this loss was occasioned by the diversion of the business formerly done *via* the New York, New Haven and Hartford railroad and its connections. Additional trains were put on by the New York, New Haven and Hartford Railroad Company, in connection with rival and longer routes between New York and Boston, which largely diminished your through passenger earnings.

The following statement shows a very satisfactory increase in local passenger business, which was sufficient to overcome the loss in through:—

Passenger Revenue.

	1892.	1891.	Increase.	Decrease.
Local	$1,663,180 84	$1,602,230 33	$60,950 51	.....
Through	488,724 99	531,447 60	.....	$42,722 61
	$2,151,905 83	$2,133,677 93	$18,227 90	.....
Excess Baggage	17,247 74	20,549 97	.....	3 302 23
	$2,169,153 57	$2,154,227 90	$14,925 67	

At least $32,000 of the loss in through passenger earnings was upon business interchanged with the New York, New Haven and Hartford Railroad Company.

The loss in through freight was still greater. This was largely replaced during the latter half of the year by business derived from other connecting roads, but much was lost before the new business became of sufficient volume to equal that diverted. For many years the New York, New Haven and Hartford railroad has been the connecting link by which a large and increasing freight business has been done between points on the Pennsylvania railroad and your road.

Early in 1892 the New York, New Haven and Hartford Railroad Company began to divert to the New York, Providence and Boston and Old Colony railroads such of the business to competitive points on those roads as they could care for. The answer of the management of the Pennsylvania Railroad Company to our protest was substantially that it only recognized the New York, New Haven and Hartford railroad as its New England connection ; that business from the Pennsylvania railroad, even if directly consigned *via* the New York and New England railroad, became the business of the New York, New Haven and Hartford Railroad Company as soon as delivered to the latter company ; and if such latter company diverted it in spite of the consignment, it was not a matter in which the Pennsylvania Railroad Company could interfere. The position of the Pennsylvania Railroad Company seemed thoroughly inconsistent with the one it assumed some years ago, when the New York and New England Railroad Company withdrew from a line it had formed *via* a competing Pennsylvania road at the request of the Pennsylvania Railroad Company, made on the ground that the New York and New England railroad was the Pennsylvania Railroad Company's New England outlet.

Our protests were of no avail. The New York, New Haven and Hartford Railroad Company diverted to the New York, Providence and Boston and Old Colony railroads every pound of freight to competitive points which the terminal facilities of those roads enabled them to handle. Joint tariffs had been in existence to both our competitive and non-competitive points, but in view of this diversion there was no longer any reason why the Pennsylvania Railroad Company should be admitted to our local territory on the favorable terms it had been given, and since the close of the fiscal year notice has been given that increased proportions of the rates will be demanded hereafter, and the result has been the withdrawal of all tariffs with the Pennsylvania railroad. The effect of this will be that, as in the past ten months, we shall continue to handle only such an amount of competitive business from the Pennsylvania railroad as its new allies' inadequate terminal facilities compel them to send *via* your road, on which business we shall obtain a greater revenue.

The local freight business shows an increase of 130,406 net tons, 12.54 per cent ; and an increase in revenue of $135,923.47, 11.63 per cent.

The through freight business shows a loss of 82,047 net tons, 3.66 per cent. ; and a decrease in revenue of $148,567.20, or 6 per cent.

Of this loss in revenue at least $110,000 is on business inter-

changed with the New York, New Haven and Hartford railroad, and most of the balance is a matter of book-keeping, through business formerly done in and out of Providence *via* the Providence and Worcester railroad having become local by reason of its now being done over your own road.

During the summer of 1892, in the midst of the diversion of business and consequent loss of revenue, your company was threatened with embarrassment by the calling in of loans made by a Boston bank which had theretofore stood by the company, but the liberal advances made by one of the officers of the company enabled it to meet all indebtedness promptly and to disappoint the managers of a rival road.

From a consideration of the figures indicated by the business of the year it would seem by an honest comparison with the previous year that the results are more satisfactory, but that they are not fairly representative of the earning capacity of your road. The one item of express earnings will show an increase of $74,000 the coming year, and it is hoped that under a careful and economical management, if the volume of business derived from our present connections continues, the dividends on the preferred stock may be earned during the year 1893.

The double track has been extended from Black Rock crossing, New Britain, $2\frac{3}{4}$ miles west to Plainville, $6\frac{1}{8}$ miles of side track have been built, seven new locomotives purchased, and many improvements in your plant made in all departments.

Reference to the report of the Assistant to the President and to the tables of statistics will show the work of the year in detail.

Way, structures and equipment have been maintained.

Express.

The express earnings of your company were—

Year 1891	$158,122 08
" 1892	155,778 83

The contract with the Adams Express Company guaranteeing $12,500 per month terminated December 1, 1892, and a contract was made with the American Express Company for five years, under which your company is guaranteed annual express earnings of $228,000, payable $19,000 per month, and an additional amount equal to 40 per cent. of the gross express earnings when such proportion shall exceed the guaranty.

Stock and Debt.

Boston, Hartford and Erie Railroad Berdell bonds to the amount of $28,000 were exchanged for common stock during the year.

In 1892, prior to the annual meeting, preferred stock to the amount of $365,000 was sold, and subsequently 400 shares which had been hypothecated were sold, and the proceeds used to pay the loan. A premium of $20,231.24 was realized.

Of the New York and New England Railroad Company's second mortgage bonds, due August 1, 1902, $998,000, which had formerly paid 5 per cent. interest per annum, began to bear interest at 6 per cent. from February 1, 1892.

Mortgage notes increased as follows:

For purchase of land at Springfield	$17,500
For purchase of land at Hartford	16,800

The balance due upon 1,000 freight cars purchased some years since, decreased $25,000.

The debt for the equipment purchased of the Milford and Woonsocket Railroad Company decreased $11,312.50.

The usual dividend of 3½ per cent. upon the preferred stock was declared in the spring of 1892, but payment was enjoined. At the time the dividend was declared, your management was ignorant of the suppression, during 1891, of large amounts which should have been charged to operating expenses, and thereby decreased the net earnings for that year. No dividend was declared in the fall of 1892.

Floating Debt, December 31.

AVAILABLE ASSETS.	1892.	1891.	Increase.
Due from Agents and Conductors	$662,395 66	$661,540 12	$855 54
Due from Companies and Individuals	828,503 00	497,221 65	331,281 35
Cash	282,660 29	286,504 49	*3,844 20
Total	$1,773,558 95	$1,445,266 26	$328,292 69
CURRENT LIABILITIES.			
Unpaid Bond Coupons	$2,580 00	$1,450 00	$1,130 00
Notes Payable	442,853 28	331,303 04	111,550 24
Unpaid Vouchers	600,987 60	614,180 88	*13,193 28
Unpaid Pay-rolls	85,697 11	82,321 27	3,375 84
Due on Traffic Accounts	550,884 54	387,652 48	163,232 09
	$1,683,002 53	$1,416,907 67	$266,094 86
Interest Accrued to Dec. 31	470,910 00	466,751 66	4,158 34
Total	$2,153,912 53	$1,883,659 33	$270,253 20
Net Floating Debt	$380,353 58	$438,393 07	*$58,039 49

* Decrease.

Consolidated Bonds.

It will be noted by reference to the reports for the past and preceding years, that your road has made, and will have to make, large annual expenditures for construction and improvement accounts. These amounts have been for a period of five years, as follows :

1892	$317,823
1891	334,224
1890 (15 months)	917,836
1889	787,541
1888	535,428

These expenditures have heretofore been made by the sale of preferred stock, the issue of car trust notes, and of notes secured by mortgage upon property purchased, and the accumulation of a floating debt.

In accordance with your resolutions, two mortgages have been made during the year—one to the Treasurer of the State of Connecticut, as trustee; and the other to the Farmers' Loan and Trust Company, as trustee—both to secure the issue of an amount of 50-year 5 per cent. consolidated mortgage bonds, not exceeding in the aggregate $25,000,000, the total amount of such bonds, and of any other bonds of your company outstanding, to at no time exceed the amount of outstanding capital stock.

Litigation has resulted, the holders of a few shares of stock claiming that the bonds cannot be legally issued under Connecticut statutes restricting the issue of bonds by a railroad company to one-half the cost of construction. Careful investigation has been made of the original cost of all the properties now united in the ownership of your corporation, and the actual cost was found to be more than double the proposed issue of bonds. The matter is still, however, pending in the Connecticut courts.

The proposed issue will provide for all outstanding bonds of your company, and a surplus of assets, much needed by your company to enable it to make judicious expenditures, which will insure a return in earnings more than equal to the increased charges.

Providence.

The plan of the City of Providence to provide for a union passenger station required a change in the location of your company's terminals. Negotiations have been in progress for a long time, and since the close of the fiscal year have been practically concluded.

Under the arrangement your company will obtain largely increased facilities for doing its business, a freight terminal in the heart of the city of about 20 acres, and a grant of the right to run its trains through Dorrance street to tide water for a period of not less than five years. The estimated cost of this improvement is about $500,000.

Sound Lines' Agreement.

For many years the New York, New Haven and Hartford Railroad Company has maintained a pretense of equality in the schedule for passenger trains between New York and Boston *via* its road and the three lines entering Boston. This was unfair to your company as the route *via* its line, and that of the New York, New Haven and Hartford railroad, was 16 miles shorter than any other route. Your company has been gradually and increasingly discriminated against by the New York, New Haven and Hartford Railroad Company, which has added to the trains *via* the rival and longer routes and decreased those *via* your road.

Upon the acquisition of the New York, Providence and Boston railroad by the New York, New Haven and Hartford Railroad Company, a further discrimination was inaugurated by running a train between New York and Boston *via* Springfield and the Boston and Albany railroad, leaving both cities at 12 o'clock noon, upon a schedule of five hours and forty minutes.

For many years a train has been run *via* your road, leaving both cities at noon, upon a schedule of six hours and thirty minutes.

The New York, New Haven and Hartford Railroad Company not only put on an unneeded mid-day train, but refused to allow the time of your train to be shortened, and the result has been to take away the entire through business from your train. Our protest against this discrimination was disregarded, and we thereupon made application for a differential rate upon our noon train.

