

tors, the twentieth annual report of the President and Directors of the Chesapeake and Ohio Canal company, to the Stockholders; and is as follows;

REPORT:

Office of the Chesapeake and Ohio Canal Co., }
Frederick, June 5, 1848. }

*To the Stockholders of the Chesapeake and Ohio Canal Company,
in General Meeting assembled:*

GENTLEMEN:—We have the gratification to inform you, that the work on the Canal, between Dam No. 6 and Cumberland, is now progressing under the most favourable auspices, and with every prospect of a continuation to completion.

In the last annual report were presented and explained to you the act of the Legislature of Virginia, of the 8th of March 1847, providing for a guaranty by that State of the bonds of the company, to be issued under the act of the General Assembly of Maryland, passed at December session 1844, ch. 281, to the amount of three hundred thousand dollars, and the proceedings of the Corporations of Washington and Georgetown, and certain citizens of Alexandria, providing for a subscription to the amount of one hundred thousand dollars of said bonds, making altogether an aggregate equivalent to four hundred thousand dollars. You were, at the same time, informed of the fact, that all these provisions were dependent upon its being shewn to the entire satisfaction of the Board of Public Works of Virginia, and (with the exception of the first clause, in regard to which the corporate authorities and parties themselves appear to have been already satisfied,) of the Commissioners of the sinking fund of Georgetown, and a special committee appointed for the purpose in Washington, respectively, that the revenues of the company, pledged by the act of the General Assembly of Maryland; to the payment of the principal and interest of the bonds issued in pursuance thereof, will when the canal shall be completed, be sufficient for the purpose—that the interest on said bonds will be punctually paid by the contractors during the progress of the work, according to the terms of their contract; and that, with the aid thus afforded, a sufficient amount of funds had been secured to complete the canal to Cumberland.

You were likewise apprised that a negotiation to fulfil this last mentioned condition was then in progress, with the promise of a successful result.

It now becomes our duty to state to you that the negotiation above alluded to proved an entire failure, by reason mainly, as we were given to understand, of a sudden crisis in the English money market just on the eve of its expected consummation, and the consequent withdrawal of the Messrs. Baring, Bro. & Co., who were the principal parties to the arrangement.

Soon after this became known to the board, we admonished the contractors, that we considered longer indulgence scarcely compat-