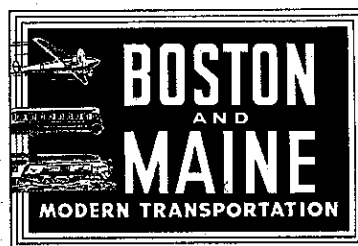
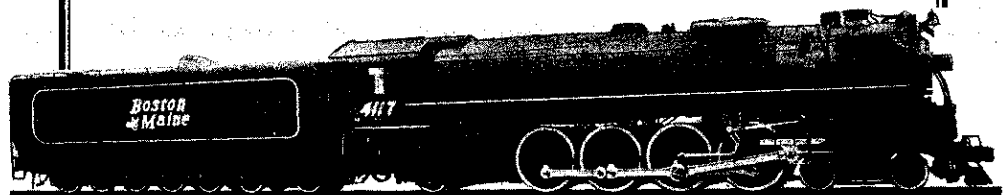


One Hundred and Ninth **ANNUAL REPORT** 1941



YEAR ENDED DECEMBER 31, 1941



MOUNTAIN (4-8-2) TYPE LOCOMOTIVE

For Freight and Passenger Service

Total Weight Engine 415,200 lbs.

Total Weight Tender 399,600 lbs.

Tender Capacity 21 tons Coal — 23,000 gals. Water

Seven pairs Wheels on Tender

Steam Pressure 240 lbs.

Roller Bearings

Length 106 ft., 8 $\frac{3}{8}$ ins.

DIRECTORS

PHILIP R. ALLEN, E. Walpole, Mass.	JAMES GARFIELD, Cambridge, Mass.
ROGER AMORY, Boston, Mass.	ALDUS C. HIGGINS, Worcester, Mass.
LOUIS M. ATHERTON, Swampscott, Mass.	ERNEST M. HOPKINS, Hanover, N. H.
HUGH J. CHISHOLM, Portland, Maine	LOUIS K. LIGGETT, Brookline, Mass.
WILLIAM DEXTER, Lancaster, Mass.	AUGUSTUS P. LORING, Jr., Beverly, Mass.
FAIRMAN R. DICK, New York, N. Y.	JOHN R. McLANE, Manchester, N. H.
HARRY H. DUDLEY, Concord, N. H.	ARTHUR B. NICHOLS, Melrose, Mass.
FREDERIC C. DUMAINE, Jr., Weston, Mass.	ROY L. PATRICK, Burlington, Vt.
REGINALD FOSTER, Manchester, Mass.	WILLIAM B. SKELTON, Lewiston, Me.
EDWARD S. FRENCH, Springfield, Vt.	J. DUNCAN UPHAM, Claremont, N. H.
WILLIAM D. WOOLSON, Springfield, Vt.	

OFFICERS

President and Chairman of Executive Committee	EDWARD S. FRENCH
Vice-President and Clerk of Corporation	ARTHUR B. NICHOLS
Vice-President — Finance and Accounting	W. S. TROWBRIDGE
Vice-President — Operating	J. W. SMITH
Vice-President — Purchases and Stores	A. W. MUNSTER
Vice-President — Traffic	J. W. RIMMER
Treasurer	E. J. GALLAGHER
General Counsel	W. A. COLE
Chief Engineer	W. F. CUMMINGS

Transfer Agent in Boston for all classes of stock, Old Colony Trust Company, 45 Milk Street, Boston, Massachusetts.

Transfer Agent in New York for common stock, Guaranty Trust Company, 140 Broadway, New York City.

BOSTON AL

To the Stockholders of Boston and

On behalf of the Board of I
the year ended December 31, 19

INCOME

Operating Revenues	
Operating Expenses	
Net Revenue from Operations	
Railway Tax Accruals	
Railway Operating Income	
Equipment and Joint Facility Rents —	
Net Railway Operating Income	
Other Income	
Total Income	

Deductions:	
Rental Payments	
Interest on Debt — Fixed Interest.	
Other Deductions	

Total Deductions

Income After Fixed Charges (Available

D indicates decrease

Income after Fixed Charges (Available	
Indentures to the following :	
Capital Fund	
Sinking Fund for redemption of Ser	
Interest on Income Bonds Series A:	
Accrued for period, June 13, to I	
Accrued for period, Jan. 1, to De	

Sinking Fund for redemption of Ser	
Payment of mortgage bonds	
Increase the Capital Fund	

Total

Cumulative interest on the income n
to December 31, 1940, was accrued in
paid as the earnings (\$533,485.36), w
applied to increase the Railroad's work
indenture.

The number of shares of Ca
1941, including fully-paid negot
Stock, was 1,046,113 shares, of

GARFIELD, Cambridge, Mass.
 C. HIGGINS, Worcester, Mass.
 M. HOPKINS, Hanover, N. H.
 K. LIGGETT, Brookline, Mass.
 FUS P. LORING, Jr., Beverly, Mass.
 McLANE, Manchester, N. H.
 R B. NICHOLS, Melrose, Mass.
 PATRICK, Burlington, Vt.
 M B. SKELTON, Lewiston, Me.
 AN UPHAM, Claremont, N. H.
 ngfield, Vt.

EDWARD S. FRENCH
 ARTHUR B. NICHOLS
 W. S. TROWBRIDGE
 J. W. SMITH
 A. W. MUNSTER
 J. W. RIMMER
 E. J. GALLAGHER
 W. A. COLE
 W. F. CUMMINGS

ny Trust Company, 45 Milk Street,

ny Trust Company, 140 Broadway,

BOSTON AND MAINE RAILROAD

To the Stockholders of Boston and Maine Railroad:

On behalf of the Board of Directors there is submitted herewith a report for the year ended December 31, 1941.

INCOME ACCOUNT — CONDENSED

	1941	Increase or Decrease	Per Cent
Operating Revenues	\$59,203,411 33	\$11,605,619 15	24.38
Operating Expenses	40,297,472 30	6,039,480 49	17.63
Net Revenue from Operations	\$18,905,939 03	\$ 5,566,138 66	41.73
Railway Tax Accruals	5,038,030 72	1,376,976 69	37.61
Railway Operating Income	\$13,867,908 31	\$ 4,189,161 97	43.28
Equipment and Joint Facility Rents — Net Dr ...	3,375,310 71	631,806 08	23.03
Net Railway Operating Income	\$10,492,597 60	\$ 3,557,355 89	51.29
Other Income	1,322,005 47	161,784 01	13.94
Total Income	\$11,814,603 07	\$ 3,719,139 90	45.94
Deductions:			
Rental Payments	\$ 1,334,525 51	\$ 82,023 69	6.55
Interest on Debt — Fixed Interest	3,237,803 78	D 1,288,264 10	28.48
Other Deductions	100,833 71	D 7,961 36	7.32
Total Deductions	\$ 4,673,163 00	D \$ 1,214,201 77	20.62
Income After Fixed Charges (Available Net Income)	\$ 7,141,440 07	\$ 4,933,341 67	223.42

D indicates decrease

Income after Fixed Charges (Available Net Income) has been allocated in accordance with Mortgage Indentures to the following purposes:

Capital Fund	\$ 995,511 04
Sinking Fund for redemption of Series RR Bonds	679,102 00
Interest on Income Bonds Series A:	
Accrued for period, June 13, to Dec. 31, 1940 @ 4%	\$1,055,901 00
Accrued for period, Jan. 1, to Dec. 31, 1941 @ 4½%	2,089,246 50
	3,145,147 50
Sinking Fund for redemption of Series A Bonds	482,870 00
Payment of mortgage bonds	612,936 51
Increase the Capital Fund	1,225,873 02
Total	\$7,141,440 07

Cumulative interest on the income mortgage bonds at 4% per annum for the period, June 13, to December 31, 1940, was accrued in the accounts for the year 1940. No part of this interest was paid as the earnings (\$533,485.36), which otherwise would have been used for that purpose, were applied to increase the Railroad's working capital as permitted under the provisions of the mortgage indenture.

CAPITAL STOCK

The number of shares of Capital Stock of all classes outstanding December 31, 1941, including fully-paid negotiable receipts for subscriptions to Prior Preference Stock, was 1,046,113 shares, of a par value of \$104,611,300.

CHANGES IN FUNDED DEBT

Funded Debt on December 31, 1941 amounted to \$125,306,500, a decrease of \$1,252,700 since December 31, 1940. Of the total Funded Debt, \$2,651,200 is owned by the Railroad, leaving a balance of \$122,655,300 outstanding in the hands of the public.

DECREASE IN FUNDED DEBT:

Reacquired and Cancelled:

Series RR 1st Mtge. 4% Bonds due 7/1/60.....	\$101,200 00	
Series AC 1st Mtge. 5% Bonds due 9/1/67.....	53,000 00	
Series A Income Mtge. 4½% Bonds due 7/1/70.....	6,000 00	\$ 160,200 00

Matured Funded Debt Paid Off:

Series T 1st Mtge. 5% Bonds paid 9/1/41.....	\$390,000 00	
Equipment Trusts:		
No. 4 — 4½% Trust Cert. paid 4/1/41.....	125,000 00	
No. 5 — 5% " " " 5/1/41.....	114,000 00	
No. 6 — 4% " " " 6/1/41 & 12/1/41.....	176,000 00	
No. 7 — 3½% " " " 12/1/41.....	300,000 00	1,105,000 00
Total Decrease.....		\$1,265,200 00

INCREASE IN FUNDED DEBT:

Series DD, II, JJ and AC Bonds reinstated because of defaulted assents to Plan of Exchange.....	12,500 00
Net Decrease.....	\$1,252,700 00

FREIGHT TRAFFIC

Freight revenue for the year amounted to \$44,718,600.86, an increase of 29.5% over 1940.

This increase is largely attributable to the national defense effort which accelerated throughout the year and reached its 1941 peak with our country's entry into the war in December. The largest increases were in anthracite and bituminous coal, textiles, steel, construction material, foodstuffs, and of gradually increasing importance, guns, gun mounts and other armaments. Heavy defense construction provided a movement of several thousand carloads of materials to such Government projects as Westover Field Air Base, Chicopee, Mass., the new air bases at Manchester, N. H., and Bangor, Me., and to the Navy Yards at Boston, Mass., and Portsmouth, N. H. Increased activity at the Watertown Arsenal has produced a very heavy tonnage which will increase for some time to come. The shipyard at Bath, Me., as well as the two recently constructed shipyards at South Portland, Me., have been large receivers of materials to be used in ship construction. The lend-lease program has increased export movements to Britain and Russia. We have been getting a share of this traffic through the Ports of Boston, Mass., and Portland, Me.

The transfer of many vessels from coastwise and intercoastal trade resulted in heavier than usual all-rail movements of fruits, woodpulp, cotton and paper from the South and all-rail movements of lumber, woodpulp, imported wool and canned goods from the Pacific Coast. The discontinuance of importations of Scandinavian woodpulp resulted in increased production and shipping from pulp mills on our line, with consequent increases in the movements of pulpwood to the mills.

A pipe line has been constructed from Portland, Maine, to Montreal, Quebec, to handle crude petroleum which formerly moved by water.

The requirements of nation our tonnage have, through the many of our consumer goods ir unless their manufacturing proc materials. We have already be particularly in automobiles, rub such as furniture, refrigerators national defense.