Passengers *via* your Norwich Boat Line are obliged to leave the boat at 3 o'clock A. M. for a four-hour ride to Boston, while those *via* the sound lines running to Fall River and Providence need not leave the boat until 6 o'clock, A. M., and the ride to Boston is but one hour and twenty minutes.

This company also asked for a differential rate on its passenger business *via* the Norwich Line. The requests being disregarded, the requisite sixty days' notice was given to the various companies which were parties to the Sound Lines' Agreement, of the withdrawal of this company from that agreement. The sixty days will expire March 20,

1893, at which time your company will be free to name rates which will give it its share of the business in spite of its disadvantages and the discrimination against it.

In this connection it may be said that your company has long been an advocate of quicker time between New York and Boston. It has tried to induce the New York, New Haven and Hartford Railroad Company to join it in a five-hour schedule, and has offered repeatedly to accept less than its mileage prorate of such a schedule.

The New York, New Haven and Hartford Railroad Company having refused to restore the night train between Boston and New York *via* your line, a line has been formed with Pullman buffet sleepers between New York and Boston *via* the New York and New England and New York and Northern railroads in connection with the Manhattan Elevated railroad.

New England Terminal Company.

The New England Terminal Company was incorporated under the laws of Connecticut in 1888, for the purpose of forming a line to float freight in cars from Wilson's Point, Conn., the terminus of the Housatonic railroad on Long Island Sound, to piers on the East River in New York City.

Its capital consisted of 2,000 shares of stock of $100 each, of which the New York and New England Railroad Company owned 999 shares, the Housatonic Railroad Company 499, and the Danbury and Norwalk Railroad Company (lessor of the Housatonic Railroad Company) 499 shares. The remaining three shares were placed in the names of the trustees of a mortgage issued by the New England Terminal Company to secure $800,000 of bonds. The interest upon these bonds, and a sinking fund to pay the principal, were guaranteed jointly and severally by endorsements of the New York and New England and Housatonic Railroad Companies.

A contract was made between the New England Terminal Company and the three railroad companies which owned its stock, providing that the freight business of the railroad companies to and from New York should be done by the Terminal Company at certain specified rates, but the contract also provided that if such rates did not prove sufficient to pay the operating expenses of the New England Terminal Company, the interest upon its bonds, the amount of its sinking fund charges, and 10 per cent. dividends upon its stock, the rates should be increased from time to time, until the revenue was sufficient to provide for such payments. The project was a failure from its inception.

The rates first established were almost immediately changed so as to increase the New England Terminal Company's revenue, but at no time during the period of the operation of the line did it earn its operating expenses. In lieu of increasing the Terminal Company's proportion of the rates again, the Housatonic and New York and New England Railroad Companies each made advances of equal amounts from time to time, for the purpose of paying interest upon the bonds, sinking fund charges, and the debts of the Terminal Company. This, whether intentional or otherwise, was a fraud upon the New York and New England Railroad Company. The business of the Housatonic Railroad Company *via* the Terminal Company was several times that of the New York and New England Railroad Company, and all deficiencies in the revenue of the Terminal Company should have been made good by the railroad companies in proportion to the business done by each with the Terminal Company, as was provided by the contract.

In the fall of 1891, a steam transfer was put on by the New England Terminal Company between Wilson's Point and Oyster Bay on the south side of Long Island Sound at the terminus of the Long Island railroad. A contract was made with the Long Island Railroad Company, under which a through freight and passenger line was started between Brooklyn and Boston. This line was another disastrous failure. The average earnings of the passenger trains were twenty cents per mile, and for this revenue the New York and New England Railroad Company for many months performed special service between Hawleyville and Boston, 174 miles in each direction, daily.

Your management, on assuming charge of your road in March, 1892, realized the terrible drain on your finances, endeavored to induce the Long Island Railroad Company to consent to the discontinuance of the line, and, failing in this, made every effort to reduce its cost as far as possible. It partially succeeded by so changing the schedule of the Long Island passenger train, as to avoid special service on the New York and New England railroad, but it was evident that as long as the Terminal Company continued to do your company's business, either freight or passenger, there must be a continual and very serious loss of revenue.

In June, 1892, the Housatonic and Danbury and Norwalk railroads passed into the control of parties friendly to the New York, New Haven and Hartford Railroad Company. The Trustees of the mortgage securing the New England Terminal Company's bonds took

possession of the Terminal Company's property. The Terminal Company, itself, was at this time hopelessly insolvent. Its only assets were a leasehold interest in two piers on the East River, a piece of land worth not over $100,000 near the piers, and a floating equipment which could not be sold for $200,000. Its liabilities, besides $755,000 of bonds, amounted to hundreds of thousands of dollars. Your company united with the Housatonic Railroad Company and obtained the appointment of a receiver. Subsequently, by an agreement, your company made an assignment of its interest in the 999 shares of Terminal Company stock owned, and in all notes, rights and claims against the Terminal Company, and paid, in addition, $150,000. In return your company was released from all of its obligations as guarantor upon the bonds or otherwise, with full indemnity against the claims of all persons on account of the New England Terminal Company.

The loss to this company, as charged upon its books, growing out of the New England Terminal Company's affairs, is as follows:

Investment in Capital Stock	$99,900 00
Loans and advances	90,187 50
Paid under agreement to be relieved of all liability	150,000 00
Unsettled bills	661 27
Total	$340,748 77
Less unpaid balance of ticket account due Terminal Company	136 70
Balance (loss)	$340,612 07

This amount was charged to profit and loss during the year 1892.

It does not represent the total loss to your company by its participation in this route to New York. Besides the large loss in operating the Long Island and Eastern States Line, a large amount of business from competitive points was driven away from your road, because of the unpopularity of the New England Terminal Company's line and the poor service it gave. Many additional facts could be cited to show the injury which the formation and operation of this line was to your company, and the unfair way in which contracts were made and the operation of the line conducted, to favor the Housatonic Railroad Company at the expense of your company.

It is believed, however, that the final settlement was an advantageous one to your company.

Leased Roads.

The capital stock of the Norwich and New York Transportation Company, operating the boat line between New York, New London and Norwich, was $500,000. Of this, $270,000 was owned by the Norwich and Worcester Railroad Company, and under the terms of the lease of the road of the latter company to your company passed under your control. During the past year the Norwich and Worcester Railroad Company, with the consent of your company, agreed to issue its stock in exchange for the balance of that of the Norwich and New York Transportation Company on the basis of one share of the former for seven of the latter.

The Norwich and New York Transportation Company has recently contracted for the building of a new steamer, to run between New York and New London. The contract price is $$3\frac{3}{8}$$,000 for the vessel without furniture, to be completed December 1, 1893. The furniture will cost about $50,000.

The vessel is to be 336 feet in length, with a capacity for carrying 600 tons of freight. The steamer has been modeled by Mr. A. Cary Smith, marine architect, and is to be a twin-screw steel vessel of 4,400 horse-power, the builders guaranteeing a speed equal to any steamer now running on the sound.

It will have stateroom and ladies' cabin accommodations for three hundred and fifty and berths for four hundred and fifty, or accommodations for eight hundred passengers. While the actual mileage net earnings of the Norwich and Worcester railroad do not fully meet the rental, still the lease is a very valuable one to your company and the wisdom of the acquisition of that road becomes yearly more apparent.

The Providence and Springfield railroad was leased to your company under an agreement dated October 1, 1890. The rental agreed to be paid was the annual interest upon $500,000 of 7 per cent. bonds which matured July 1, 1892, and 6 per cent. annually upon $517,450 of stock, making the total annual rental $66,047.

During the past year the Providence and Springfield Railroad Company issued 30-year 5 per cent. bonds to the amount of $750,000, guaranteed by your company, bearing interest from July 1, 1892; the bonds or their proceeds to be used for the purpose of retiring the $500,000 7 per cent. bonds which matured July 1, 1892, to provide terminals in the City of Providence, and to build an extension about 7 miles long from its terminus at Pascoag to a connection with your main line

at East Thompson, thus opening a new route from Providence to Worcester.

Seventy-five thousand dollars of the bonds were delivered to your company in settlement of an old claim for the use of terminals in Providence, your company, under the agreement, to provide terminals on equitable terms in Providence for the Providence and Springfield Railroad Company in the case of the termination of the lease.

The extension was begun in the fall of 1892 and is rapidly nearing completion. The $500,000 7 per cent. bonds have been paid and the mortgage securing them discharged of record. The New York and New England Railroad Company has advanced the necessary money to pay the $500,000 7 per cent. bonds and to build the extension, and has borrowed the money, using the new 5 per cent. bonds as collateral.

In view of certain litigation attacking the validity of this lease, it was deemed advisable to have the agreement of lease readopted and approved by the stockholders of both companies, which was done during the past year.

While the rental at the time of making the lease was greater than the net earnings of the road, the reduction in the rate of interest upon the bonds and the building of the extension, it is hoped, will in the near future make the lease a profitable one to your company.

During the year the Meriden, Waterbury and Connecticut River railroad, extending from a connection with your road at Waterbury, Conn., through Meriden to Cromwell on the Connecticut river, a distance of 30.34 miles, was purchased by parties in your interest. The actual cost of constructing the road exceeded $1,500,000. The bonds which had been issued to the amount of $1,000,000 were reduced in amount to an issue of $450,000, bearing interest at 5 per cent. Three-quarters of the stock, 3,750 shares, is deposited with the Farmers' Loan and Trust Company in the interest of your company. Fifty thousand dollars of said $450,000 of bonds were delivered to this company to be used for betterments, and the road was leased to this company at an annual rental of $20,000, to be increased to $22,500 in case this company sells the fifty bonds delivered to it. The cost of the property to the parties who purchased it in your interest was about $397,000, for which they received $400,000 5 per cent. bonds.

Five miles of the roadbed of the Woonsocket and Pascoag railroad was a piece of the old road of the Boston, Hartford and Erie Railroad Company, the right of way of which had been paid for and mostly graded. This piece of right of way was condemned by the Woonsocket and Pascoag Railroad Company and damages awarded to your company

of $10,000. Your company released the Woonsocket and Pascoag Railroad Company from paying this award when the agreement for the lease of the Woonsocket and Pascoag railroad to this company was made. The cost of building the Woonsocket and Pascoag railroad is estimated to have been $150,000. The rental stipulated in the lease was $15,000 per annum, being interest on $100,000, 5 per cent. bonds and 5 per cent. dividend on $200,000 stock. The onerous rental, it is believed, should be reduced to $7,500 per annum.

