These abstracts, shewing the funds of the company, and where deposited, together with other important information, were always made by the former treasurer.

In the absence of a general account, the committee have entered into the examination of a few particular cases—The first of these is a case which is alluded to in the report of the committee of the stockholders, in July last; it appears that after Mr. Peabody, the agent of the company, in London, had refused distinctly to allow the company to draw upon him for money, and after a very large amount had been drawn for, not known to Mr. Peabody, at the time of his writing, the president of the company, made further drafts, and on the tenth September, 1839, sold bills of exchange to the North American Trust and Banking Company for £15,000 sterling, for the sum of $71,666 66, giving that company £20,000 sterling of 5 per cent Maryland State bonds, to secure the payment of these bill of exchange at maturity, the bonds to be sold in the event of the bills not being paid when due. These bills were returned protested, for non acceptance when immediate payment was demanded by the said Trust Company. And notwithstanding the existence of the agreement that the bonds hypothecated, should be held until the maturity of the bills of exchange, the President of the company added £5,000 more of State bonds to those already pledged, and sold the whole of them to the Trust company for such sum as left him to receive $210 98, as the balance due the canal company on settlement. By this operation the canal company received but $71,877 64, for £25,000 sterling of 5 per cent State bonds, the par value of which is $111,111 11.—This sale was made on November 14, 1839, when the bills of exchange for which these bonds were pledged, were not due and payable until January 1840, what renders this transaction more exceptionable is the fact that the agent of the company in London had [illegible] the means there of paying these same bills of exchange, [illegible] maturity.

[illegible]her sales of bonds appear to have been made in the fall of 1839, at great loss, but the committee are not informed that the debts for which they were pledged were not due and payable at the times when the bonds were sold.

The committee from evidence given to them are satisfied that very valuable and faithful officers have been removed from the service of the company, and in some cases men not competent to perform the duties required, have been appointed in their places--to the serious injury of the best interests of the company. Some of these removals have been, as admitted by the president's report to the governor of Maryland, for political opinion's sake, which as your committee conceive, no direct interest of the company either required or demanded.

In addition to the views already presented, there are other mat-