Early in December a petiti mission on behalf of all Class I rates on all commodities with t an increase of 6¢ per gross ton i increased cost of operation, the wage increases and the increase

There appears to be a defini as our anthracite coal tonnage i ment and our tonnage of that c year since 1930.

During the year 1941 we elevators at Boston as compare

P/

Passenger revenue increas centage of increase is slightly gr eastern district.

Preliminary indications ar transportation requests are res. In addition to such movements and navy personnel traveling increase.

International travel betwe recovery from the 1940 lows. made it possible for us to show marked after July. There was train operations to Rockinghar track was opened in 1933. Sun large increases. These are a reserved by the railroad together believe have been soundly esta year of operation "The East W train between Washington-Ne increase over 1940 which was train demonstrates the wisdom this modern and speedy summe the recreational territory serve

The 1940 purchase and cor

DEBT

nted to \$125,306,500, a decrease
otal Funded Debt, \$2,651,200 is
655,300 outstanding in the hands

.....	\$101,200 00	
.....	53,000 00	
.....	6,000 00	\$ 160,200 00
.....	\$390,000 00	
.....	125,000 00	
.....	114,000 00	
.....	176,000 00	
.....	300,000 00	1,105,000 00
.....		<u>\$1,265,200 00</u>
of defaulted assents to		
.....	12,500 00	
.....		<u>\$1,252,700 00</u>

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Base, Chicopee, Mass., the new
and to the Navy Yards at Bos-
ivity at the Watertown Arsenal
ease for some time to come. The
constructed shipyards at South
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and intercoastal trade resulted
s, woodpulp, cotton and paper
, woodpulp, imported wool and
ontinuance of importations of
duction and shipping from pulp
he movements of pulpwood to

d, Maine, to Montreal, Quebec,
by water.

The requirements of national defense which account for these increases in our tonnage have, through the operation of the priorities system, threatened many of our consumer goods industries with closing for the duration of the war unless their manufacturing processes can be converted to the production of defense materials. We have already begun to feel some traffic losses on this account, particularly in automobiles, rubber goods, building materials, household materials such as furniture, refrigerators, and other goods not directly connected with national defense.

Early in December a petition was filed with the Interstate Commerce Commission on behalf of all Class I railroads, seeking an increase of 10% in freight rates on all commodities with the exception of coal, coke and iron ore, on which an increase of 6¢ per gross ton is sought. This action was made necessary by the increased cost of operation, the major factors in which were the recently awarded wage increases and the increased cost of materials.

There appears to be a definite increase in the use of hard fuel in New England as our anthracite coal tonnage for the third successive year showed an improvement and our tonnage of that commodity handled in 1941 was heavier than in any year since 1930.

During the year 1941 we handled 4,482,109 bushels of grain through our elevators at Boston as compared with 2,407,181 bushels in 1940.

PASSENGER TRAFFIC

Passenger revenue increased 16.3% (\$1,153,193.09) over 1940. This percentage of increase is slightly greater than the average increase for railroads in the eastern district.

Preliminary indications are that passengers moving on U. S. Government transportation requests are responsible for approximately 25% of this increase. In addition to such movements, civilian defense activity together with military and navy personnel traveling on furloughs contributed considerably to the increase.

International travel between the United States and Canada showed a brisk recovery from the 1940 lows. More active business and increased employment made it possible for us to show a small increase in commutation travel, especially marked after July. There was a notable increase in revenue received from race train operations to Rockingham Park. Revenues exceeded all records since the track was opened in 1933. Sunday and holiday excursion patronage also showed large increases. These are a reflection of increased spending by the population served by the railroad together with an increasing acceptance of services which we believe have been soundly established and effectively advertised. In its second year of operation "The East Wind" which operated as a summertime day coach train between Washington-New York-Portland-Bangor showed a substantial increase over 1940 which was the first year of operation. The earnings of this train demonstrates the wisdom of our conclusion to join in the establishment of this modern and speedy summer service between the Middle Atlantic area and the recreational territory served by the railroad.

The 1940 purchase and company operation of three parlor cars proved good

judgment and resulted in the substitution of company ownership and operation of two additional parlor-lounge-buffet cars acquired from the Pullman Company. All local parlor car operations on the Boston and Maine are now under the direction of the railroad.

Curtailment in sale of tires for motor vehicles will present many service and policy problems during the coming year. It is the intention of your management to conduct its passenger operation to the end that first consideration will be given to transportation necessary to defense activity together with a continuingly watchful attitude towards maximum utilization of available equipment. The establishment of several important defense centers on the Boston and Maine makes it imperative that we devote our first attention to providing efficient and economical transportation to and from these points.

A petition was filed with the Interstate Commerce Commission for an increase of 10% in all passenger fares. Hearings were held in January and a decision granting the request was handed down on January 21, 1942. Under conditions of increased train operating cost due to wage and material price increase, it is felt necessary to pass along these increased costs to the user of our services in order to maintain a solvent passenger service. The present situation involving a greatly enlarged passenger traffic market would seem to be favorable to our realizing a return from increased passenger fares.

ROLLING STOCK

Through the past several years many units of steam locomotives, freight train cars and passenger train cars have been scrapped, having outlived their usefulness.

In 1941 five mountain type 4-8-2 new locomotives were acquired (photograph and description on cover of this report); also seven new Diesel switching units. Of the latter, two were 1,000 horsepower, two 600 horsepower and three were 380 horsepower.

During the year we received 100 hopper bottom cars and 9 gondola cars were delivered on our order for 500. We also built at our own shop 8 well-cars and 4 depressed center flatcars for the transportation of freight which can not be loaded in ordinary cars. Our December 31st ownership was 6,166 freight train cars of all types.

We acquired from the Pullman Company and placed in operation one parlor car and two lounge-dining cars.

On December 31st we owned a total of 1,126 passenger train cars and 15 rail motor car units.

BRANCH LINE RETIREMENTS

In continuance of the company's policy of giving up operation of unprofitable branch lines when such discontinuance involved little or no inconvenience to customers, authority was granted by the Interstate Commerce Commission to retire the following branches and the tracks were taken up or sold during the year:

Conway Branch — Jewett, Maine to Somersworth, N. H. — 5.24 miles.

Old Worcester, Nashua & Rochester main line — Hollis to Nashua, N. H. — 3.63 miles.

Newburyport Branch — To
Georgetown Branch — Geo
Dover Branch — Dover Po
Groveton Branch — White
Franklin & Tilton Branch -
miles.

Milford Branch — Squanne
Central Massachusetts Bra
Central Massachusetts Bra
miles.

ADDITIO

New trackage was installed
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3.63 miles of Fitchburg Di
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Mass., was relocated by the Ur
construction of Birch Hill Dam,
in length, was opened to service

Two grade crossings were
and three additional crossings b
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57 single track miles of new
and Fitchburg Divisions main li

13 single track miles of sto
Division and 10 single track mil
of the Fitchburg Division.

Approximately 3,700 additi
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installed in the effort to overcon
purposes.

The installation of new or i
was continued and modern aut
crossings — two automatic flas
flasher and gate was put in; an a
crossing; one automatic flasher
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additional bells and gatemen's
installing approach-lighted inte
signals was continued. The add
necessary to install fuel tanks at
repairing Diesel units were provi

At the North Station in Bos
passenger platforms with contin
higher than the old platforms w
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company ownership and operation
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Maine are now under the direc-

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state Commerce Commission to
taken up or sold during the year:

sworth, N. H. — 5.24 miles.
ne — Hollis to Nashua, N. H. —

Newburyport Branch — Topsfield to Newburyport, Mass. — 15.41 miles.
Georgetown Branch — Georgetown to Paper Mill, Mass. — 4.60 miles.
Dover Branch — Dover Point to Sawyer's, N. H. — 3.34 miles.
Groveton Branch — Whitefield Jct. to Lancaster, N. H. — 10.47 miles.
Franklin & Tilton Branch — Franklin Jct. to Franklin Falls, N. H. — 1.13 miles.
Milford Branch — Squannacook Jct. to Pepperell, Mass. — 6.35 miles.
Central Massachusetts Branch — Creamery to Ware, Mass. — 9.32 miles.
Central Massachusetts Branch — Canal Jct. to Norwottuck, Mass. — 7.92 miles.

ADDITIONS AND BETTERMENTS

New trackage was installed to serve United States Army air bases at Chicopee, Mass., and Manchester, N. H.

3.63 miles of Fitchburg Division main line between Baldwinville and Royalston, Mass., in the towns of Templeton, Winchendon, Phillipston and Royalston, Mass., was relocated by the United States Government in connection with the construction of Birch Hill Dam, a flood control project. The new line, 3.40 miles in length, was opened to service on July 22, 1941.

Two grade crossings were eliminated by construction of overhead bridges and three additional crossings by closing the highways through agreements with municipalities. Sixty-three additional crossings were eliminated during the year through the abandonment and retirement of branch tracks.

57 single track miles of new 112-pound rail were laid on the New Hampshire and Fitchburg Divisions main lines.

13 single track miles of stone ballast were installed on the New Hampshire Division and 10 single track miles of gravel ballast on the Connecticut River line of the Fitchburg Division.

Approximately 3,700 additional oil-burning switch heaters were installed for melting snow. These together with other snow removing equipment have been installed in the effort to overcome a possible shortage of labor for snow handling purposes.

The installation of new or improved automatic highway crossing protection was continued and modern automatic flashers were installed at six additional crossings — two automatic flashers were installed to replace bells; one new flasher and gate was put in; an automatic gate was added to existing flasher at one crossing; one automatic flasher replaced an old style signal; two manually operated traffic signals replaced old style signals; and additional flashing lights, additional bells and gatemen's warning bells were installed. The program of installing approach-lighted interlocking signals in place of permanent lighted signals was continued. The added use of Diesel switching engines has made it necessary to install fuel tanks at several points on the line and new facilities for repairing Diesel units were provided at Boston.

At the North Station in Boston the program of replacing concrete and wood passenger platforms with continuous bituminous surface platforms several inches higher than the old platforms was completed. In many cases the platforms were lengthened to take care of the longer and heavier trains now being handled.

TAXES

In 1941, the Boston and Maine Railroad was assessed the largest tax bill in its history, \$5,063,028. 1940 Taxes were \$3,684,931. Federal Income and Capital Stock taxes accounted for \$1,068,237 of the increase.

Taxes paid under the requirements of the Federal Railroad Retirement Act were \$814,063 in 1941 as compared with \$702,430 in 1940. During 1941, 267 additional annuities were granted by the Railroad Retirement Board to Boston and Maine Railroad employees.

Unemployment Insurance (Social Security Act) taxes in 1941 were \$814,002 compared with similar taxes in 1940 of \$703,464.

MATERIALS AND SUPPLIES

Because of the economic conditions, and as insurance against interruption at the mines and transportation, it was considered advisable to increase our stock of coal for use on locomotives from 45,100 tons on hand December 31, 1940 to 132,360 tons on December 31, 1941. This represents an added investment in coal of \$439,000. The consumption in December 1941 was 91,924 tons.

Delayed and indefinite deliveries of material for maintenance and operation of facilities and equipment, brought about by the abnormal demand for materials for defense, made it necessary to increase our investment of material and supplies, other than coal, \$659,756.

Because of increased business activity, the material and supplies used in 1941 were \$2,626,000 or 35% greater than during the corresponding period in 1940.