The Directors desire to acknowledge their appreciation of the services of officers and employees. The Assistant to the President, Mr. Bowen; the General Superintendent, Mr. Barton, and many other officers of the Operating Department, entered the service of your company during the past year. The signal improvement in both passenger and freight train service renders special recognition proper of the earnest work performed in that department.

By order of the Board of Directors,

CHARLES PARSONS,

President.

BOSTON, MASS, February 23, 1893.

CHARLES PARSONS, Esq.,
President, New York and New England Railroad Company.

DEAR SIR :

The heads of departments report that the road, bridges, structures and equipment have been fully maintained during the past year. The principal items of work done, and the condition of the rolling stock, are stated as follows :

MOTIVE POWER AND CARS.

Seven new locomotives, including two compound engines, were added to the equipment during the year.

The engines (5) and passenger cars (8) received with the Providence and Springfield Railroad, have been equipped with automatic air brakes, Westinghouse train signals and platform gates.

The work of fitting the passenger train cars for heating by steam has been completed, and all such cars now in the service are fully equipped, including standard couplers.

The old couplers of various patterns that had been applied during the experimental stage of the work were removed from one hundred and seventy cars, and standard couplers applied.

There have been extensive improvements and additions made in the stationary steam-heating plants, especially at Boston, Franklin, Providence, Woonsocket and Norwood. During the severe weather of this winter our passengers have been kept comfortable.

A new snow scraper has been built, and Snow Plow No. 15 has been completed.

Material improvements have been made in the shops at Norwood, and in the water supply at Providence and Needham.

The most of the heavy work has been done at Norwood shops, but the force at East Hartford and Norwich has been maintained so as to fully keep up the ordinary running repairs.

Several new locomotives were ordered built in Norwood shops some years ago ; the boilers have been made and part of the machinery for one engine. These should all be completed without delay.

There are eight locomotives condemned and out of service that should be replaced, as the power is greatly needed on the road.

There are also seventeen light passenger engines that are so far worn as to be no longer economical to use ; besides, the service they give is not satisfactory in any way. These should be replaced without delay.

The passenger equipment has received more than the usual attention this year, and is generally in good condition and order.

The freight cars on the road are mostly old, and require extensive repairs to keep them in the service; much has been done the past year, but the full amount of outlay must be expected for the future. Four hundred and ten of the coal cars have been specially repaired, and are now, with the four hundred and one rebuilt last year, in good condition.

The following tables show the number and condition of the different classes of rolling stock:

LOCOMOTIVES.

	Norwood Shops.	East Hartford Shops.	Norwich Shops.	Total.
Engines receiving light repairs, 1892	47	34	13	94
Engines receiving heavy repairs, 1892	28	17	9	54
Engines receiving general overhauling, 1892	23	9	6	38
Grand total				186

Engines in good condition	69
" " fair "	74
" " poor "	46
" " shops	10
" awaiting repairs	5
" condemned	6
" numbers vacant	2
Total number	212

PASSENGER CARS.

Kind.	Good order.	Fair order.	Poor order.	Total.
Passenger cars	136	38	78	252
Baggage cars	17	7	5	29
Grand total	153	45	83	281

FREIGHT CARS.

Box cars, all classes	2,433
Coal " " "	2,270
Flat " " "	433
Four-wheel coal dumps, all classes	819
Cabooses	58
Construction cars	9
Derrick cars	4
Tool cars	5
Snow plows	5
Snow flangers	3
Grand total	6,039

MAINTENANCE OF WAY AND STRUCTURES.

During the year 176,786 oak and chestnut cross-ties have been put into the track, or 335 ties per mile of road operated during the season for putting in ties; and 1,091 tons of steel rails, weighing 75 pounds per yard, have been laid.

At Terryville Summit, a wooden stringer bridge has been replaced with iron beams.

At Boston, the draw pier has been thoroughly repaired and strengthened by additional piles and planking, and the bulkhead has been moved, to give increased width for the passage of vessels.

West Broadway, Fourth street, Dorchester avenue, Washington street, Morton street and Norfolk street bridges, over the tracks, have been rebuilt for increased loads. At other points, five overhead bridges have been renewed.

Main line track bridges, Nos. 7 and 9, have been repainted, and on the main line and branches twenty-three bridges have new and improved floors.

On open culverts and cattle guards, about fifty new floors have been put.

At Fishkill, stringers have been purchased and partly placed on about 1 mile of trestle, and a new pontoon has been placed under the wooden transfer bridge, and the south arm of ferry racks thoroughly repaired.

The platforms to stations have been kept in good repair, and twenty-two depots have been repainted.

On the South Boston flats, about three-quarters of the large roof on Pier No. 1 warehouse has been renewed, and Freight House No. 1 floor and sills replaced. Sleeper street paving has been relaid. Iron piers have been substituted for brick at Boston engine house ash pit.

New stringers have been placed on five pits in Boston engine house.

Ice house at Boston has been thoroughly repaired.

At Norwood, a part of the machine shop roof has been renewed.

At Franklin, a new office has been made in the freight house.

At Millville, a coal trestle rebuilt.

At Putnam, roofs replaced on store house and tenement.

At Towantic, additional trestle stringers were put in.

At Norwich and Fishkill, engine house roofs renewed.

At Southbridge, coal trestle rebuilt.

At Hancock Brook, iron girders are now there ready for replacing.

At Harvard and Bird street stations, waiting sheds have been enclosed.

At Boston, stone ballast has been placed about Pier No. 4, and protecting piles driven.

The steamer *Wm. T. Hart* has been thoroughly repaired and painted.

All of the above have been charged to the operating expenses.

IMPROVEMENT EXPENDITURES.

At Norfolk avenue, on main line, a double track wooden bridge has been replaced with iron girders; of the whole cost there has been charged to Improvement..	$4,000 00
At Willimantic (on Providence Division), a single track wooden bridge has been replaced with iron girders..	1,850 00
At Burnham street, Waterbury, for the new underway, the abutments and a double track girder bridge have been replaced.....	1,775 00
The elimination of four grade crossings west of Terryville has been completed, requiring one wooden and one iron bridge and abutments, at a cost of.....	9,679 72
The greater part of the work has been done for extending the second track about 2¾ miles to Plainville; on this work there was expended during the year.....	23,351 16
At Danbury Fair Grounds, fence changed.....	158 16
At South Worcester, an addition to the depot has been made	465 97
At Providence, a new stand pipe placed with long pipe connections.....	1,196 94
At Readville, new stone foundations for turn-table	322 39
At Hawleyville, a new three-stall engine house and oil house have been built, and turn-table completed....	1,894 61
Carried forward.....	$44,693 95

Brought forward	$44,693 95
On the Norwich and Worcester Division, the work of carrying Cottage street under by a three-track iron bridge has been completed. No payments made during the current year.	
At Norwich, a union station and a new iron bridge have been built, and in the year was paid on this account	4,874 94
About 5 miles of new sidings have been laid, on which has been expended*	31,773 84
At Hop Brook trestle, new filling has been made	203 23
Additional block signals	890 94
Additional guard rails on bridges	462 45
At Plainfield, coal station and track completed	1,524 21
At Bank street, Waterbury, work on under-crossing	1,159 95
At Boston, paving extension Summer street	1,764 44
At Boston, building for Customs' Inspectors	146 05
Additional cross-overs	246 88
Replacing 60 and 66-pound rail with rail weighing 75 pounds per yard, additional weight, cost	6,324 12
Expended on Terminal grounds, Providence, land at New Britain and station at Hartford	992 38
Total charged to Improvement Account	$95,057 38

The difference between this amount and the sum charged to construction account by the Auditor, is made up of charges to Right of Way and Depot Grounds, Land for Improvement at Springfield, etc.

The necessity for eliminating grade crossings of highways and streets in the States of Massachusetts and Connecticut is being vigorously urged on the company, and this item will demand a considerable expenditure in the near future.

Respectfully,

E. S. BOWEN,

Assistant to the President.

* Includes sidings charged to Boston Terminals.

SCHEDULE A.

DR. CONDENSED GENERAL BALANCE SHEET,

PERMANENT INVESTMENTS.		
To Railroad, Equipment and Property as represented by Boston, Hartford & Erie Railroad Bonds	$20,000,000 00	
" Expenditures for underlying liens, including payments to obtain possession of Hartford, Providence and Fishkill Railroad	4,486,593 75	
" Equipment, improvement and additions to property	9,180,648 28	
" Equipment purchased through Car Trusts	1,471,000 24	
" Extension of road west of Waterbury	2,689,217 71	
" Purchase of South Boston Flats	1,550,390 00	
" Purchase of Drake's Wharf, Boston	131,000 00	
" Purchase of Piper's Wharf, Boston	260,000 00	
" Purchase of Curtis's Wharf, Boston	155,000 00	
" Cost of Connecticut Central Railroad	290,377 69	
" Cost of Springfield and New London Railroad	89,492 00	
Total cost of Road and Equipment		$40,303,719 67
" Expenditures undistributed, being principally taxes chargeable in the accounts of the next fiscal year		201,493 34
" Dividend No. 13 on Preferred Stock, payable May 1, 1892, payment enjoined		128,275 00
" Supplies and Materials on hand		277,784 73
AVAILABLE CURRENT ASSETS.		
" Due from Agents and Conductors	$662,395 66	
" Due from Companies and Individuals	828,503 00	
" Cash	282,660 29	
		1,773,558 95
" Profit and Loss balance (deficit)		571,075 93
		$43,255,907 62

SCHEDULE A.

DECEMBER 31, 1892. CR.

