

LOUISIANA.

#500

CANAL AND BANKING COMPANY,
New Orleans, January 7, 1847.

SIR: By order of the board of directors, I hand you, herewith, the annual statement of the situation of this institution. Although the condition of the bank, so far as the public is concerned, is highly flattering, and its current business prosperous and increasing, yet, to satisfy distant shareholders, and to meet the many inquiries made as to the probability of an early dividend, I beg leave to offer the following remarks relative to its position as a chartered institution, governed in its operations by the law which created it, and the recent enactments of our legislature in reference to our State banks.

The burden, in the shape of a bonus, imposed upon this bank by its charter, to construct and maintain a basin in the city, and a canal and road thence to Lake Pontchartrain, has caused an expenditure of \$1,248,480 73, which, taken in conjunction with the very heavy losses sustained during the almost entire prostration of commercial affairs from 1837 to 1843, had so far crippled its resources that it was with the utmost difficulty the managers of the bank were able to prevent a forfeiture of its charter by complying with the order of the legislature to resume its payments in specie, in December, 1842.

To illustrate the condition of the bank as it is now presented to you, compared with that in which it was found when the present managers took charge of it in January, 1843, I ask your reference to the circular signed by the president and myself, dated 31st March, 1843, giving a detailed statement of its assets and liabilities, as found to exist on the 31st December, 1842. According to that statement, with a nominal amount of assets of \$5,240,736 17, their actual value could not be estimated at more than \$1,836,970 88, from which had to be paid the immediate liabilities, (as detailed in that statement,) amounting to \$328,079 89, leaving an amount of valuable assets of only \$1,508,890 99, or about *thirty-seven* dollars per share, out of a capital of \$4,000,000.

In former annual statements the estimated value of the canal and its appurtenances has been placed at \$500,000. It is necessary here to state that the present direction found this work in 1843 in no better condition than they found the monetary affairs of the bank; and so extensive were the repairs necessary to be made thereon, that an outlay was required of the entire income of the canal and road, together with an advance of \$40,000 from the bank, during a period of about eighteen months. About \$22,000 of this advance have been returned to the bank out of the tolls collected since; and as the work is now in good condition, with an increasing trade, the direction feel confident that the annual receipts will produce six to eight per cent. net on \$300,000, the estimated value placed upon it in the accompanying statement.

Four years have now elapsed since the statement was made up from which will be gathered the foregoing data, the first nine months of which period were almost entirely absorbed by the new board in ascertaining the

real condition of the bank, and arranging its affairs on such a basis as would insure a permanent and safe resumption of its business, so that its actual reorganization may be dated from the 1st of October, 1843; since when, up to the close of the past year, the net profits of the institution, arising from discounts, exchanges, and rents, have been as follows:

Carried to credit of profit and loss at close of 1843	-	\$44,939 73
" " " 1844	-	101,449 63
" " " 1845	-	133,033 88
" " " 1846	-	206,635 11
		486,058 35

The accompanying statement shows an amount of valuable assets of \$5,708,614 37 against total liabilities amounting to \$6,336,626 54, giving a valuation of a fraction more than ninety dollars per share to the capital stock. This valuation, however, is yet unequal to the requirements of the law, which prohibits all banks from paying dividends so long as their capital stock shall not be full and complete.

It may be necessary to explain one item in the annexed statement—that of “stocks, \$105,139 69,” which comprise the cost of \$50,000 in United States five per cents, and \$50,000 in New York State six per cents, purchased in December, 1845, and deposited with the Secretary of the Treasury of the United States, as security required by the government from this bank when selected by the department as the depository of the public funds in this city; thus withdrawing that amount from the cash movement of the bank.

Trusting that the foregoing may be considered sufficiently full and explanatory, to avoid further reference in this circular, I have only to repeat the assurance given in my last annual communication, that we believe the estimates to be fairly made, and fully within their value at the present time.

I am, very respectfully, your obedient servant,
N. N. WILKINSON, *Cashier.*

LIABILITIES.

Names of the banks.	LIABILITIES.					Total liabilities of the banks.
	Original capital.	Capital reduced to—	Bank notes in circulation.	Local deposits and other cash liabilities of the banks.		
Louisiana Bank	\$4,000,000 00	\$3,999,040 00	\$1,351,509 00	\$7,140,549 02	\$4,492,051 02	
Canal and Banking Company	4,000,000 00	3,219,050 00	716,500 00	1,308,789 92	2,085,269 93	
City Bank	2,000,000 00	1,882,400 00	623,000 00	1,389,135 67	1,912,135 67	
Louisiana State Bank	2,000,000 00	1,772,800 00	455,424 00	1,243,552 43	1,698,976 43	
Mechanics and Traders' Bank	2,000,000 00	1,729,600 00	1,033,305 00	2,021,905 13	3,055,210 13	
Union Bank*	7,000,000 00	4,940,800 00	27,910 00	386,111 13	412,121 13	
Total liabilities	21,000,000 00	17,528,910 00	4,206,748 00	9,449,035 60	13,655,783 60	

* Union Bank is a property bank, the capital of which is guaranteed by bonds issued by the State of Louisiana.