OPERATING RESULTS

The substantial increase in volume of freight traffic that was progressive throughout the year, together with favorable weather conditions combined to set up a new record in freight train efficiency. The greatest average freight train load in the history of the railroad was transported at an average train speed commensurate with economy as well as safety that produced a new high in train hour production of 30,076 Gross Ton Miles per Train Hour, an increase of 7.4% over the previous best figure in 1940 of 27,996. The effort to build up this item of efficiency was begun in the year 1923 and the performance for that year amounted to 10,581. The performance passed the 20,000 mark for the first time in 1929 when it reached 21,015 and passed the 30,000 mark for the first time in 1941, when the record referred to above was made.

Another record was established in the conservation of fuel during the year. The previous best record established in 1940 at 98 pounds of coal per 1000 G.T.M. produced in freight service, was lowered in 1941 to 94 pounds, or a decrease of 4.1%. This reduction has a special significance when it is pointed out that the average cost per ton for coal was nearly 10% higher in 1941.

All railroads were urged early in the year to increase the utilization of all classes of equipment to avoid possible shortage of locomotives and cars to handle the expected burden to be placed upon the carriers. Our contribution in this respect is shown by an increase in average miles per serviceable freight loco-

motive per day that increased freight passenger service the corresponding 1940 to 127.9 in 1941 or 2.6%. Increased from 560 in 1940 to 659 make up this item were all better average load in each car, and the operated.

Special efforts were made serviceable condition to meet the thing is the bad order freight car, bad order to total freight cars of for the year 1940.

On June 10, 1941 the railroad labor organizations for substantial on July 10. We authorized a conference with representatives of the employees principal railroads on a national

Conferences were held, beginning having been reached, the returnable September 5th.

On August 11th the National and during mediation the common roads offered the employees an increase being based on a plan of railroads and the cost of living, calculations.

The Mediation Board, between both labor and management to agreed to arbitrate and employee service brotherhoods notified the strike, effective September 15th, for September 11th.

The Mediation Board then railroad employees had set a day service, and the President appointed members to hear the case and make Hearings before the Fact Finding included on October 22nd, during produced and arguments made by

On November 5th the Board United States recommending the and engine service employees be hour, these increases to terminating management on November they would accept the recommendation

is assessed the largest tax bill in 31. Federal Income and Capital base.

Federal Railroad Retirement Act, 430 in 1940. During 1941, 267 and Retirement Board to Boston

Act) taxes in 1941 were \$814,002

PLIES

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d for maintenance and operation e abnormal demand for materials estment of material and supplies,

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ght traffic that was progressive ather conditions combined to set reatest average freight train load at an average train speed com- roduced a new high in train hour Hour, an increase of 7.4% over e effort to build up this item of orformance for that year amounted mark for the first time in 1929 mark for the first time in 1941,

ervation of fuel during the year. 8 pounds of coal per 1000 G.T.M. 1 to 94 pounds, or a decrease of when it is pointed out that the gher in 1941.

to increase the utilization of all of locomotives and cars to handle arriers. Our contribution in this iles per serviceable freight loco-

motive per day that increased from 96.1 in 1940 to 106.0 in 1941 or 10.3%. In passenger service the corresponding performance was increased from 124.7 in 1940 to 127.9 in 1941 or 2.6%. Likewise the net ton miles per freight car day increased from 560 in 1940 to 659 in 1941, a gain of 17.7%. The three factors that make up this item were all better during the year, namely the speed of the car, the average load in each car, and the higher proportion of loaded cars in the trains operated.

Special efforts were made throughout the year to keep all equipment in serviceable condition to meet the demand of the heavier traffic. Especially striking is the bad order freight car situation that reached the low figure of 2.5% of bad order to total freight cars on the line, or just about one-half the proportion for the year 1940.

WAGE INCREASES

On June 10, 1941 the railroads of the country received requests from their labor organizations for substantial increases in rates of pay, to become effective on July 10. We authorized a committee representing the railroads to negotiate with representatives of the employees for a settlement to be applicable to all principal railroads on a national basis.

Conferences were held, beginning July 24th, and on August 5th no adjustment having been reached, the several employee groups took strike ballots, returnable September 5th.

On August 11th the National Mediation Board took jurisdiction of the case, and during mediation the committee representing the managements of the railroads offered the employees an increase in pay effective September 1, 1941, the increase being based on a plan that took into consideration the earnings of the railroads and the cost of living, using July 15, 1937 as the basis for such calculations.

The Mediation Board, being unable to bring about any settlement, asked both labor and management to arbitrate. Committees representing management agreed to arbitrate and employee representatives refused. The Train and Engine service brotherhoods notified the National Mediation Board that they would strike, effective September 15th, and all other employees set their date to strike for September 11th.

The Mediation Board then notified the President of the United States that railroad employees had set a date to strike, thereby threatening interruption of service, and the President appointed a Fact Finding Board consisting of five members to hear the case and make a recommendation to him as to their findings. Hearings before the Fact Finding Board started September 16th and were concluded on October 22nd, during which time witnesses were heard, exhibits introduced and arguments made by all parties to the dispute.

On November 5th the Board made their report to the President of the United States recommending that effective September 1, 1941 wages of train and engine service employees be increased 7½%, and all other employees 9¢ per hour, these increases to terminate December 31, 1942. The committee representing management on November 7th notified the President of the United States they would accept the recommendations of the Fact Finding Board. Represent-

atives of the employees of the train and engine service rejected the Fact Finding Board's report and notified the railroads that they would strike December 7th. Representatives of the balance of the employees refused to accept the report but set no date for strike.

Several conferences were held with no results, and on November 25th the President requested members of the Fact Finding Board to re-open the case to hear further evidence and make report to him as to their findings.

Hearings were held on November 28th and 29th, at the conclusion of which the Fact Finding Board, having had no new evidence submitted to change their original report, offered to act as mediators, and if through such mediation proceedings no agreement was reached, they would state what, in their opinion, should be done, with the understanding that both sides would abide by it. Both sides agreed to accept their offer, but they were unable to bring about a mutual agreement, and as a result on December 1st they advised the representatives of the employees and management that the dispute should be settled on the basis that from September 1st to December 1st, employees in the train and engine service should receive a $7\frac{1}{2}\%$ increase, and thereafter $9\frac{1}{2}\%$ an hour; all other employees 9% an hour September 1st to December 1st, and 10% an hour thereafter. All parties to the dispute advised the Board that they would accept their decision.

Another matter that was in dispute between employees and management was request for vacation with pay for all employees, other than those engaged in train and engine service. The Fact Finding Board also handled this dispute but their recommendation was rejected by representatives of the employees and the question was included in the strike ballot.

As in the wage case, the Fact Finding Board acted as mediators, and finally, as mediators, issued an order which had to be accepted by both parties. This provided for vacation to all employees other than those engaged in engine and train service of 6 days with pay, providing they had worked 160 days in the previous year, and in addition thereto employees represented by certain of the Brotherhoods who had been in the service two years would receive 9 days' vacation with pay, and those with three years or more service would receive 12 days' vacation with pay.

It is estimated that these increases will result in an additional annual cost to this railroad, based on present employment, of \$3,600,000.

LONG-SERVICE PASSES

On January 1, 1931 the company adopted a practice of issuing to every employee with 50 years or more of service with the railroad a card pass, good on the entire system, personally signed by the President, and good during the lifetime of the recipient.

228 such passes were issued on January 1, 1931. On January 1, 1941 a total of 709 employees had received this recognition of their long service with the Boston and Maine Railroad.

In 1941, 17 more employees were given this award.

There are 86 of these employees now in service.

During the year a plan was adopted upon reaching retirement age of the Advisory Board estimates of benefits in amounts to be paid not obligated to make any payment in 1941.

The Directors are happy to see the loyalty and efficiency of our employees and the cooperation and good will of the public.

By order

February 24, 1942

service rejected the Fact Finding
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SSSES

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1931. On January 1, 1941 a total
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During the year a plan became effective under which supervisory officers upon reaching retirement age, and heirs of such officers, may in the discretion of the Advisory Board established under said plan become entitled to receive benefits in amounts to be determined by said Board. The Company may but is not obligated to make any payments to said plan in addition to the \$250,000 paid in 1941.

The Directors are happy to record their appreciation of the continued loyalty and efficiency of officers and employees and to express their thanks for the cooperation and good will of the users of our services.

By order of the Board of Directors



President

February 24, 1942

CONDENSED GENERAL BALANCE SHEET — Assets

ROAD AND EQUIPMENT	Dec. 31, 1941	Dec. 31, 1940
Investment in Road.....	\$178,383,451 47	\$180,375,844 78
Investment in Equipment.....	49,516,028 99	48,780,002 44
<i>Total</i>	<i>\$227,899,480 46</i>	<i>\$229,155,847 22</i>
Improvements on Leased Property.....	17,045,755 91	16,969,558 34
Sinking Fund.....	314,800 00	—
Deposits in Lieu of Mortgaged Property Sold.....	976,448 69	741,589 61
Miscellaneous Physical Property.....	1,955,745 08	2,487,267 20
Investments in Affiliated Companies.....	6,159,018 86	5,185,303 97
Other Investments.....	1,740,649 76	2,099,246 03
<i>Total Investments</i>	<i>\$256,091,898 76</i>	<i>\$256,638,812 37</i>
CURRENT ASSETS		
Cash.....	\$ 5,656,343 33	\$ 3,517,270 16
Cash in Transit — Agents' Remittances.....	593,409 05	383,214 22
Time Drafts and Deposits.....	33,000 00	33,000 00
Special Deposits.....	490,074 49	781,577 42
Loans and Bills Receivable.....	608 00	208 00
Net Balance Receivable from Agents and Conductors.....	1,387,639 29	955,370 48
Miscellaneous Accounts Receivable.....	2,830,201 63	1,829,858 28
Material and Supplies.....	4,299,774 97	3,201,019 15
Interest and Dividends Receivable.....	111,119 22	95,913 26
Rents Receivable.....	113,000 00	113,000 00
Other Current Assets.....	36,591 71	29,176 48
<i>Total Current Assets</i>	<i>\$ 15,551,761 69</i>	<i>\$ 10,939,607 45</i>
DEFERRED ASSETS		
Working Fund Advances.....	\$ 10,507 61	\$ 10,372 61
Insurance and Other Funds.....	420,810 93	255,534 64
Other Deferred Assets.....	1,950,116 52	1,939,497 37
<i>Total Deferred Assets</i>	<i>\$ 2,381,435 06</i>	<i>\$ 2,205,404 62</i>
UNADJUSTED DEBITS		
Insurance Premiums Paid in Advance.....	\$ 74,319 66	\$ 91,035 01
Discount on Funded Debt.....	786,816 76	832,642 42
Other Unadjusted Debits.....	964,210 06	1,247,490 79
Securities Issued or Assumed — Unpledged.....	1,740,400 00	552,500 00
<i>Total Unadjusted Debits</i>	<i>\$ 3,565,746 48</i>	<i>\$ 2,723,668 22</i>
<i>Grand Total</i>	<i>\$277,590,841 99</i>	<i>\$272,507,492 66</i>