CAPITAL STOCK.			
By Common Stock:			
Amount for which certificates have been actually issued..	$19,809,000 00		
Boston, Hartford & Erie R. R. Berdell Bonds convertible into Stock.....	191,000 00		
		$20,000,000 00	
" Preferred Stock.....		3,705,000 00	
			$23,705,000 00
BONDED DEBT.			
" First Mortgage 7% Bonds, due Jan. 1, 1905.....	$6,000,000 00		
" First Mortgage 6% Bonds, due Jan. 1, 1905.....	4,000,000 00		
		$10,000,000 00	
" Second Mortgage 6% Bonds, due Aug. 1, 1902.....		5,000,000 00	
" Boston Terminal First Mortgage 4% Bonds, due April 1, 1939.....		1,386,000 00	
			16,386,000 00
REAL ESTATE MORTGAGES.			
" Mortgage Note, Curtis's Wharf, due to Lowell Institution for Savings.....	$60,000 00		
" Mortgage Note, Curtis's Wharf, due Oct. 1, 1893...	80,000 00		
		$140,000 00	
" Mortgage Note, Land at Springfield.....		17,500 00	
" Mortgage Notes, Land at Hartford.....		16,800 00	
			174,300 00
CONTRACT OBLIGATIONS FOR PURCHASE OF REAL ESTATE AND EQUIPMENT.			
" Balance due on purchase of Piper's Wharf, due March 1, 1893.....		$200,000 00	
" Balance due for 1,000 Freight Cars purchased.....		410,910 00	
" Debt for Equipment purchased of Milford & Woonsocket R. R. Co.....		11,312 50	
			622,222 50
" SUPPLIES TRANSFERRED FROM NORWICH & WORCESTER R. R. CO., DUE IN 1969.....			61,422 99
CREDIT BALANCES.			
" Amount received under agreement for contingent rights in Richardson's Wharf.....		$21,500 00	
" Sundry unadjusted accounts.....		3,274 60	
" Unpaid Dividend on Preferred Stock.....		128,275 00	
			153,049 60
INTEREST ACCRUED.			
" Interest on First Mortgage Bonds, July 1, 1892, to Dec. 31, 1892.....		$330,000 00	
" Interest on Second Mortgage Bonds, Aug. 1, 1892, to Dec. 31, 1892.....		125,000 00	
" Interest on Boston Terminal First Mortgage Bonds, Oct. 1, 1892, to Dec. 31, 1892....		13,860 00	
" Interest on other Boston Terminal obligations.....		2,050 00	
			470,910 00
UNFUNDED DEBT.			
" First and Second Mortgage Bond coupons not yet presented.....		$2,580 00	
" Notes Payable.....		442,853 28	
" Unpaid Vouchers.....		600,987 60	
" Unpaid Pay-rolls.....		85,697 11	
" Due sundry companies on Traffic Balances and other accounts.....		550,884 54	
			1,683,002 53
			$43,255,907 62

SCHEDULE B.

INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31, 1892.

Earnings:			
Passenger		$2,169,153 57	
Freight		3,633,865 03	
Mail		61,023 28	
Express		155,778 83	
Miscellaneous		200,673 83	
Gross Earnings, 12 months			$6,220,494 54
Operating Expenses:			
Conducting Transportation, Passenger		$556,683 95	
Conducting Transportation, Freight		1,327,876 27	
Maintenance of Way		470,379 11	
Motive Power		1,490,078 85	
Maintenance of Cars		325,578 98	
General Expenses		176,405 36	
Hudson River Transfer		65,144 24	
Operating Expenses, 12 months			4,412,146 76
Net Earnings, 12 months			$1,808,347 78
Rent of Other Roads:			
Newburgh, Dutchess & Connecticut R. R.	$52,241 41		
Rhode Island & Massachusetts R. R.	20,000 00		
Boston & Albany R. R.	5,000 00		
Rockville R. R.	4,563 75		
Milford & Woonsocket, and Milford, Franklin and Providence R. Rs.	12,144 56		
New London Northern R. R.	40.740 00		
Woonsocket & Pascoag R. R.	15,000 00		
Providence & Springfield R. R.	61,529 48		
Meriden, Waterbury & Connecticut River R. R.	6,666 67		
Norwich & Worcester R. R.:			
Corporation Expenses $4,759 81			
Interest 36,766 64			
Dividends 217,066 66			
	258,593 11		
		$476,478 98	
Taxes		254,403 44	
Insurance		27,709 23	
Interest:			
On First Mortgage Bonds, $6,000,000, at 7 per cent. per annum $420,000 00			
On First Mortgage Bonds, $4,000,000, at 6 per cent. per annum 240,000 00			
	$660,000 00		
Carried forward	$660,000 00	$758,591 65	$1,808,347 78

SCHEDULE B—*Continued.*

INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31, 1892.

Brought forward		$660,000 00	$758,591 65	$1,808,347 78
Interest, *continued.*				
On Second Mortgage Bonds, $4,002,000, at 6 per cent. per annum, January 1, 1892, to January 31, 1892	$20,010 00			
$998,000, at 5 per cent. per annum, January 1, 1892, to January 31, 1892	4,158 34			
$5,000,000, at 6 per cent. per annum, February 1, 1892, to December 31, 1892	275,000 00			
		299,168 34		
On Boston Terminal Bonds, $1,386,000, at 4 per cent. per annum		55,440 00		
On Curtis's Wharf and Piper's Wharf obligations		17,700 00		
On Freight Car Equipment purchased		60,310 54		
On Miscellaneous Accounts		22,922 45		
			$1,115,541 33	
Total Fixed Charges				1,874,132 98
Operating Deficit				$65,785 20
Income from Operation of Boston Harbor Transfer				5,354 29
Net Deficiency of Income from all sources				$60,430 91

SCHEDULE C.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING DECEMBER 31, 1892.

Dr.

To Deficit from Operation	$60,430 91
" Old Claims and worthless balances written off	45,212 99
" Investment in the Capital Stock of the New England Terminal Company, and expenditures in connection therewith	340,612 07
	$446,255 97

Cr.

By Amount charged to Property Accounts in correction of former credits in 1882, 1883 and 1886, on account of the sale of land at Hartford ; of the sale of a portion of the Woonsocket Division ; and of the sale of land in Brookline, Mass. ; the gross receipts, $495,366.80, having been credited to the Property Accounts, whereas there was a resulting profit from the sales amounting to	$211,862 53
" Amount received from the Providence and Springfield Railroad Company, in compensation for terminal facilities in Providence	75,000 00
" Premium on Preferred Stock sold	20,231 24
	$307,093 77
Net Debit for the year	$139,162 20
Profit and Loss Balance (Deficit) Dec. 31, 1891	431,913 73
Profit and Loss Balance (Deficit) Dec. 31, 1892	$571,075 93

SCHEDULE D.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS, FOR THE TWELVE MONTHS ENDING DECEMBER 31, 1892.

Right of Way and Depot Grounds		$21,331 16
Improvement of Boston Terminals		17,579 33
Improvements at Hawleyville	$1,894 61	
Improvements at Springfield	25,220 21	
	$27,114 82	
Less Credits to Improvements at Hartford, Conn.	4,734 66	
		22,380 16
New Shop Tools and Machinery	$105 00	
Steam Power for Transfer Table, Norwood Shops	599 90	
		704 90
Burnham Street Crossing, Waterbury, Conn.	$1,775 61	
Bank Street Crossing, Waterbury, Conn.	1,159 95	
Change of Crossings, Plymouth, Conn.	9,679 72	
		12,615 28
New Sidings	$13,652 96	
Extension of Double Track, New Britain	23,351 16	
Connection with Dutchess County Railroad at Hopewell Junction	854 34	
Increased Weight of Steel Rails	6,324 12	
New Cross-Overs	246 88	
		44,429 46
Filling Hop Brook Trestle	$280 23	
Bridge No. 5, Norfolk Avenue, Boston, Mass.	5,002 70	
Bridge No. 85, Tolles, Conn.	657 16	
Bridge No. 28, East of Willimantic, Conn	1,850 00	
	$7,790 09	
Less Credit on account of Renewals to Bridge No. 4, West Dudley, Mass.	4,500 00	
		3,290 09
Sundry Station Improvements		992 38
Signals	$890 94	
Water Cranes	1,196 94	
Guard Rails for Bridges	462 45	
		2,550 33
Coal Station, Plainfield, Conn		1,524 21
Passenger Car Heating Plants	$2,072 63	
Miscellaneous Improvements	3,156 38	
		5,229 01
		$132,626 31
EQUIPMENT :		
New Locomotives (7)	$70,066 24	
Improvements to Passenger Cars	3,017 74	
Work on New Snow Plows	150 55	
Total Equipment Charges		73,234 53
		$205,860 84
Add amount charged to Property Accounts in correction of former credits in 1882, 1883 and 1886, on account of the sale of land at Hartford, the sale of a portion of the Woonsocket Division, and the sale of land at Brookline, Mass.	$211,862 53	
Less amount of investment in stock of New England Terminal Company charged to Profit and Loss Account	99,900 00	
		111,962 53
Net Increase of Property Accounts for the twelve months		$317,823 37

SCHEDULE E.

GENERAL STATISTICS.

	Year Ending Dec. 31, 1892.	Year Ending Dec. 31, 1891.
Revenue Passenger Train miles run	2,215,256	2,172,644
*Earnings per Passenger Train mile run:		
Passenger	$ .97919	$ .99152
Mail	.02755	.02788
Express	.07032	.07278
Miscellaneous	.02531	.02744
Gross Passenger Earnings	1.10237	1.11962
Revenue Freight Train miles run	2,462,769	2,395,040
*Earnings per Freight Train mile run:		
Freight	$1.39051	$1.42836
Miscellaneous	.05871	.06262
Gross Freight Earnings	1.44922	1.49098
Total Revenue Train miles run	4,678,025	4,567,684
*Earnings per Revenue Train mile run:		
Gross Earnings	$1.28497	$1.31434
Operating Expenses	.92924	.93292
Net Earnings	.35573	.38142
Number Local Passengers carried	8,270,382	7,815,589
Number of Through Passengers carried	736,444	688,613
Total Number of Passengers carried	9,006,826	8,504,202
Total Number of Passengers carried one mile	105,939,077	102,033,215
Earnings per Passenger, including Excess Baggage	$ .24083	$ .25331
Earnings per Passenger per mile	.02031	.02091
Earnings per Passenger, including Mail, Express, Miscellaneous and Excess Baggage	.27113	.28604
Earnings per Passenger per mile, including Mail, Express, Miscellaneous and Excess Baggage	.02305	.02384
Average Distance traveled per Passenger....miles	11,76208	11,99798
Total Number of Tons of Freight carried	3,328,339.23	3,279,980.93
Total Number of Tons of Freight carried one mile	313,164,781	317,897,541
Earnings per Ton	$1.09179	$1.11174
Earnings per Ton per mile	.01160	.01147
Earnings per Ton, including Miscellaneous	1.13524	1.15747
Earnings per Ton per mile, including Miscellaneous	.01207	.01194
Average Distance each Ton carried .....miles	94.09041	96.92055
Percentage of Operating Expenses to Gross Earnings	70.92	69.25
Average Earnings per Passenger per mile:		
Through	.02294	.02366
Local	.01965	.02014
Passenger Car miles run	8,220,643	8,128,047
Freight Car miles run, loaded	31,645,268	31,297,374
" " empty	11,894,680	12,190,552

* Does not include Earnings of the Hudson River Transfer.