CONDENSED GENERAL BALANCE SHEET — Liabilities and Capital

CAPITAL STOCK
Common Stock — 395,051 Shares.....
Preferred Stock — 31,498 Shares.....
First Preferred Stock — 388,179 Shares.....
Prior Preference Stock (Includes Negotiable).....
<i>Total Capital Stock</i>
Stock Liability for Conversion.....
Premiums on Capital Stock.....
<i>Total Capital Stock and Premiums</i>
Grants in Aid of Construction.....
LONG TERM DEBT
Funded Debt Unmatured.....
CURRENT LIABILITY
Traffic and Car Service Balances — Not Audited.....
Audited Accounts and Wages Payable.....
Miscellaneous Accounts Payable.....
Interest Matured Unpaid.....
Dividends Matured Unpaid.....
Unmatured Interest Accrued *.....
Unmatured Rents Accrued.....
Accrued Tax Liability.....
Other Current Liabilities.....
<i>Total Current Liabilities</i>
DEFERRED LIABILITY
Due to Leased Roads at Expiration of Term.....
Contingent Interest Accrued †.....
Miscellaneous Equipment Obligations.....
New York State E.G.C. Projects.....
Other Deferred Liabilities.....
<i>Total Deferred Liabilities</i>
UNADJUSTED CREDITS
Insurance and Casualty Reserves.....
Accrued Depreciation — Road.....
Accrued Depreciation — Equipment.....
Accrued Depreciation — Miscellaneous.....
Other Unadjusted Credits.....
<i>Total Unadjusted Credits</i>
CORPORATE SURPLUS
Additions to Property through Income.....
Funded Debt Retired through Income.....
Sinking Fund Reserves.....
Miscellaneous Fund Reserves.....
Appropriated Surplus not Specifically Designated.....
<i>Total Appropriated Surplus</i>
Profit and Loss — Balance.....
<i>Total Corporate Surplus</i>
<i>Grand Total</i>

BONDS GUARANTEED

The St. Johnsbury and Lake Champlain
due March 1, 1944.....
Concord & Claremont, N. H., R.R.
1, 1944.....
The Peterborough and Hillsborough
July 1, 1951, owned by Boston and
Newburyport R.R. Co.

D Indicates Debit Balance.
* 1941 includes interest on Income Bonds
Dec. 31, 1941 @ 4½%.
† Represents interest accrued on Income Bonds

ASSET SHEET — Assets

Dec. 31, 1941	Dec. 31, 1940
\$178,383,451 47	\$180,375,844 78
49,516,028 99	48,780,002 44
\$227,899,480 46	\$229,155,847 22
17,045,755 91	16,969,558 34
314,800 00	—
976,448 69	741,589 61
1,955,745 08	2,487,267 20
6,159,018 86	5,185,303 97
1,740,649 76	2,099,246 03
\$256,091,898 76	\$256,638,812 37
\$ 5,656,343 33	\$ 3,517,270 16
593,409 05	383,214 22
33,000 00	33,000 00
490,074 49	781,577 42
608 00	208 00
1,387,639 29	955,370 48
2,830,201 63	1,829,858 28
4,299,774 97	3,201,019 15
111,119 22	95,913 26
113,000 00	113,000 00
36,591 71	29,176 48
\$ 15,551,761 69	\$ 10,939,607 45
\$ 10,507 61	\$ 10,372 61
420,810 93	255,534 64
1,950,116 52	1,939,497 37
\$ 2,381,435 06	\$ 2,205,404 62
\$ 74,319 66	\$ 91,035 01
786,816 76	832,642 42
964,210 06	1,247,490 79
1,740,400 00	552,500 00
\$ 3,565,746 48	\$ 2,723,668 22
\$277,590,841 99	\$272,507,492 66

CONDENSED GENERAL BALANCE SHEET — Liabilities

	Dec. 31, 1941	Dec. 31, 1940
CAPITAL STOCK		
Common Stock — 395,051 Shares	\$ 39,505,100 00	\$ 39,505,100 00
Preferred Stock — 31,498 Shares	3,149,800 00	3,149,800 00
First Preferred Stock — 388,179 Shares	38,817,900 00	38,817,900 00
Prior Preference Stock (Includes Negotiable Receipts)	23,138,500 00	23,138,500 00
<i>Total Capital Stock</i>	\$104,611,300 00	\$104,611,300 00
Stock Liability for Conversion	1,500 00	1,500 00
Premiums on Capital Stock	4,227,040 14	4,227,040 14
<i>Total Capital Stock and Premiums</i>	\$108,839,840 14	\$108,839,840 14
Grants in Aid of Construction	\$ 67,275 09	\$ 17,252 22
LONG TERM DEBT		
Funded Debt Unmatured	\$125,306,500 00	\$126,559,200 00
CURRENT LIABILITIES		
Traffic and Car Service Balances — Net Payable	\$ 2,751,470 38	\$ 2,281,146 50
Audited Accounts and Wages Payable	2,835,254 37	5,171,262 23
Miscellaneous Accounts Payable	314,378 55	393,408 99
Interest Matured Unpaid	1,403,158 23	1,543,101 77
Dividends Matured Unpaid	12,858 81	12,880 81
Unmatured Interest Accrued *	3,247,259 96	104,765 69
Unmatured Rents Accrued	256,598 91	249,421 63
Accrued Tax Liability	2,203,793 16	874,367 48
Other Current Liabilities	23,726 00	14,509 48
<i>Total Current Liabilities</i>	\$ 13,048,498 37	\$ 10,644,864 58
DEFERRED LIABILITIES		
Due to Leased Roads at Expiration of Leases	\$ 209,988 70	\$ 209,988 70
Contingent Interest Accrued †	—	1,055,901 00
Miscellaneous Equipment Obligations	3,138,540 78	2,557,957 85
New York State E.G.C. Projects	343,795 35	340,235 09
Other Deferred Liabilities	25,797 97	35,784 24
<i>Total Deferred Liabilities</i>	\$ 3,718,122 80	\$ 4,199,866 88
UNADJUSTED CREDITS		
Insurance and Casualty Reserves	\$ 50,000 00	\$ 737,819 86
Accrued Depreciation — Road	161,349 85	156,860 89
Accrued Depreciation — Equipment	19,147,838 60	18,556,929 55
Accrued Depreciation — Miscellaneous Physical Property	665,971 41	670,675 13
Other Unadjusted Credits	1,916,953 12	1,352,274 23
<i>Total Unadjusted Credits</i>	\$ 21,942,112 98	\$ 21,474,559 66
CORPORATE SURPLUS		
Additions to Property through Income since June 30, 1907	\$ 3,499,122 19	\$ 3,377,323 77
Funded Debt Retired through Income and Surplus	4,712,000 00	4,527,102 00
Sinking Fund Reserves	1,161,972 00	—
Miscellaneous Fund Reserves	683,453 83	601,835 79
Appropriated Surplus not Specifically Invested	2,834,320 57	—
<i>Total Appropriated Surplus</i>	\$ 12,890,868 59	\$ 8,506,261 56
Profit and Loss — Balance	D 8,222,375 98	D 7,734,352 38
<i>Total Corporate Surplus</i>	\$ 4,668,492 61	\$ 771,909 18
<i>Grand Total</i>	\$277,590,841 99	\$272,507,492 66

BONDS GUARANTEED

The St. Johnsbury and Lake Champlain R.R. Co. First Mortgage 5% Bonds due March 1, 1944	\$1,328,000 00
Concord & Claremont, N. H., R.R. First Mortgage 5% Bonds, due January 1, 1944	500,000 00
The Peterborough and Hillsborough R.R. First Mortgage 4½% Bonds due July 1, 1951, owned by Boston and Maine Railroad	100,000 00
	\$1,928,000 00

D Indicates Debit Balance.

* 1941 includes interest on Income Bonds covering period June 13 to Dec. 31, 1940 @ 4%, and period Jan. 1 to Dec. 31, 1941 @ 4½%.

† Represents interest accrued on Income Bonds @ 4% covering period June 13 to Dec. 31, 1940, but not paid.

INCOME ACCOUNT

	Year Ended Dec. 31, 1941	Increase or Decrease	Per cent
TRANSPORTATION REVENUE			
Freight.....	\$44,718,600 86	\$10,195,207 18	29.53
Passenger.....	8,225,208 04	1,153,193 09	16.31
Excess Baggage.....	9,708 22	2,566 91	35.94
Parlor and Chair Car.....	15,629 25	10,903 57	230.73
Mail.....	1,422,117 66	6,802 59	0.48
Express.....	751,151 20	D 83,102 52	9.96
Other Passenger Train.....	271,202 03	D 2,045 56	0.75
Milk.....	855,344 61	73,524 65	9.40
Switching.....	639,958 20	77,259 22	13.73
Water Transfers — Freight.....	6,842 62	D 3,497 29	33.82
<i>Total Transportation Revenue.....</i>	<i>\$56,915,762 69</i>	<i>\$11,430,811 84</i>	<i>25.13</i>
INCIDENTAL REVENUE			
Dining and Buffet.....	\$ 83,371 63	\$ 19,551 59	30.64
Station and Train Privileges.....	135,288 87	D 47,920 77	26.16
Parcel Room.....	17,137 10	2,554 66	17.52
Storage — Freight.....	57,077 83	D 2,875 79	4.80
Storage — Baggage.....	2,992 14	715 70	31.44
Demurrage.....	275,313 49	104,722 29	61.39
Telegraph and Telephone.....	18,313 17	2,170 00	13.44
Grain Elevator.....	70,576 18	7,138 07	11.25
Power.....	51,610 63	D 4,714 42	8.37
Rents of Buildings and Other Property.....	731,464 71	81,884 00	12.61
Miscellaneous.....	632,358 94	16,949 12	2.75
<i>Total Incidental Revenue.....</i>	<i>\$ 2,075,504 69</i>	<i>\$ 180,174 45</i>	<i>9.51</i>
Joint Facility — Cr.....	\$ 215,160 34	D \$ 5,316 17	2.41
Joint Facility — Dr.....	3,016 39	50 97	1.72
<i>Total Joint Facility Operating Revenue.....</i>	<i>\$ 212,143 95</i>	<i>D \$ 5,367 14</i>	<i>2.47</i>
<i>Total Operating Revenues.....</i>	<i>\$59,203,411 33</i>	<i>\$11,605,619 15</i>	<i>24.38</i>
OPERATING EXPENSES			
Maintenance of Way and Structures.....	\$ 7,347,927 73	\$ 1,545,343 11	26.63
Maintenance of Equipment.....	8,578,288 00	1,499,611 24	21.18
Traffic.....	803,763 67	31,618 31	4.09
Transportation.....	21,327,699 78	2,548,862 59	13.57
Miscellaneous Operations.....	136,833 98	33,319 27	32.19
General.....	2,105,530 01	374,589 43	21.64
Transportation for Investment — Cr.....	2,570 87	D 6,136 54	70.47
<i>Total Operating Expenses.....</i>	<i>\$40,297,472 30</i>	<i>\$ 6,039,480 49</i>	<i>17.63</i>
<i>Operating Ratio.....</i>	<i>(68.07%)</i>	<i>D (3.90)</i>	
<i>Net Operating Revenue.....</i>	<i>\$18,905,939 03</i>	<i>\$ 5,566,138 66</i>	<i>41.73</i>
TAX ACCRUALS.....			
<i>Operating Income.....</i>	<i>\$13,867,908 31</i>	<i>\$ 4,189,161 97</i>	<i>43.28</i>
Rent from Locomotives.....	\$ 16,235 75	\$ 6,526 95	67.23
Rent from Passenger-Train Cars.....	324,449 39	26,862 32	9.03
Rent from Work Equipment.....	27,041 75	D 5,460 10	16.80
Joint Facility Rent Income.....	317,365 08	3,847 70	1.23
<i>Total Rent Income.....</i>	<i>\$ 685,091 97</i>	<i>\$ 31,776 87</i>	<i>4.86</i>

D Indicates decrease.

INCOME

Hire of Freight Cars — Debit Balance	
Rent for Locomotives	
Rent for Passenger Train Cars	
Rent for Floating Equipment	
Rent for Work Equipment	
Joint Facility Rents	
Total Rents Payable	
Net Rents Payable	
Net Railway Operating Income	
OTHER INCOME	
Income from Lease of Road and Equipment	
Miscellaneous Rent Income	
Miscellaneous Nonoperating Physical	
Separately Operated Properties — Profit	
Dividend Income	
Income from Funded Securities	
Income from Unfunded Securities and	
Income from Sinking and Other Reserves	
Release of Premiums on Funded Debts	
Miscellaneous Income	
Total Other Income	
Total Income	
MISCELLANEOUS DEDUCTIONS FROM INCOME	
Miscellaneous Rents	
Miscellaneous Tax Accruals	
Separately Operated Properties — Income	
Miscellaneous Income Charges	
Total Miscellaneous Deductions	
Income Available for Fixed Charges	
FIXED CHARGES	
Rent for Leased Roads	
Interest on Funded Debt — Fixed Interest	
Interest on Unfunded Debt	
Amortization of Discount on Funded Debt	
Total Fixed Charges	
Income After Fixed Charges	
CONTINGENT CHARGES	
Interest on Funded Debt — Contingent	
Net Income	
DISPOSITION OF NET INCOME	
Income applied to Sinking and Construction	
Funds	
Income Appropriated for Investment	
Property	
Miscellaneous Appropriations of Income	
Total Appropriations of Income	
Balance Transferred to Profit and Loss	

D Indicates decrease.

INCOME ACCOUNT — *Concluded*

Ended 1, 1941	Increase or Decrease	Per cent
600 86	\$10,195,207 18	29.53
208 04	1,153,193 09	16.31
708 22	2,566 91	35.94
629 25	10,903 57	230.73
117 66	6,802 59	0.48
151 20	D 83,102 52	9.96
202 03	D 2,045 56	0.75
344 61	73,524 65	9.40
358 20	77,259 22	13.73
342 62	D 3,497 29	33.82
62 69	\$11,430,811 84	25.13
771 63	\$ 19,551 59	30.64
388 87	D 47,920 77	26.16
37 10	2,554 66	17.52
77 83	D 2,875 79	4.80
92 14	715 70	31.44
13 49	104,722 29	61.39
13 17	2,170 00	13.44
76 18	7,138 07	11.25
10 63	D 4,714 42	8.37
64 71	81,884 00	12.61
53 94	16,949 12	2.75
04 69	\$ 180,174 45	9.51
30 34	D \$ 5,316 17	2.41
16 39	50 97	1.72
13 95	D \$ 5,367 14	2.47
11 33	\$11,605,619 15	24.38
77 78	\$ 1,545,343 11	26.63
38 00	1,499,611 24	21.18
13 67	31,618 31	4.09
09 78	2,548,862 59	13.57
3 98	33,319 27	32.19
0 01	374,589 43	21.64
0 87	D 6,136 54	70.47
2 30	\$ 6,039,480 49	17.63
6	D (3.90)	
9 03	\$ 5,566,138 66	41.73
0 72	\$ 1,376,976 69	37.61
3 31	\$ 4,189,161 97	43.28
5 75	\$ 6,526 95	67.23
9 39	26,862 32	9.03
1 75	D 5,460 10	16.80
5 08	3,847 70	1.23
97	\$ 31,776 87	4.86

	Year Ended Dec. 31, 1941	Increase or Decrease	Per cent
Hire of Freight Cars — Debit Balance	\$ 3,081,245 30	\$ 621,789 68	25.28
Rent for Locomotives	8,458 78	D 1,360 63	13.86
Rent for Passenger Train Cars	542,077 38	78,840 51	17.02
Rent for Floating Equipment	—	D 750 57	100.00
Rent for Work Equipment	13,451 36	404 39	3.10
Joint Facility Rents	415,169 86	D 35,340 43	7.34
Total Rents Payable	\$ 4,060,402 68	\$ 663,582 95	19.54
Net Rents Payable	\$ 3,375,310 71	\$ 631,806 08	23.03
Net Railway Operating Income	\$10,492,597 60	\$ 3,557,355 89	51.29
OTHER INCOME			
Income from Lease of Road and Equipment	\$ 318,380 00	\$ —	—
Miscellaneous Rent Income	291,736 67	D 7,104 97	2.38
Miscellaneous Nonoperating Physical Property	151,256 45	60,457 71	66.58
Separately Operated Properties — Profit	—	D 735 85	100.00
Dividend Income	113,888 96	37,332 22	48.76
Income from Funded Securities	322,369 66	190,436 01	144.34
Income from Unfunded Securities and Accounts	45,235 90	D 112,951 79	71.40
Income from Sinking and Other Reserve Funds	15,901 84	D 27,342 36	63.23
Release of Premiums on Funded Debt	1,244 83	D 326 15	20.76
Miscellaneous Income	61,991 16	22,019 19	55.09
Total Other Income	\$ 1,322,005 47	\$ 161,784 01	13.94
Total Income	\$11,814,603 07	\$ 3,719,139 90	45.94
MISCELLANEOUS DEDUCTIONS FROM INCOME			
Miscellaneous Rents	\$ 6,609 30	D \$ 886 55	11.83
Miscellaneous Tax Accruals	24,997 76	1,120 06	4.69
Separately Operated Properties — Loss	—	D 8,385 47	100.00
Miscellaneous Income Charges	37,031 21	27,552 58	290.68
Total Miscellaneous Deductions	\$ 68,638 27	\$ 19,400 62	39.40
Income Available for Fixed Charges	\$11,745,964 80	\$ 3,699,739 28	45.98
FIXED CHARGES			
Rent for Leased Roads	\$ 1,327,916 21	\$ 82,910 24	6.66
Interest on Funded Debt — Fixed Interest	3,123,587 11	D 914,544 79	22.65
Interest on Unfunded Debt	114,216 67	D 373,719 31	76.59
Amortization of Discount on Funded Debt	38,804 74	D 28,248 53	42.13
Total Fixed Charges	\$ 4,604,524 73	D \$ 1,233,602 39	21.13
Income After Fixed Charges	\$ 7,141,440 07	\$ 4,933,341 67	223.42
CONTINGENT CHARGES			
Interest on Funded Debt — Contingent Interest	\$ 2,089,246 50	\$ 1,033,345 50	97.86
Net Income	\$ 5,052,193 57	\$ 3,899,996 17	338.48
DISPOSITION OF NET INCOME			
Income applied to Sinking and Other Reserve Funds	\$ 1,161,972 00	\$ 482,870 00	
Income Appropriated for Investment in Physical Property	995,511 04	—	
Miscellaneous Appropriations of Income	1,838,809 53	1,838,809 53	
Total Appropriations of Income	\$ 3,996,292 57	\$ 2,321,679 53	
Balance Transferred to Profit & Loss	\$ 1,055,901 00	\$ 1,578,316 64	

D Indicates decrease.

OPERATING EXPENSES

	Year Ended Dec. 31, 1941	Increase or Decrease
MAINTENANCE OF WAY AND STRUCTURES		
Superintendence	\$ 444,159 62	\$ 57,809 35
Roadway Maintenance	532,399 78	90,159 48
Tunnels and Subways	9,578 20	D 7,295 26
Bridges, Trestles and Culverts	341,899 96	164,192 39
Ties	619,761 92	110,539 70
Rails	207,045 77	18,956 29
Other Track Material	450,488 82	120,086 53
Ballast	66,274 63	28,069 82
Track Laying and Surfacing	1,992,554 71	577,044 47
Fences, Snowsheds and Signs	36,173 34	6,335 88
Station and Office Buildings	479,829 77	160,211 07
Station and Office Buildings — Depreciation	4,488 96	—
Roadway Buildings	20,883 17	3,924 59
Water Stations	48,394 46	11,241 96
Fuel Stations	45,718 53	18,942 03
Shops and Enginehouses	246,732 63	53,852 44
Grain Elevators	19,146 82	4,473 84
Storage Warehouses	182 18	D 341 18
Wharves and Docks	63,391 49	D 18,967 21
Coal and Ore Wharves	64,732 58	30,731 48
Telegraph and Telephone Lines	42,687 53	6,250 11
Signals and Interlockers	587,632 36	105,025 45
Power Plants	2,184 47	D 930 10
Power Transmission Systems	36,032 02	1,766 56
Miscellaneous Structures	619 47	283 98
Roadway Machines	118,805 52	25,783 63
Small Tools and Supplies	131,653 94	33,978 69
Removing Snow, Ice and Sand	339,307 66	D 140,795 79
Public Improvements — Maintenance	158,474 63	47,030 70
Injuries to Persons	68,275 78	24,880 77
Insurance	14,920 78	426 35
Stationery and Printing	6,989 24	1,573 36
Other Expenses	735 55	373 61
Maintaining Joint Tracks, Yards and Other Facilities — Dr.	222,514 58	18,738 26
Maintaining Joint Tracks, Yards and Other Facilities — Cr.	76,743 14	9,020 14
<i>Total Maintenance of Way and Structures</i>	<i>\$ 7,347,927 73</i>	<i>\$1,545,343 11</i>
<i>Ratio to Total Operating Revenues</i>	<i>(12.41%)</i>	<i>(.22%)</i>
MAINTENANCE OF EQUIPMENT		
Superintendence	\$ 339,360 46	\$ 20,288 14
Shop Machinery	229,252 87	43,772 92
Power-Plant Machinery	58,452 46	16,442 56
Steam Locomotives — Repairs	3,864,526 14	816,686 37
Other Locomotives — Repairs	129,063 89	8,724 91
Freight-Train Cars — Repairs	910,699 48	173,369 97
Passenger-Train Cars — Repairs	1,266,428 37	418,768 61
Floating Equipment — Repairs	164 34	D 535 27
Work Equipment — Repairs	208,384 07	20,678 88
Miscellaneous Equipment — Repairs	7,083 06	D 4,156 20
Equipment — Retirements	15,079 32	D 17,655 20
Equipment — Depreciation	1,424,275 62	D 18,572 01
Injuries to Persons	54,834 70	16,743 47
Insurance	7,436 82	1,077 81
Stationery and Printing	8,327 77	2,603 76
Other Expenses	3,473 27	778 10
Maintaining Joint Equipment at Terminals — Dr.	57,134 36	1,872 43
Maintaining Joint Equipment at Terminals — Cr.	5,689 00	1,278 01
<i>Total Maintenance of Equipment</i>	<i>\$ 8,578,288 00</i>	<i>\$1,499,611 24</i>
<i>Ratio to Total Operating Revenues</i>	<i>(14.49%)</i>	<i>D (.38%)</i>

D Indicates decrease.