EIGHTEENTH ANNUAL REPORT

TO THE

STOCKHOLDERS

OF THE

NEW YORK & NEW ENGLAND RAILROAD COMPANY,

MADE AT THE ANNUAL MEETING,

1893

TUESDAY, MARCH 13, 1894.

BOSTON:
THE COLLINS PRESS, 15 MILTON PLACE.
1894.

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1894.

Directors.

List of Directors of the New York and New England Railroad Company:

ARCHIBALD A. McLEOD	New York, N. Y.
THOMAS C. PLATT	" "
JAMES ARMSTRONG	" "
JOSEPH F. SINNOTT	Philadelphia, Penn.
SAMUEL HEILNER	" "
GEORGE H. EARLE, Jr.	" "
SPENCER ERVIN	" "
CHARLEMAGNE TOWER, Jr.	" "
HENRY A. DU PONT	Wilmington, Del.
ARTHUR BROCK	Lebanon, Penn.
M. J. PERRY	Providence, R. I.
B. F. VAUGHAN	" "
JOHN W. DOANE	Chicago, Ill.
ARTHUR SEWALL	Portland, Me.
F. H. PRINCE	Boston, Mass.
CHARLES E. GROSS	Hartford, Conn.
D. S. PLUME	Waterbury, Conn.
JOSEPH HENSLER, Jr.	Jersey City, N. J.

Officers of the Corporation.

Archibald A. McLeod	*President.*
J. T. Odell	*Vice-President.*
Geo. B. Phippen	*Treasurer.*
James W. Perkins	*Secretary.*

RAILROAD AND STEAMBOAT LINES

CONTROLLED BY THE NEW YORK AND NEW ENGLAND RAILROAD COMPANY.

Lines Operated by the Company.

OWNED BY THE COMPANY.	Main Track.	Double Track.	Sidings.	Total Track.
Boston to Hopewell Junction	214.98	112.68	115.15	442.81
(Hopewell Junction to Wicopee, owned by N. D. & C. R. R. Co.)				
Wicopee to Fishkill Landing	1.71	.....	6.26	7.97
Providence to Willimantic	58.32	1.36	18.22	77.90
Cook Street, Newton, to Woonsocket	28.67	.....	6.63	35.30
East Thompson to Southbridge	17.36	.....	2.82	20.18
East Hartford, Conn., to junction with Boston & Albany R. R., in Springfield	27.48	.....	5.76	33.24
Melrose to West Street, Rockville	7.22	.....	.24	7.46
Dedham Junction to Dedham	1.53	.....	.86	2.39
Islington to Dedham	2.00	.....	.....	2.00
Dorrance Street Track, Providence	.62	.....	.03	.65
Freight Branch, Hartford	.67	.....	.98	1.65
Total Railroad Lines owned by the Company	360.56	114.04	156.95	631.55
LEASED BY THE COMPANY.				
Norwich & Worcester R. R.				
Worcester to Allyn's Point	66.16	.....	24.16	90.32
Rhode Island & Mass. R. R.				
Franklin to Valley Falls	13.59	.....	1.56	15.15
Rockville Railroad.				
Vernon to Rockville	4.43	.....	.75	5.18
Boston & Albany R. R.				
From junction of N. Y. & N. E. R. R. to Station in Springfield	1.41	.....	1.38	2.79
Milford & Woonsocket, and M. F. & P. Railroads.				
Franklin to Ashland	19.97	.....	4.01	23.98
Providence & Springfield R. R.				
Providence to Douglas Junction	28.18	.....	7.11	35.29
Woonsocket & Pascoag R. R.				
Woonsocket to Harrisville	9.50	.....	.72	10.22
Meriden, Waterbury & Connecticut River R. R.				
Waterbury to Cromwell	30.34	.....	7.14	37.48
Total Leased Lines operated by the Company	173.58	.....	46.83	220.41

The company has RUNNING ARRANGEMENTS over other railroads, as follows: *Newburgh, Dutchess and Connecticut Railroad*, Hopewell Junction to Wicopee Junction, 10.95 miles; *New York, Providence and Boston Railroad*, from junction with *New York and New England Railroad* to station, Providence, .10 mile; total TRACKAGE RIGHTS, 11.05 miles.

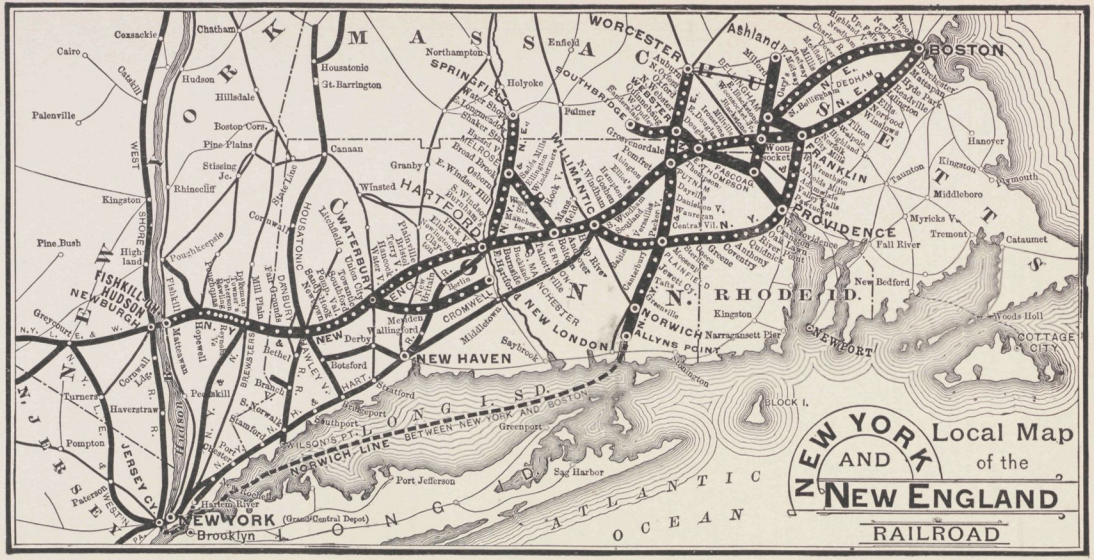
THE TOTAL NUMBER OF MILES OPERATED BY THE NEW YORK AND NEW ENGLAND RAILROAD COMPANY IS 545.19 MILES.

The transfer steamer "Wm. T. Hart" and floats owned by the Company operate between Newburgh, N. Y., and Fishkill-on-Hudson, N. Y., a distance of .79 of a mile.

The Company's passenger trains and freight trains are hauled over the tracks of the *New London Northern Railroad Company* between Norwich and New London, a distance of 13.50 miles.

The Company controls, through its lease of the Norwich and Worcester Railroad, the *Norwich and New York Transportation Company's* line of steamers between Norwich, New London and New York, 125 miles.

THE TOTAL NUMBER OF MILES OF TRANSPORTATION LINES CONTROLLED by the New York and New England Railroad Company is 684.48 miles.


NEW YORK AND NEW ENGLAND RAILROAD
Local Map of the
NEW YORK
BOSTON
NEWYORK (Grand Central Depot)
Brooklyn
NEW HAVEN
NORWICH
PROVIDENCE
Fall River
New Bedford
Newport
Block I.
Narragansett Pier
Kingston
Woods Holl
COTTAGE CITY
Hartford
Springfield
Worcester
Ashland
Framingham
Boston
Hanover
Kingston
Plymouth
Middleboro
Myricks
Tremont
Catauumet
Taunton
Attleboro
Providence
Pawtucket
Central Falls
Woonsocket
Pascoag
Putnam
Danielson
Willimantic
Thompsonville
Enfield
Northampton
Holyoke
Southbridge
Palmer
Webster
Dudley
Norwich
Allyns Point
Groton
Stonington
Mystic
Watch Hill
Westerly
Shannock
Wickford
Wickford Jct.
Kingston
Saybrook
Middletown
Cromwell
Wallingford
Meriden
Derby
Waterbury
Naugatuck
Winsted
Canaan
Housatonic
Gt. Barrington
Pittsfield
Chatham
Hudson
Hillsdale
Boston Corners
Pine Plains
Stissing Jc.
Rhinecliff
Kingston
Pine Bush
Highland
Poughkeepsie
Cornwall
Fishkill
Newburgh
Greycourt
Turners
Haverstraw
Pompton
Paterson
Jersey City
Hoboken
Harlem River
Brooklyn
Cornwall Lake
Mastenan
Mill Plain
Danbury
Bethel
Brewster
Botsford
Stratford
Bridgeport
Southport
Fairfield
Greenport
Port Jefferson
Sag Harbor
Block I.
Stamford
South Norwalk
Wilson's Point
Norwich Line between New York and Boston
Long Island
Atlantic Ocean
Sound
Hudson River
Housatonic R.
Connecticut R.
Thames R.
Pawcatuck R.
Blackstone R.
Taunton R.
Merrimack R.
Charles R.
Neponset R.
Shore Line
Air Line
Consolidated
Old Colony
Fall River
Providence
Worcester
Framingham
Boston
Hanover
Kingston
Plymouth
Middleboro
Myricks
Tremont
Catauumet
Taunton
Attleboro
Providence
Pawtucket
Central Falls
Woonsocket
Pascoag
Putnam
Danielson
Willimantic
Thompsonville
Enfield
Northampton
Holyoke
Southbridge
Palmer
Webster
Dudley
Norwich
Allyns Point
Groton
Stonington
Mystic
Watch Hill
Westerly
Shannock
Wickford
Wickford Jct.
Kingston
Saybrook
Middletown
Cromwell
Wallingford
Meriden
Derby
Waterbury
Naugatuck
Winsted
Canaan
Housatonic
Gt. Barrington
Pittsfield
Chatham
Hudson
Hillsdale
Boston Corners
Pine Plains
Stissing Jc.
Rhinecliff
Kingston
Pine Bush
Highland
Poughkeepsie
Cornwall
Fishkill
Newburgh
Greycourt
Turners
Haverstraw
Pompton
Paterson
Jersey City
Hoboken
Harlem River
Brooklyn
Cornwall Lake
Mastenan
Mill Plain
Danbury
Bethel
Brewster
Botsford
Stratford
Bridgeport
Southport
Fairfield
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Thames R.
Pawcatuck R.
Blackstone R.
Taunton R.
Merrimack R.
Charles R.
Neponset R.
Shore Line
Air Line
Consolidated
Old Colony
Fall River
Providence
Worcester
Framingham
Boston

EIGHTEENTH ANNUAL REPORT.