OPERATING

TRAFFIC	
Superintendence	
Outside Agencies	
Advertising	
Traffic Associations	
Industrial and Immigration Bureaus ..	
Insurance	
Stationery and Printing	
Other Expenses	
<i>Total Traffic</i>	
<i>Ratio to Total Operating Revenue</i>	
TRANSPORTATION	
Superintendence	
Dispatching Trains	
Station Employees	
Weighing, Inspection and Demurrage ..	
Coal and Ore Wharves	
Station Supplies and Expenses	
Yardmasters and Yard Clerks	
Yard Conductors and Brakemen	
Yard Switch and Signal Tenders	
Yard Enginemen	
Yard Motormen	
Yard Switching Fuel	
Water for Yard Locomotives	
Lubricants for Yard Locomotives	
Other Supplies for Yard Locomotives ..	
Enginehouse Expenses — Yard	
Yard Supplies and Expenses	
Operating Joint Yards and Terminals ..	
Operating Joint Yards and Terminals ..	
Train Enginemen	
Train Motormen	
Train Fuel	
Train Power Purchased	
Water for Train Locomotives	
Lubricants for Train Locomotives	
Other Supplies for Train Locomotives ..	
Enginehouse Expenses — Train	
Trainmen	
Train Supplies and Expenses	
Signal and Interlocker Operation	
Crossing Protection	
Drawbridge Operation	
Telegraph and Telephone Operation ..	
Operating Floating Equipment	
Stationery and Printing	
Other Expenses	
Operating Joint Tracks and Facilities ..	
Operating Joint Tracks and Facilities ..	
Insurance	
Clearing Wrecks	
Damage to Property	
Damage to Live Stock on Right-of-Way ..	
Loss and Damage — Freight	
Loss and Damage — Baggage	
Injuries to Persons	
<i>Total Transportation</i>	
<i>Ratio to Total Operating Revenue</i>	

D Indicates decrease.

ENSES

	Year Ended Dec. 31, 1941	Increase or Decrease
	\$ 444,159 62	\$ 57,809 35
	532,399 78	90,159 48
	9,578 20	<i>D</i> 7,295 28
	341,899 96	164,192 39
	619,761 92	110,539 70
	207,045 77	18,956 29
	450,488 82	120,086 53
	66,274 63	28,069 82
	1,992,554 71	577,044 47
	36,173 34	6,335 88
	479,829 77	160,211 07
	4,488 96	
	20,883 17	3,924 59
	48,394 46	11,241 96
	45,718 53	18,942 03
	246,732 63	53,852 44
	19,146 82	4,473 84
	182 18	<i>D</i> 341 18
	63,391 49	<i>D</i> 18,957 21
	64,732 58	30,731 48
	42,687 53	6,250 11
	587,632 36	105,025 45
	2,184 47	<i>D</i> 930 10
	36,032 02	1,766 56
	619 47	283 98
	118,805 52	25,783 63
	131,653 94	33,978 69
	339,307 66	<i>D</i> 140,795 79
	158,474 63	47,030 70
	68,275 78	24,880 77
	14,920 78	426 35
	6,989 24	1,573 36
	735 55	373 61
Dr.	222,514 58	18,738 26
Cr.	76,743 14	9,020 14
	\$ 7,347,927 73	\$1,545,343 11
	(12.41%)	(.22%)
	\$ 339,360 46	\$ 20,288 14
	229,252 87	43,772 92
	58,452 46	16,442 56
	3,864,526 14	816,686 37
	129,063 89	8,724 91
	910,699 48	173,369 97
	1,266,428 37	418,768 61
	164 34	<i>D</i> 535 27
	208,384 07	20,678 88
	7,083 06	<i>D</i> 4,156 20
	15,079 32	<i>D</i> 17,655 20
	1,424,275 62	<i>D</i> 18,572 01
	54,834 70	16,743 47
	7,436 82	1,077 81
	8,327 77	2,603 76
	3,473 27	778 10
	57,134 36	1,872 43
	5,689 00	1,278 01
	\$ 8,578,288 00	\$1,499,611 24
	(14.49%)	<i>D</i> (.38%)

OPERATING EXPENSES — Continued

	Year Ended Dec. 31, 1941	Increase or Decrease
TRAFFIC		
Superintendence	\$ 313,608 54	\$ 26,013 79
Outside Agencies	267,819 96	1,581 47
Advertising	138,697 93	<i>D</i> 9,303 59
Traffic Associations	31,728 84	<i>D</i> 2,434 06
Industrial and Immigration Bureaus	10,327 49	<i>D</i> 3,263 73
Insurance	20 11	<i>D</i> 324 96
Stationery and Printing	40,625 85	18,654 99
Other Expenses	934 95	694 40
Total Traffic	\$ 803,763 67	\$ 31,618 31
Ratio to Total Operating Revenues	(1.36%)	<i>D</i> (.26%)
TRANSPORTATION		
Superintendence	\$ 534,422 52	\$ 32,163 77
Dispatching Trains	208,855 26	8,958 16
Station Employees	3,324,648 77	435,549 16
Weighing, Inspection and Demurrage Bureaus	19,755 06	2,743 35
Coal and Ore Wharves	85,734 09	<i>D</i> 5,942 08
Station Supplies and Expenses	295,589 17	14,755 39
Yardmasters and Yard Clerks	521,104 86	67,280 47
Yard Conductors and Brakemen	1,209,204 72	216,478 69
Yard Switch and Signal Tenders	181,323 14	3,672 61
Yard Enginemen	543,084 99	106,124 12
Yard Motormen	205,043 32	27,686 78
Yard Switching Fuel	523,844 22	123,547 13
Water for Yard Locomotives	18,326 57	1,687 57
Lubricants for Yard Locomotives	15,875 66	579 11
Other Supplies for Yard Locomotives	10,804 90	1,167 70
Enginehouse Expenses — Yard	122,902 86	12,291 32
Yard Supplies and Expenses	51,933 87	5,160 88
Operating Joint Yards and Terminals — Dr.	1,200,981 54	89,509 96
Operating Joint Yards and Terminals — Cr.	212,229 25	10,788 00
Train Enginemen	2,137,757 74	242,133 89
Train Motormen	92,145 08	4,464 87
Train Fuel	3,582,701 17	611,803 25
Train Power Purchased	118,660 21	9,533 36
Water for Train Locomotives	150,197 99	17,761 44
Lubricants for Train Locomotives	96,333 17	12,075 67
Other Supplies for Train Locomotives	54,431 48	7,355 04
Enginehouse Expenses — Train	728,780 37	62,520 44
Trainmen	2,727,428 57	273,367 65
Train Supplies and Expenses	885,365 66	65,549 15
Signal and Interlocker Operation	463,990 22	27,728 37
Crossing Protection	715,669 82	15,204 99
Drawbridge Operation	24,057 27	460 77
Telegraph and Telephone Operation	43,881 82	1,510 94
Operating Floating Equipment	7,980 17	<i>D</i> 8,095 64
Stationery and Printing	100,191 78	21,778 27
Other Expenses	18,819 00	6,865 71
Operating Joint Tracks and Facilities — Dr.	40,644 03	<i>D</i> 51,582 51
Operating Joint Tracks and Facilities — Cr.	46,917 99	24 71
Insurance	4,569 05	<i>D</i> 356 97
Clearing Wrecks	27,859 02	5,456 31
Damage to Property	29,694 76	11,871 00
Damage to Live Stock on Right-of-Way	4,373 35	2,066 27
Loss and Damage — Freight	258,280 05	52,606 69
Loss and Damage — Baggage	1,349 81	90 45
Injuries to Persons	198,169 91	24,091 80
Total Transportation	\$21,327,699 78	\$2,548,862 59
Ratio to Total Operating Revenues	(36.02%)	<i>D</i> (3.43%)

D Indicates decrease.

OPERATING EXPENSES — *Concluded*

ADDITION:

Year En

	Year Ended Dec. 31, 1941	Increase or Decrease
MISCELLANEOUS OPERATIONS		
Dining and Buffet Service.....	\$ 103,324 06	\$ 18,763 91
Grain Elevators.....	33,350 92	14,555 24
Other Miscellaneous Operations.....	159 00	12
<i>Total Miscellaneous Operations.....</i>	<i>\$ 136,833 98</i>	<i>\$ 33,319 27</i>
<i>Ratio to Total Operating Revenues.....</i>	<i>(.23%)</i>	<i>(.01%)</i>
GENERAL		
Salaries and Expenses of General Officers.....	\$ 157,434 93	D \$ 9,180 76
Salaries and Expenses of Clerks and Attendants.....	1,229,776 91	35,612 42
General Office Supplies and Expenses.....	121,934 51	18,652 54
Law Expenses.....	139,983 01	11,752 34
Insurance.....	436 27	D 33 22
Pensions.....	256,251 69	248,928 89
Stationery and Printing.....	89,184 65	53,385 63
Valuation Expenses.....	24,104 99	69 20
Other Expenses.....	73,308 58	12,634 43
General Joint Facilities — <i>Dr.</i>	13,114 47	717 96
<i>Total General.....</i>	<i>\$ 2,105,530 01</i>	<i>\$ 374,589 43</i>
<i>Ratio to Total Operating Revenues.....</i>	<i>(3.56%)</i>	<i>D (.08%)</i>
Transportation for Investment — <i>Cr.</i>	\$ 2,570 87	D \$ 6,136 54
<i>Total Operating Expenses.....</i>	<i>\$40,297,472 30</i>	<i>\$6,039,480 49</i>
<i>Ratio to Total Operating Revenues.....</i>	<i>(68.07%)</i>	<i>D (3.90%)</i>

D Indicates decrease.

PROFIT AND LOSS ACCOUNT, DECEMBER 31, 1941

Item	Dr.	Cr.
Balance, December 31, 1940 (Debit).....	\$ 7,734,352 38	\$
Credit Balance from Income Account for Year 1941.....		1,055,901 00
Adjustment to Par of Boston and Maine R.R. Bonds Purchased.....		815,852 36
Cancellation of Insurance Reserve Account.....		687,819 86
Miscellaneous Credits.....		25,033 37
Loss on Retired Road and Equipment:		
Retirement of Road:		
Topsfield to Newburyport, Mass.....	345,660 12	
Creamery to Ware, Mass.....	338,247 22	
Whitefield Jct. to Lancaster, N. H.....	240,167 91	
Jewett, Me.; to Somersworth, N. H.....	226,670 10	
Canal Jct. to Norwottuck, Mass.....	209,740 93	
Georgetown to Paper Mill, Mass.....	149,937 72	
Squannacook Jct. to Pepperell, Mass.....	136,453 27	
Hollis to Nashua, N. H.....	107,287 37	
Dover Point to Sawyers, N. H.....	84,617 11	
Other Retirements — Various.....	902,936 94	
Funded Debt Retired through Surplus.....	184,898 00	
Surplus Applied to Insurance Fund.....	75,830 29	
Miscellaneous Debits.....	70,183 21	
Balance, December 31, 1941 (Debit).....		8,222,375 98
	\$10,806,982 57	\$10,806,982 57

Road	Title Account
1	Engineering.....
2	Land for Transportation Purpos.....
3	Grading.....
5	Tunnels and Subways.....
6	Bridges, Trestles and Culverts.....
8	Ties.....
9	Rails.....
10	Other Track Material.....
11	Ballast.....
12	Track Laying and Surfacing.....
13	Fences, Snowsheds and Signs.....
15	Crossings and Signs.....
16	Station and Office Buildings.....
17	Roadway Buildings.....
18	Water Stations.....
19	Fuel Stations.....
20	Shops and Enginehouses.....
21	Grain Elevators.....
24	Coal and Ore Wharves.....
26	Telegraph and Telephone Lines.....
27	Signals and Interlockers.....
29	Power Plants.....
31	Power-Transmission Systems.....
37	Roadway Machines.....
38	Roadway Small Tools.....
39	Public Improvements-Construct.....
44	Shop Machinery.....
45	Power Plant Machinery.....

Total Road.....

Equipment

51	Steam Locomotives.....
52	Other Locomotives.....
53	Freight-Train Cars.....
54	Passenger-Train Cars.....
57	Work Equipment.....
58	Miscellaneous Equipment.....

Total Equipment.....

General Expenditures

76	Interest During Construction.....
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Totals.....

*DISPOSITION OF

Account No.	
701	Investment in Road and Equipment — F
705	Miscellaneous Physical Property — Prop
708	Cash — Land, Buildings, Equipment, Re
716	Material and Supplies — Usable Materis
776	Reserve for Accrued Depreciation — Equi
727	Fire Account Suspense.....
531	Operating Expenses.....
619	Profit and Loss — Debits from Retired I

Total Amount Credited to Investment in R

— Concluded

Year Ended Dec. 31, 1941	Increase or Decrease
\$ 103,324 06	\$ 18,763 91
33,350 92	14,555 24
159 00	12
\$ 136,833 98	\$ 33,319 27
(.23%)	(.01%)
\$ 157,434 93	D \$ 9,130 76
1,229,776 91	35,612 42
121,934 51	18,652 54
139,983 01	11,752 34
436 27	D 33 22
256,251 69	248,928 89
89,184 65	55,385 63
24,104 99	69 20
73,308 58	12,634 43
13,114 47	717 96
\$ 2,105,530 01	\$ 374,589 43
(3.56%)	D (.08%)
\$ 2,570 87	D \$ 6,136 54
\$40,297,472 30	\$6,039,480 49
(68.07%)	D (.90%)

DECEMBER 31, 1941

Dr.	Cr.
\$ 7,734,352 38	\$ 1,055,901 00
	815,852 36
	687,819 86
	25,033 37
345,660 12	
338,247 22	
240,167 91	
226,670 10	
209,740 93	
149,937 72	
136,453 27	
107,287 37	
84,617 11	
902,936 94	
184,898 00	
75,830 29	
70,183 21	
	8,222,375 98
\$10,806,982 57	\$10,806,982 57

ADDITIONS AND BETTERMENTS

Year Ended December 31, 1941

Road	Title Account	Gross Expenditures	Property Re- tired and Sold	Net Capital Changes
1	Engineering.....	\$ 23,343 48	\$ 111,455 75	\$ 88,112 27
2	Land for Transportation Purposes.....	1,498 05	242,147 29	240,649 24
3	Grading.....	28,060 81	422,464 03	394,403 22
5	Tunnels and Subways.....	81 82	200 00	118 18
6	Bridges, Trestles and Culverts.....	91,885 42	330,066 09	238,180 67
8	Ties.....	16,716 55	150,735 93	134,019 38
9	Rails.....	568,734 93	679,808 53	110,473 60
10	Other Track Material.....	480,224 99	407,383 35	72,841 64
11	Ballast.....	39,527 38	75,348 50	35,821 12
12	Track Laying and Surfacing.....	30,758 44	176,716 80	145,958 36
13	Fences, Snowsheds and Signs.....	132 59	35,472 00	35,339 41
15	Crossings and Signs.....	—	134,306 95	134,306 95
16	Station and Office Buildings.....	113,477 85	365,371 89	251,894 04
17	Roadway Buildings.....	516 83	12,118 42	11,601 59
18	Water Stations.....	6,938 99	19,833 68	12,894 69
19	Fuel Stations.....	6,551 59	37,020 49	30,468 90
20	Shops and Enginehouses.....	59,225 16	308,788 58	249,563 42
21	Grain Elevators.....	—	30,099 00	30,099 00
24	Coal and Ore Wharves.....	367 83	426 00	58 17
26	Telegraph and Telephone Lines.....	10,709 45	3,912 10	6,797 35
27	Signals and Interlockers.....	45,828 01	44,668 31	1,159 70
29	Power Plants.....	4 36	21,313 86	21,309 50
31	Power-Transmission Systems.....	1,055 26	8,654 36	7,599 10
37	Roadway Machines.....	32,173 07	824 02	31,349 05
38	Roadway Small Tools.....	25,888 09	103 00	25,785 09
39	Public Improvements-Construction.....	102,059 23	—	102,059 23
44	Shop Machinery.....	42,898 43	32,142 99	10,755 44
45	Power Plant Machinery.....	13,246 06	969 16	12,276 90
Total Road.....		\$1,741,904 67	\$3,651,751 08	\$1,909,846 41
Equipment				
51	Steam Locomotives.....	\$ 855,648 51	\$ 153,669 75	\$ 701,978 76
52	Other Locomotives.....	377,801 44	6,713 00	371,088 44
53	Freight-Train Cars.....	331,444 36	384,653 74	53,209 38
54	Passenger-Train Cars.....	46,938 93	394,071 90	347,132 97
57	Work Equipment.....	182,496 91	99,652 33	82,844 58
58	Miscellaneous Equipment.....	8,057 20	27,600 08	19,542 88
Total Equipment.....		\$1,802,387 35	\$1,066,360 80	\$ 736,026 55
General Expenditures				
76	Interest During Construction.....	—	\$ 6,349 33	\$ 6,349 33
Totals.....		\$3,544,292 02	*\$4,724,461 21	\$1,180,169 19

*DISPOSITION OF CREDITS TO CAPITAL ACCOUNT

Account No.	
701	Investment in Road and Equipment — Equipment Converted.....
705	Miscellaneous Physical Property — Property transferred as Non-Carrier.....
708	Cash — Land, Buildings, Equipment, Rail and Track Fastenings Sold.....
716	Material and Supplies — Usable Material.....
776	Reserve for Accrued Depreciation — Equipment.....
727	Fire Account Suspense.....
531	Operating Expenses.....
619	Profit and Loss — Debits from Retired Road and Equipment.....
Total Amount Credited to Investment in Road and Equipment.....	

CAPITAL STOCK AND FUNDED DEBT OUTSTANDING DECEMBER 31, 1941—OWNED ROAD

CAPITAL STOCK	Amount Outstanding	Dividend Rate	Cumulative Dividends Unpaid Since †Jan. 1, 1932—*Oct. 1, 1931	Amount in Hands of the Public	Owned, Deposited with Trustee, or Held in Treasury or in Insurance Fund**
Prior Preference	\$ 23,134,900 00	7 %	†\$ 70 00 per share \$16,056,460 00	\$ 22,937,800 00	\$197,100 00
Prior Preference Negotiable Receipts	3,600 00			3,600 00	
First Preferred, Class A	18,860,000 00	5 %	*\$ 51 25 per share 9,652,476 25	18,834,100 00	25,900 00
“ “ “ B	7,648,800 00	8 %	*\$ 82 00 “ “ 6,272,016 00	7,648,800 00	
“ “ “ C	7,917,100 00	7 %	*\$ 71 75 “ “ 5,674,564 00	7,910,000 00	7,100 00
“ “ “ D	4,327,000 00	10 %	*\$102 50 “ “ 4,431,997 50	4,323,900 00	3,100 00
“ “ “ E	65,000 00	4½ %	*\$ 46 125 “ “ 29,981 25	65,000 00	
Preferred	3,149,800 00	6 %	Non-cumulative	3,149,800 00	
Common	39,505,100 00			39,472,800 00	32,300 00
	\$104,611,300 00			\$104,345,800 00	\$265,500 00

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FUNDED DEBT	Amount Outstanding	Date of Maturity	Rate		
General Mortgage Series V	\$ 124,000 00	Mar. 1, 1942	5 %	\$ 124,000 00	
“ “ “ W	12,000 00	Apr. 1, 1942	5 %	12,000 00	
“ “ “ X	5,000 00	July 1, 1942	5 %	5,000 00	
“ “ “ Y	73,000 00	Aug. 1, 1942	4 %	73,000 00	
“ “ “ Z	48,000 00	Jan. 1, 1943	5 %	48,000 00	
“ “ “ Y	62,000 00	May 1, 1943	5 %	62,000 00	
“ “ “ Connecticut River	6,000 00	Sept. 1, 1943	4 %	6,000 00	
“ “ “ Series AA	185,000 00	Jan. 1, 1944	4½ %	179,000 00	\$ 6,000 00
“ “ “ CC	470,000 00	Apr. 1, 1944	5 %	470,000 00	
“ “ “ DD	29,000 00	Jan. 1, 1945	5 %	29,000 00	
“ “ “ EE	83,500 00	June 1, 1945	5 %	83,500 00	
“ “ “ FF	6,000 00	Jan. 1, 1946	5 %	6,000 00	
“ “ “ GG	52,000 00	Jan. 1, 1947	5 %	52,000 00	
“ “ “ GG	13,000 00	Apr. 1, 1947	5 %	13,000 00	
“ “ “ II	25,000 00	July 1, 1950	3 %	10,000 00	15,000 00
First “ “ RR	1,237,000 00	May 1, 1955	5 %	1,237,000 00	
General “ “ JJ	67,789,500 00	July 1, 1960	4 %	67,124,300 00	665,200 00
	902,000 00	Apr. 1, 1961	4¾ %	897,000 00	5,000 00

“ “ “ AC	3,065,000 00	Sept. 1, 1967	5 %	2,424,000 00	641,000 00
Income Mortgage “ A	48,261,500 00	July 1, 1970	4½ %	46,942,500 00	1,319,000 00
Total Mortgage Bonds	\$122,448,500 00			\$119,797,300 00	\$2,651,200 00
Equipment Trust No. 4 Trust Certificates	\$ 250,000 00	Apr. 1, 1942-43	4½ %	\$ 250,000 00	
“ “ “ 5	342,000 00	May 1, 1942-44	5 %	342,000 00	
“ “ “ 6	1,396,000 00	June-Dec. 1, 1942-49	4 %	1,396,000 00	
“ “ “ 7	870,000 00	Dec. 1, 1942-44	3½ %	870,000 00	
Total Equipment Trust Obligations	\$ 2,858,000 00			\$ 2,858,000 00	
Grand Total Funded Debt	\$125,306,500 00			\$122,655,300 00	\$2,651,200 00

** No interest accrued except on bonds held in Insurance Fund.

CAPITAL STOCK AND FUNDED DEBT OUTSTANDING **DECEMBER 31, 1941**

Leased Roads

NAME OF ROAD AND DESCRIPTION	CAPITAL STOCK		
	Amount Outstanding	Dividend Rate (Paid as rental)	Owned and held in Treasury or in Insurance Fund
Nashua and Lowell.....	\$ 800,000 00	9 %	\$ 215,700 00
Stony Brook.....	300,000 00	7 %	22,500 00
Wilton.....	240,000 00	3 1/2 %	232,100 00
Peterborough.....	385,000 00	1 3/4 %	339,500 00
Concord and Portsmouth.....	350,000 00	3 1/2 %	216,400 00
Pemigewasset Valley.....	541,500 00	3 %	403,500 00
Northern.....	3,088,400 00	6 %	246,100 00
Vermont and Massachusetts.....	3,193,000 00	6 %	
Troy and Bennington.....	150,800 00	10 %	29,100 00
Connecticut and Passumpsic Rivers — Preferred.....	2,500,000 00	6 %	176,100 00
Massachusetts Valley.....	800,000 00	6 %	
Vermont Valley.....	1,000,000 00		1,000,000 00
Sullivan County.....	500,000 00		
Franklin & Tilton.....	265,600 00		265,600 00
Peterborough and Hillsborough.....	45,000 00		
Newport & Richford.....	350,000 00		
Concord & Claremont, N. H.....	412,400 00		11,700 00
Total Capital Stock.....	\$14,901,700 00		\$3,158,300 00