To the Stockholders of the New York and New England Railroad Company:

The President and Directors of the company submit to you their report of the operations of the road for the year ending December 31, 1893.

The earnings and expenses for the year are exhibited by the following figures: —

EARNINGS.		
Passenger	$2,047,923 47	
Freight	3,528,063 36	
Mail	60,499 49	
Express	173,600 39	
Miscellaneous	209,122 60	
Gross Earnings		$6,019,209 31
OPERATING EXPENSES.		
Conducting Transportation, Passenger	$555,609 96	
Conducting Transportation, Freight	1,345,101 46	
Maintenance of Way	569,280 84	
Motive Power	1,422,775 21	
Maintenance of Cars	308,967 24	
General Expenses	204,966 96	
Hudson River Transfer	51,271 89	
Operating Expenses		4,457,973 56
Net Earnings		$1,561,235 75
FIXED CHARGES.		
Rent of Other Roads	$492,750 94	
Taxes	256,476 90	
Insurance	30,348 10	
Interest	1,114,409 53	
Total Fixed Charges		1,893,985 47
Deficit		$332,749 72
Income from Operation of Boston Harbor Transfer		5,350 99
Net Deficit		$327,398 73

A reference to the income account will show further charges to that account for the renewal of locomotives worn out in former years and for general improvements, as well as for discounts, old debts, and other matters of a similar nature charged to profit and loss, all amounting to $410,576.95, making the total amount charged to profit and loss account for the year, $737,975.68.

It has been the aim of the present management to maintain as high a standard of efficiency in its road-bed and tracks as the volume and character of its business warranted, and it has in the year just closed expended large sums of money on the road-bed and tracks that should have been expended in previous years. The freight equipment is not fully up to standard. It has previously been allowed to run down, and the company has been obliged to pay to foreign roads large sums of money for the use of their cars, simply because a large proportion of its equipment would not be received by other roads, owing to its condition, by reason of neglect in former years.

The number of ties put into the track during the year was 230,153, or 430 ties per mile of road operated. There were 1,835 tons of steel rails laid weighing 75 pounds per yard, and 2,050 tons of steel rails laid weighing 80 pounds per yard. These figures show that 30 per cent more ties were laid than in 1892, and more than three times the number of tons of steel rails; and in addition it was found necessary to resume the work on the bridges which was stopped in 1892.

The increase of maintenance of way expenditures is thus explained. The track, bridges, and structures generally are now in as good condition as the volume and character of traffic handled requires; although it would be true economy, had the company the necessary money in hand, to put in permanent structures rather than to make the necessary repairs from year to year. The structures are perfectly safe, but the constantly increasing weight of locomotives and cars requires a corresponding strengthening of bridges, and the work should be done at once and the expense of keeping men for strengthening dispensed with.

The principal items of work done during the year in repairing and strengthening the bridges are as follows:

At Blackstone, Bridge No. 32, east of the station, a trestle of 46 feet and a Howe truss of 160 feet, was burned, and a temporary trestle for two tracks has been put in, a new pier built, and the old pier and both abutments raised. New iron girders are under construction.

At Boston the floor of the bridge over Fort Point Channel draw has been strengthened, and additional sway braces have been put into the trestle.

On the main line seven bridges, aggregating 1,023 feet in length, have been strengthened by the addition of rolled beams, stringers, floor beams, and rods, a very considerable improvement. Six other main line bridges have had all broken and worn parts replaced and rivets made tight. Floor beams and floors have been renewed on eleven bridges upon the main line, two on the Milford Branch, two on the Rockville Branch, and six on the Meriden Branch. Between Meriden and Cromwell four small bridges have been rebuilt. New girders have been placed at Hancock Brook. At Vernon, bridge No. 60 has been entirely renewed. On the Connecticut River trestle, thirty-five sills have been replaced with new ones, and the caps on the freight branch junction trestle at Hartford have all been renewed. About 80,000 feet of stringers have been put into the trestle at Fishkill.

Highway bridges have been replanked as follows: On the main line at Fifth Street, Dorchester Avenue, Bird Street, West Walpole, and Franklin; on the Central Division at Wayland, Pontiac, Centreville, and Woonsocket; and on the Milford Branch near Unionville.

Complete renewals of highway bridges have been made at South Uxbridge, Bristol, Towantic, and High Street, Providence.

Wall plates have been renewed on two bridges on the Central Division. Additional stringers have been put upon one bridge and caps have been renewed upon another.

The whole cost of strengthening and improving the bridges and trestles has been charged to operating expenses.

A great deal of other work has been done in renewing and maintaining your property.

At South Boston Flats, 74 fender piles, and the cap logs at Pier No. 1 and Pier No. 2 have been renewed. Quadrant Wharf was replanked, and the transfer platform at Freight House No. 1 was renewed. New pneumatic gates have been put in at Congress Street, and a new oil house has been built in Boston passenger yard.

Station platforms have been renewed at Dudley Street, Readville, Dedham Junction, Winslows, Hop River, Andover, Mill Plain, Baltic, Versailles, North Bellingham, Medway, Webster, Plainfield, and Arnold's Mills.

At Walpole a new passenger station and a new signal tower, with a system of interlocking switches, have been built to take the place of the

station burned April 3, 1893. One half of the whole cost has been paid by the New York, New Haven & Hartford Railroad Company. The freight house has been moved, and the platforms rebuilt in part.

A new passenger station and a freight house and platform have been built at Brewster's to replace the old passenger and freight station burned.

At Moosup a new passenger station and platform and a new freight house and platform have been built to replace the buildings burned in 1892.

A system of interlocking signals has been put in at East Thompson to control the tracks at the junction of the main line and the Southbridge Branch.

At Hartford a new passenger station has been built at a cost of $8,500. This structure is of a temporary nature, but is convenient, and will serve all necessary purposes for some time to come. Facilities have been provided for heating cars by steam while standing in the yard.

The building of the extension of the Providence & Springfield Railroad, from Pascoag to Douglas Junction, on the New York & New England main line, which was begun in the autumn of 1892, has been completed during the year. This will secure to your company valuable through business between the cities of Providence and Worcester, and the country adjacent and tributary to them. While $250,000 was provided to pay for the extension of the Providence & Springfield road, yet, as $75,000 of this sum was withdrawn by the previous management and used for other purposes, the present management has been compelled to pay for this extension out of its current receipts the sum of $22,166.85.

A matter that should not be lost sight of is the question of ballast. Gravel ballast is supposed to last about nine years, and a proportionate percentage should be added each year to prevent too much work and expense crowding into any one year. As this matter has been neglected in previous years, it should not be put aside during the coming year, and at least fifty miles of gravel ballasting should be done.

Large expenditures have been made upon the equipment.

Ten new heavy compound locomotives have been purchased during the year, and their whole cost, less credits not previously allowed for part of the scrap value of the old locomotives, has been charged to the income account, as representing the cost of renewals rightly chargeable to the operations of former years.

At the beginning of the year there were eight locomotives

condemned, and during the year five additional ones were added to the list. One Norwich & Worcester locomotive was sold, and replaced by one belonging to the New York & New England Railroad Company. There are now no vacancies in the locomotive equipment.

The freight cars are mostly old and in very bad condition, and it is a question whether it would not be wise to dispose of at least one thousand of them by sale or otherwise, and replace them by one thousand new ones. The amount of money paid foreign roads for the use of their cars on the lines of this company, and the small amount earned by the New England Company's cars on foreign roads, would seem to justify this action. The amount paid foreign roads for car mileage in 1892 was $96,541.82, and in 1893 it amounted to $128,719.66.

Although the equipment is in much better condition than at the beginning of the year, the decreased charge to motive power and maintenance of cars in 1893 as compared with 1892 was $83,915.38. The improved condition of the locomotive equipment on January 1, 1893, and January 1, 1894, is shown in the following table: —

LOCOMOTIVES.

	Norwood Shops.		East Hartford Shops.		Norwich Shops.		Total.	
	1892	1893	1892	1893	1892	1893	1892	1893
Engines receiving light repairs	47	38	34	109	13	35	94	182
Engines receiving heavy repairs	28	14	17	18	9	17	54	49
Engines receiving general overhauling	23	48	9	9	6	2	38	59
Grand totals	98	100	60	136	28	54	186	290

	1892.	1893.
Engines in good condition	69	117
" " fair "	74	41
" " poor "	46	36
" " shops	10	14
" awaiting repairs	5	1
" condemned	6	3
" numbers vacant	2	
Total number	212	212

The passenger car equipment in 1893 as compared with 1892 is as follows: —

PASSENGER CARS.

Kind.	Good Order.		Fair Order.		Poor Order.		Total.	
	1892	1893	1892	1893	1892	1893	1892	1893
Passenger cars	136	150	38	50	78	52	252	252
Baggage cars	17	9	7	15	5	5	29	29
Grand total	153	159	45	65	83	57	281	281

Repairs were put on the above cars as follows: —

71 passenger cars had general repairs.
3 baggage cars had general repairs.
37 express cars had general repairs.
29 cars were painted standard color.

The freight car equipment at the close of the year was as follows: —

FREIGHT CARS.

Box cars, all classes	2,522
Coal " " "	2,369
Flat " " "	510
Four-wheel coal dumps, all classes	842
Cabooses	88
Construction cars	10
Derrick cars	6
Tool cars	8
Snow ploughs	2
Snow flangers	6
Total	6,363

One hundred and twenty-seven of the coal cars mentioned above had rigid sides put on.

Your attention is called to the fact that since the organization of the company up to the present time the following freight equipment has been destroyed, either on your own road or on foreign roads. These

vacant numbers should be replaced by new equipment whenever practicable.

CARS DESTROYED AND NOT REBUILT.

Box cars	171
Flat cars	114
Coal cars	169
Dump cars	111
Caboose cars	18
Tool cars	2
Construction cars	8
Combination cars	3
Total	596

TRAFFIC AND NET REVENUE.

Notwithstanding the competition for through freight traffic by the lines traversing New England, the diversion of business from us by the New York, New Haven, & Hartford Railroad Company, and the cancellation of tariffs with the Star Union Line (which were restored April 21 through force of a legislative investigation), we were able to show for the first half of the year, while the business of the country was in a normal condition, largely increased gross returns from freight traffic, which aggregated for the first six months $1,883,779.97, an increase of $171,809.58 over the same period of the previous year. Passenger earnings for the same period aggregated $965,007.15, a decrease of $32,532.10, which is fully accounted for by the loss of the Boston and Washington train, with earnings averaging over $7,000 per month. During July we first began to feel the great business depression still existing in the United States, which has had the effect of reducing our local tonnage 20 per cent during the last half of the year, and also of reducing the percentage of high-class freight business to the total, thereby naturally increasing the percentage of operating expense.

This is very clearly demonstrated by an analysis of the tonnage for 1893, which shows, among other items, a decrease of 116,872.81 tons of merchandise, 1,479 tons of cotton and woollen fabrics, 6,614 tons of fruit and vegetables, 1,068 tons of dressed meats, and 1,262 tons of poultry, game, fish, etc., which are the principal component items of our high-class traffic.

While our total tonnage shows an increase of 46,066.31 tons, analysis proves that the principal items of increase are on the lower class of freight traffic, viz., 68,705 tons of grain, 12,565 tons of flour, 26,815 tons of hay, 9,564 tons of cotton, 17,460 tons of brick.

The depression has been more severely felt in our local freight traffic than in the through traffic, for the reason that we have carried a volume of low class export freight in 1893 much larger than ever before, with the idea of making up as far as possible our losses in local business. This is shown by the fact that our local tonnage has decreased in the last six months of the year over 20 per cent, while our through business has fallen off but 12 per cent.

Our coal business has shown a gratifying condition. We have carried 1,011,700.95 tons at the same average rate as for the preceding year, $9\frac{6}{10}$ mills per ton mile, with an average haul of 79 miles, an increase of 133,685.11 tons, and a decrease of but one mile in average haul.

The length of the haul of each ton of freight carried by this road in 1893 was 96 miles, an increase of 12 per cent over 1889; but owing to the peculiar conditions of traffic, the number of tons hauled by each freight train decreased 25 per cent in the same period. This led to the belief that through business must be hauled at a loss, and that it would be wise to go out of it. If there were no remedy for the constantly decreasing weight of the train, then it would certainly be advisable to go out of certain kinds of through freight business; but instead of declining any business, this management has, by a simple method, increased the tons hauled by freight trains on its western division fully 75 per cent, and freight heretofore supposed to be hauled at cost or for a small gain should now be hauled at a fair profit.

The last six months of the year 1893 were more disastrous to railway operations than any period of the same length of time for twenty years. Competition for traffic had caused the weaker lines to increase their volume of business by taking traffic at a trifle below the cost of handling, and a net revenue could only be shown by steadily cutting down the expenses, thus decreasing the efficiency of freight equipment, motive power, road-bed, and track. When, during the last six months of the year, the volume of traffic had reached such a low ebb that the strongest lines in the country found it difficult to maintain their financial standing, and the weaker lines, those which had been unable to maintain their property at a high standard, were

obliged to either suspend their dividends, pass their interest, or continue to allow their property to depreciate, the New York & New England road was less fortunate than its rival lines, for the reason that its earning power is higher in per cent of freight earnings to passenger earnings than that of its competitors, and it is more difficult to reduce expenses under these circumstances than it otherwise would be.

When the financial panic came, it found the company wholly unprepared to reduce its expenses in proportion to its loss in gross earnings, except by allowing the physical condition of the road to depreciate to such an extent that a temporary showing would prove disastrous in the end.

The property in 1892 was not maintained as it should have been; only two-thirds of the number of ties were put in the track that is usual and necessary, and only about one fourth the amount of steel rails was laid that should have been put in the track to keep it in safe and economical condition. The equipment had been allowed to run down until eight per cent of all the cars and locomotives were either in the shop or waiting on the repair tracks. This management could not, in the face of this condition of affairs, continue to show increased net earnings while allowing the property to depreciate. It was, therefore, found necessary to increase the number of ties in 1893, as compared with 1892, thirty per cent, and the number of tons of steel rails two hundred and fifty per cent. A large amount of bridge work was postponed from 1892, and carried into the expenses of 1893.

In addition to the impracticability of reducing the expenses to equal the loss in gross earnings by reason of the injury it would do to the property, we were confronted with a more serious obstacle, viz., the loss in gross earnings was due almost entirely to the loss in passenger business and high-class local freight, where the expense for earning revenue is a nearly fixed expense, as the trains are regularly scheduled passenger and high-class local freight trains, where it is necessary to run them regularly, whether fully loaded or otherwise. The passenger train mileage was cut down to such a low point that it is a question whether we shall not be compelled to restore it.

It may be said, therefore, that if the property had been maintained to the proper standard in previous years, and the loss in gross earnings not confined wholly to passengers and high-class local freight, this management, in the face of the panic, would have been able to show no material loss in net earnings; but, all things considered, the

reduction in expenses compares most favorably with the loss in gross earnings.

Had the management followed the methods practised in former years in keeping the accounts of your company, and not been so practical as to charge to income account expenditures for improvements, the net earnings would have been swelled to larger proportions, although a large amount, properly considered, would be fictitious.

Unless for purposes of information, it is useless for a corporation without working capital, and as in the case of your company even the prospect or being able to secure it, to keep capital accounts; and unless you wish to deceive yourselves you will direct that until the company can provide working capital, all disbursements shall be charged to operating expenses. In accordance with this principle, your management has made up Schedule B, hereto attached, in which it will be observed that large items have been charged to income account instead of to capital account as heretofore practised, and which has largely increased the deficit of profit and loss account.

New York, New England & Northern Extension.

Your President has expressed the advantages of the extension of your line into the city of New York, as follows: —

"Soon after my connection with this property, I became convinced that an extension of the line to reach New York City was of the greatest importance. Several possible routes were examined, and it was finally decided that about the only practical way to get a line into New York was to start from a point near the Connecticut and New York State line, thence to run in almost a southerly direction to the Harlem River. A company called the New York, New England & Northern Railroad Company was organized, and in conformity to the laws of the State of New York, an application was made to the Railroad Commissioners, and, after consideration by them, it was authorized to construct such a line. The next step was to secure a ratification by a majority of the stockholders of your company, of the leases and contracts which had been made between the two companies, and a

special stockholders' meeting was called for and took place on the 27th day of December last. At that meeting I briefly and conservatively outlined the benefits which, to my mind, would accrue to the parent company should the extension be built. The question has been most carefully considered by the Vice-President of the company and the General Traffic Manager of the company, and they estimate that the gross earnings of the line almost from its opening would aggregate at least $12,500 per mile, taking into account such business as could be diverted from the Sound line with profit to the company and satisfaction to the patrons of the road. The great bulk of additional business would, of course, be that which would originate at or beyond New York, and at Boston and other large places where the New England road now has spacious terminals but is not in a position to take the business to and from New York in competition with other lines, and very little traffic of a purely local character was considered, although it is believed that, eventually, this traffic would add greatly to the success of the enterprise.

"It should also be borne in mind that the New York & New England mileage is such that, in my opinion, not less than two hundred miles could be added to it without any perceptible increase in the general expenses.

"Since the inception of the enterprise developments have taken place which not only warrant the position I have taken with regard to the construction of this line, but make the construction of it an imperative necessity. In other words, if this extension is not built, thus affording an opportunity to the management of the New York & New England road to get a fair share of the New York traffic, as well as its fair proportion of the through traffic passing to and from the South and West, then the New York & New England road will cease to be an independent factor in the New England traffic, and will either revert to its old condition as a purely local road, or will fall into the hands and become a part of the monopoly which now controls all the rail entrances into New York City from New England.

"The discrimination by a competing line against your property has been continued for several years, until the large interchange of traffic heretofore enjoyed has been cut off almost completely, so that there is but little left for it to do to sever all interchange relations. I doubt whether this discrimination is resorted to from any mere desire to injure your property, as it is not unlike the methods pursued by other corporations when they have the power of monopoly in their hands.

"It would thus seem plain, that what was originally thought to be a good move on the part of the New York & New England road in securing the extension of its line into the city of New York has now become an imperative necessity, if its identity as an independent line is to be considered."

By order of the Board of Directors,

A. A. McLEOD,

President.

SCHEDULE A.

DR. CONDENSED GENERAL BALANCE SHEET.

PERMANENT INVESTMENTS.		
To Railroad, Equipment and Property as represented by Boston, Hartford & Erie Railroad Bonds	$20,000,000 00	
" Expenditures for underlying liens, including payments to obtain possession of Hartford, Providence and Fishkill Railroad	4,486,593 75	
" Equipment, improvement and additions to property	9,226,902 20	
" Equipment purchased through Car Trusts	1,471,000 24	
" Extension of road west of Waterbury	2,689,217 71	
" Purchase of South Boston Flats	1,550,390 00	
" Purchase of Drake's Wharf, Boston	131,000 00	
" Purchase of Piper's Wharf, Boston	260,000 00	
" Purchase of Curtis's Wharf, Boston	155,000 00	
" Cost of Connecticut Central Railroad	290,377 69	
" Cost of Springfield and New London Railroad.	89,492 00	
Total cost of Road and Equipment		$40,349,973 59
" Expenditures undistributed, being principally taxes chargeable in the accounts of the next fiscal year		160,302 10
" Dividend No. 13 on Preferred Stock payable May 1, 1892, payment enjoined		128,275 00
" Supplies and Materials on hand		304,716 27
AVAILABLE CURRENT ASSETS.		
To Due from Agents and Conductors	$650,782 47	
" Due from Companies and Individuals	1,326,064 90	
" Cash	117,812 31	
		2,103,659 68
" Profit and Loss balance (deficit)		1,309,051 61
		$44,355,978 25

SCHEDULE A.