FUNDED DEBT

	Bonds Outstanding	Date of Maturity	Rate	Owned and held in Treasury or in Insurance Fund
Newport & Richford.....First Mortgage	\$ 349,000 00	Jan. 1, 1966	4 %	\$349,000 00
Peterborough and Hillsborough.....First Mortgage	100,000 00	July 1, 1951	4 1/2 %	100,000 00
Peterborough and Hillsborough.....Second Mortgage	65,000 00	Apr. 30, 1887	No interest	
Connecticut and Passumpsic Rivers.....First Mortgage	1,900,000 00	Apr. 1, 1943	4 %	
Concord & Claremont, N. H.....First Mortgage	500,000 00	Jan. 1, 1944	5 %	119,000 00
Sullivan County.....First Mortgage	357,000 00	Apr. 1, 1944	6 %	
Vermont Valley.....First Mortgage	1,478,000 00	Oct. 1, 1955	4 %	
Total Funded Debt.....	\$4,749,000 00			\$568,000 00

MILES OF ROAD OPERATED, DECEMBER 31, 1941

STEAM ROADS	Owned	Leased	Total
Main Lines.....	806 71	243 79	1,050 50
Branch Lines.....	541 48	192 03	733 51
Trackage Rights.....		82 28	82 28
<i>Total Road Operated.....</i>	1,348 19	518 10	1,866 29
Second Track.....	440 50	(A) 130 03	570 53
Third Track.....	4 40	(B) 5 53	9 93
Other Tracks.....	954 01	185 94	1,139 95
<i>Total Track Operated.....</i>	2,747 10	839 60	3,586 70

* Annual rental \$8,844.00.

(A) Includes trackage rights, 15.00 miles.

(B) Includes trackage rights, .99 mile.

OPERATING

AVERAGE MILES OF ROAD

Freight service.....
 Passenger service.....

Total.....

TRAIN MILE

Freight service (with locomotives).....
 Passenger service (with locomotives).....
 Passenger service (without locomotives).....
 Work service.....

Total train miles.....

*** LOCOMOTIVE**

Freight service.....
 Passenger service.....
 Train switching.....
 Yard switching.....
 Work service.....

Total locomotive miles.....

CAR MILE

Freight-Train Car Miles:
 Loaded.....
 Empty.....
 Caboose.....

Total freight-train car miles.....

Passenger-Train Car Miles:
 Passenger coaches.....
 Sleeping and parlor cars.....
 Club, lounge, dining and observation cars.....
 Business cars.....
 Mail, express, and baggage cars, and combination passenger cars (mail, express, or baggage).....

Total passenger-train car miles.....

Total transportation service car miles.....

AVERAGE

Operating revenues per mile of road.....
 Operating expenses per mile of road.....
 Net railway operating income per mile of road.....

Operating revenues per train mile.....
 Operating expenses per train mile.....
 Net railway operating income per train mile.....

Total Freight cars per revenue train mile.....
 Loaded Freight cars per revenue train mile.....
 Empty Freight cars per revenue train mile.....

Total Passenger cars per train mile.....

* Includes 339,837 Electric locomotive mile
 Italics indicate decrease.

DEBT OUTSTANDING 1941

CAPITAL STOCK		
Amount Outstanding	Dividend Rate (Paid as rental)	Owned and held in Treasury or in Insurance Fund
800,000 00	9 %	\$ 215,700 00
800,000 00	7 %	22,500 00
240,000 00	*3 1/2 %	232,100 00
385,000 00	1 1/2 %	339,500 00
350,000 00	3 1/2 %	216,400 00
541,500 00	3 %	403,500 00
3,068,400 00	6 %	246,100 00
3,193,000 00	6 %	
150,800 00	10 %	29,100 00
2,500,000 00	6 %	176,100 00
800,000 00	6 %	
1,000,000 00		1,000,000 00
500,000 00		
265,600 00		265,600 00
45,000 00		
350,000 00		
412,400 00		11,700 00
14,901,700 00		\$3,158,300 00

FUNDED DEBT

Date of Maturity	Rate	Owned and held in Treasury or in Insurance Fund
Jan. 1, 1966	4 %	\$349,000 00
July 1, 1951	4 1/2 %	100,000 00
Apr. 30, 1887	No interest	
Apr. 1, 1943	4 %	
Jan. 1, 1944	5 %	119,000 00
Apr. 1, 1944	6 %	
Oct. 1, 1955	4 %	
		\$568,000 00

DECEMBER 31, 1941

Owned	Leased	Total
806 71	243 79	1,050 50
541 48	192 03	733 51
	82 28	82 28
1,348 19	518 10	1,866 29
440 50	(A) 130 03	570 53
4 40	(B) 5 53	9 93
954 01	185 94	1,139 95
2,747 10	839 60	3,586 70

OPERATING STATISTICS

	Year Ended Dec. 31, 1941	Increase or Decrease
AVERAGE MILES OF ROAD OPERATED		
Freight service.....	1,890.48	1.07
Passenger service.....	1,464.14	20.46
<i>Total.....</i>	<i>1,902.70</i>	<i>7.30</i>
TRAIN MILEAGE		
Freight service (with locomotives).....	3,936,307	493,586
Passenger service (with locomotives).....	6,300,209	47,964
Passenger service (without locomotives).....	491,043	8,668
Work service.....	188,168	72,668
<i>Total train miles.....</i>	<i>10,915,727</i>	<i>605,550</i>
* LOCOMOTIVE MILEAGE		
Freight service.....	4,896,313	718,642
Passenger service.....	6,675,450	55,816
Train switching.....	363,510	38,760
Yard switching.....	2,358,114	395,028
Work service.....	236,312	72,716
<i>Total locomotive miles.....</i>	<i>14,529,699</i>	<i>1,280,962</i>
CAR MILEAGE		
Freight-Train Car Miles:		
Loaded.....	146,695,895	28,945,162
Empty.....	65,439,835	8,398,671
Caboose.....	4,060,146	479,568
<i>Total freight-train car miles.....</i>	<i>216,195,876</i>	<i>37,823,401</i>
Passenger-Train Car Miles:		
Passenger coaches.....	15,373,292	1,245,498
Sleeping and parlor cars.....	3,900,583	92,035
Club, lounge, dining and observation cars.....	278,550	10,771
Business cars.....	18,437	436
Mail, express, and baggage cars, and combination cars other than passenger.....	15,048,226	197,585
Combination passenger cars (mail, express, or baggage with passenger).....	4,270,822	30,746
<i>Total passenger-train car miles.....</i>	<i>38,889,910</i>	<i>1,576,199</i>
<i>Total transportation service car miles.....</i>	<i>255,085,786</i>	<i>39,399,600</i>
AVERAGES		
Operating revenues per mile of road.....	\$31,115.47	\$6,195.16
Operating expenses per mile of road.....	21,179.10	3,242.98
Net railway operating income per mile of road.....	5,514.58	1,883.56
Operating revenues per train mile.....	\$ 5.52	\$.85
Operating expenses per train mile.....	3.76	.40
Net railway operating income per train mile.....	.98	.30
Total Freight cars per revenue train mile.....	53.89	3.12
Loaded Freight cars per revenue train mile.....	37.27	3.07
Empty Freight cars per revenue train mile.....	16.62	.06
Total Passenger cars per train mile.....	5.73	.20

* Includes 339,337 Electric locomotive miles, 6,138 Tractor locomotive miles and 715,347 Diesel locomotive miles. Italics indicate decrease.

TRAFFIC STATISTICS

FREIGHT		Year Ended Dec. 31, 1941	Increase or Decrease
Freight Revenue		\$ 44,718,601	\$ 10,195,207
Tons of revenue freight carried		20,825,565	4,554,047
Tons of company freight carried		1,950,436	283,511
<i>Total tons of freight carried</i>		<i>22,776,001</i>	<i>4,837,558</i>
Tons of revenue freight carried one mile		3,137,840,298	755,604,764
Tons of company freight carried one mile		177,543,904	34,401,938
<i>Total tons of freight carried one mile</i>		<i>3,315,384,202</i>	<i>790,006,702</i>
PASSENGER			
Passenger Revenue:			
Monthly commutation ticket passengers	\$ 614,792.83	\$ 12,338.79	
All other commutation ticket passengers	949,747.93	2,433.23	
Single fare ticket passengers (not including interline)	4,072,443.97	607,171.87	
Interline ticket passengers	2,588,223.31	542,122.66	
<i>Total passenger revenue</i>	<i>\$8,225,208.04</i>	<i>\$1,153,193.09</i>	
Number of Passengers Carried:			
Monthly commutation ticket passengers	2,921,153	1,064	
All other commutation ticket passengers	5,801,151	56,268	
Single fare ticket passengers (not including interline)	8,425,486	1,169,842	
Interline ticket passengers	1,407,795	394,965	
<i>Total number of passengers carried</i>	<i>18,555,584</i>	<i>1,507,475</i>	
Number of Passengers carried one mile:			
Monthly commutation ticket passengers	67,472,396	1,198,675	
All other commutation ticket passengers	53,987,510	438,111	
Single fare ticket passengers (not including interline)	217,384,672	33,113,375	
Interline ticket passengers	121,520,901	28,832,784	
<i>Total number of passengers carried one mile</i>	<i>460,365,479</i>	<i>65,704,723</i>	
Number of passengers to and from Boston, including monthly ticket passengers	16,484,046	972,578	
AVERAGES			
Freight:			
Miles hauled — revenue freight	150.67	4.26	
Tons of revenue freight per train mile	797.15	105.19	
Tons of revenue freight per loaded car mile	21.39	1.16	
Revenue per ton of freight	\$2.14729	\$.02558	
Revenue per ton per mile	(cents) 1.425	.024	
Revenue per revenue train mile	\$11.361	\$1.333	
Freight revenue per loaded car mile	(cents) 30.484	1.165	
Passenger:			
Average distance carried per passenger (miles)	24.81	1.66	
Number of passengers per train mile	67.79	9.34	
Number of passengers per car mile	19.55	1.75	
Revenue per passenger	(cents) 44.33	2.35	
Revenue per passenger mile, monthly commutation ticket passengers	(cents) .911	.001	
Revenue per passenger mile, other commutation ticket passengers	(cents) 1.759	.002	
Revenue per passenger mile, single-fare not including interline	(cents) 1.873	.039	
Revenue per passenger mile, interline passengers	(cents) 2.130	.078	
Revenue per passenger mile, all passengers	(cents) 1.787	.005	
Passenger revenue per passenger car mile	34.934	3.044	
Total passenger service train revenue per train mile	\$1.701	\$.162	

Italics indicate decrease.