DECEMBER 31, 1893. CR.

CAPITAL STOCK.			
By Common Stock:			
Amount for which certificates have actually been issued...$19,815,000 00			
Boston, Hartford & Erie R. R. Berdell Bonds convertible into stock..... 185,000 00			
		$20,000,000 00	
" Preferred Stock.....		3,817,600 00	
			$23,817,600 00
BONDED DEBT.			
" First Mortgage 7% Bonds, due Jan. 1, 1905.....	$6,000,000 00		
" First Mortgage 6% Bonds, due Jan. 1, 1905.....	4,000,000 00		
		$10,000,000 00	
" Second Mortgage 6% Bonds, due Aug. 1, 1902		5,000,000 00	
" Boston Terminal First Mortgage 4% Bonds, due April 1, 1939.....		1,500,000 00	
			16,500,000 00
REAL ESTATE MORTGAGES.			
" Mortgage Note, Curtis's Wharf, due Dec. 23, 1896.....		$52,000 00	
" Mortgage Note, Land at Springfield.....		17,500 00	
" Mortgage Notes, Land at Hartford.....		21,800 00	
			91,300 00
CONTRACT OBLIGATIONS FOR PURCHASE OF REAL ESTATE AND EQUIPMENT.			
" Balance due on purchase of Piper's Wharf, due March 1, 1894.....		$200,000 00	
" Balance due for 1,000 Freight Cars purchased.		385,910 00	
" Balance due for 10 Locomotives purchased..		112,545 18	
			698,455 18
" SUPPLIES TRANSFERRED FROM NORWICH & WORCESTER R. R. CO., DUE IN 1969.....			61,422 99
CREDIT BALANCES.			
" Amount received under agreement for contingent rights in Richardson's Wharf.....		$21,500 00	
" Sundry Unadjusted Accounts.....		36,058 30	
" Unpaid Dividend on Preferred Stock.....		128,275 00	
			185,833 30
INTEREST AND RENTALS ACCRUED.			
" Interest on Second Mortgage Bonds, Aug. 1, 1893, to Dec. 31, 1893.....		$125,000 00	
" Interest on Boston Terminal First Mortgage Bonds, Oct. 1, 1893, to Dec. 31, 1893.....		15,000 00	
" Other Interest and Rentals.....		12,641 79	
			152,641 79
UNFUNDED DEBT.			
" First and Second Mortgage Bond Coupons not yet presented.....		$1,380 00	
" First Mortgage Bond Interest, due Jan. 1, 1894,		330,000 00	
" Notes Payable.....		797,252 75	
" Unpaid Vouchers.....		550,821 46	
" Unpaid Pay Rolls.....		82,126 27	
" Due sundry companies on Traffic Balances and other accounts.....		1,087,144 51	
			2,848,724 99
			$44,355,978 25

SCHEDULE B.

INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31, 1893.

Earnings:			
Passenger		$2,047,923 47	
Freight		3,528,063 36	
Mail		60,499 49	
Express		173,600 39	
Miscellaneous		209,122 60	
Gross Earnings			$6,019,209 31
Operating Expenses:			
Conducting Transportation, Passenger		$555,609 96	
Conducting Transportation, Freight		1,345,101 46	
Maintenance of Way		569,280 84	
Motive Power		1,422,775 21	
Maintenance of Cars		308,967 24	
General Expenses		204,966 96	
Hudson River Transfer		51,271 89	
Operating Expenses			4,457,973 56
Net Earnings			$1,561,235 75
Rent of Other Roads:			
Newburgh, Dutchess & Connecticut R. R.	$49,631 16		
Rhode Island & Massachusetts R. R.	20,000 00		
Boston & Albany R. R.	5,000 00		
Rockville R. R.	4,563 75		
Milford & Woonsocket, and Milford, Franklin & Providence R. Rs.	11,404 14		
New London Northern R. R.	41,425 00		
Woonsocket & Pascoag R. R.	15,000 00		
Providence & Springfield R. R.	62,574 53		
Meriden, Waterbury & Connecticut River R. R.	20,284 12		
Norwich & Worcester R. R.			
Corporation Expenses $4,425 49			
Interest 37,026 08			
Dividends 221,416 67			
	262,868 24		
		$492,750 94	
Taxes		256,476 90	
Insurance		30,348 10	
Interest:			
On First Mortgage Bonds, $6,000,000 at 7 per cent per annum $420,000 00			
On First Mortgage Bonds, $4,000,000 at 6 per cent per annum 240,000 00			
	$660,000 00		
Amounts carried forward	$660,000 00	$779,575 94	$1,561,235 75

SCHEDULE B—*Continued.*

INCOME ACCOUNT FOR THE YEAR ENDING DECEMBER 31, 1893.

Amounts brought forward	$660,000 00	$779,575 94	$1,561,235 75
Interest—*continued.*			
On Second Mortgage Bonds, $5,000,000, at 6 per cent per annum	300,000 00		
On Boston Terminal Bonds, $1,386,000 at 4 per cent per annum, January 1 to September 30, 1893	41,580 00		
$1,500,000 at 4 per cent per annum, October 1 to December 31, 1893	15,000 00		
On other Boston Terminal obligations,	18,053 00		
On Freight Car Equipment purchased,	54,000 00		
On Miscellaneous Accounts	25,776 53		
		$1,114,409 53	
Total Fixed Charges			1,893,985 47
Operating Deficit			$332,749 72
Income from Operation of Boston Harbor Transfer			5,350 99
Net Deficiency of Income from Operation			$327,398 73
Add:			
Renewal of Locomotives worn out in former years	$113,750 59		
General improvements charged off	30,002 34		
		$143,752 93	143,752 93
			$471,151 66
Balance of withheld car mileage accrued between December 1, 1890, and January 31, 1892, paid in 1893,			84,722 20
Remainder of amount paid to New England Equipment Co., in settlement of claims under contract for 1,000 freight cars			56,339 52
Amount paid Rumsey heirs for old claims for rental and damage at Fishkill, N. Y.			25,000 00
Deductions from property accounts for loss on investment in cable line between Wilson's Point and Oyster Bay			2,190 40
Discount on Boston Terminal First Mortgage Bonds issued in settlement of Curtis's Wharf notes			22,800 00
Worthless accounts and balances written off			75,771 90
Amount charged to Profit and Loss for the year			$737,975 68
Profit and Loss Balance (Deficit), December 31, 1892			571,075 93
Profit and Loss Balance (Deficit), December 31, 1893			$1,309,051 61

SCHEDULE C.

STATEMENT OF NEW CONSTRUCTION AND EXPENDITURES CHARGED TO PROPERTY ACCOUNTS FOR THE TWELVE MONTHS ENDING DECEMBER 31, 1893.

Right of Way and Depot Grounds	$7,553 00	
Improvement of Boston Terminals	4,220 92	
Improvements at Providence	1,768 55	
Improvements at Hartford	9,308 51	
	$22,850 98	
Less Credits at Sundry places	1,213 50	$21,637 48
Extension of Double Track	$11,923 59	
New Sidings	14,573 79	26,497 38
New Interlocking Signals, East Thompson		5,017 11
		$53,151 97
LESS CREDITS:		
Cable Line, Wilson's Point to Oyster Bay, sold	$3,887 96	
Sundry Renewals	3,010 09	6,898 05
Increase of Property Accounts for the twelve months,		$46,253 92

SCHEDULE D.

GENERAL STATISTICS.

	Year Ending Dec. 31, 1893.	Year Ending Dec. 31, 1892.
Revenue Passenger Train miles run	2,177,801	2,215,256
*Earnings per Passenger Train mile run: —		
Passenger	$ .93822	$ .97919
Mail	.02778	.02755
Express	.07971	.07032
Miscellaneous	.02689	.02531
Gross Passenger Earnings	1.07260	1.10237
Reveune Freight Train miles run	2,684,936	2,462,769
*Earnings per Freight Train mile run: —		
Freight	$1.24258	$1.39051
Miscellaneous	.05607	.05871
Gross Freight Earnings	1.29865	1.44922
Total Revenue Train miles on	4,862,737	4,678,025
*Earnings per Revenue Train mile run: —		
Gross Earnings	$1.19741	$1.28497
Operating Expenses	.90622	.92924
Net Earnings	.29119	.35573
Number Local Passengers carried	7,979,096	8,270,382
Number of Through Passengers carried	729,755	736,444
Total Number of Passengers carried	8,708,851	9,006,826
Total Number of Passengers carried one mile	103,039,003	105,939,077
Earnings per Passenger, including Excess Baggage,	$ .23515	$ .24083
Earnings per Passenger per mile	.01973	.02031
Earnings per Passenger, including Mail, Express, Miscellaneous and Excess Baggage	.26876	.27113
Earnings per Passenger per mile, including Mail, Express, Miscellaneous and Excess Baggage	.02272	.02305
Average Distance travelled per Passenger....miles	11.83153	11.76208
Total Number of Tons of Freight carried	3,374,405.54	3,328,339.23
Total Number of Tons of Freight carried one mile,	323,324,161	313,164,781
Earnings per Ton	$1.04554	$1.09179
Earnings per Ton per mile	.01091	.01160
Earnings per Ton, including Miscellaneous	1.09015	1.13524
Average Distance each Ton carried .....miles,	95.81663	94.09041
Percentage of Operating Expenses to Gross Earnings	74.06	70.92
Average Earnings per passenger per mile:		
Through	.01973	.02294
Local	.01973	.01965
Passenger Car miles run	7,913,780	8,220,643
Freight Car miles run, loaded	31,433,747	31,645,268
Freight Car miles run, empty	13,693,221	11,894,680

* Does not include earnings of the Hudson River Transfer.