Statement—Continued.

Names of the banks.	ASSETS.						Excess of assets over liabilities.
	Gold and silver in the banks.	Real estate.	Capital of the branches.	Amount of assets, including bonds, notes, bills of exchange, stocks, &c.	Total amount of the resources of the banks.		
Louisiana Bank	\$2,222,480 62	\$377,085 22	\$1,000,000 00	\$6,008,155 91	\$9,023,721 75	\$5,131,670 73	
Canal and Banking Company	1,002,157 81	1,679,869 96	1,180,000 00	2,270,504 45	6,142,532 23	4,057,243 00	
City Bank	568,202 47	507,435 74	400,000 00	2,587,711 33	4,063,349 54	2,151,213 87	
Louisiana State Bank	996,913 51	140,207 86	76,127 56	2,294,234 24	3,507,483 17	1,808,506 74	
Mechanics and Traders' Bank	1,306,612 20	2,186,617 04	430,000 00	2,883,813 72	4,889,042 90	1,843,832 83	
Union Bank	464,028 10	616,655 21	1,350,000 00	5,538,324 65	7,969,007 96	7,556,886 83	
Total assets	6,536,394 71	3,539,871 03	4,446,127 56	21,582,744 30	36,205,137 60	22,545,354 00	

BANKS IN LIQUIDATION.—Citizens' Bank; Consolidated Association—property banks, guaranteed by bonds issued by the State; Orleans Bank; Exchange and Banking Company; Atchafalaya and Railroad Company; Merchants' Bank; Commercial Bank; Carrollton Railroad and Banking Company; Improvement and Banking Company; Gaslight and Banking Company.

Office Board of Currency, New Orleans, January 15, 1847.

(E. & O. E.)

A. LEGENDRE, Secretary.

Condensed statement of the situation of the affairs of the banks in New Orleans on the 26th December, 1866.

Names of the banks.	LIABILITIES.					
	Original capital.	Capital reduced to—	Bank notes in circulation.	Local deposits and other cash liabilities of the banks.	Total liabilities of the banks.	
Louisiana Bank -	\$4,000,000 00	\$5,992,040 00	965,777 50*	\$2,887,171 30	\$3,852,948 80	
Canal and Banking Company -	4,000,000 00	3,178,750 00	918,190 00	2,008,463 84	2,995,653 84	
City Bank -	2,000,000 00	1,982,200 00	447,400 00	1,911,170 43	2,358,570 43	
Louisiana State Bank -	2,000,000 00	1,740,900 00	402,241 00	1,019,118 28	1,421,338 28	
Merchants and Traders' Bank -	2,000,000 00	1,704,180 00	783,615 00	2,422,789 72	3,012,594 72	
Union Bank*	7,000,000 00	4,916,000 00	26,350 00	525,201 71	552,551 71	
Total -	21,000,000 00	17,393,950 00	3,540,763 50	10,174,913 27	14,324,678 77	

* Union Bank is a property bank, the capital of which is guaranteed by bonds issued by the State of Louisiana.

Statement—Continued.

Names of the banks.	ASSETS.					
	Gold and silver in banks.	Real estate.	Capital of the branches.	Amount of assets, including bonds, notes, bills of exchange, stocks, &c.	Total amount of the resources of the banks.	Excess of assets over liabilities.
Louisiana Bank -	\$1,582,087 10	\$360,675 69	\$1,000,000 00	\$5,036,546 71	\$8,859,309 50	\$5,006,360 70
Canal and Banking Company -	1,438,828 62	1,744,960 57	1,028,208 58	2,886,152 79	7,029,151 56	4,171,487 72
City Bank -	1,008,076 08	508,575 06	400,000 00	3,617,729 69	4,534,383 83	2,175,813 41
Louisiana State Bank -	815,528 13	140,228 66	75,883 08	2,185,199 97	3,216,839 84	1,795,480 55
Merchants and Traders' Bank -	1,020,555 98	210,274 34	400,000 00	2,915,614 02	5,056,244 34	1,643,619 62
Union Bank -	134,836 27	475,944 12	1,350,000 00	6,130,302 05	8,100,173 45	7,547,621 74
Total -	6,588,712 18	3,440,658 44	4,254,091 66	22,581,640 24	36,865,102 52	22,540,423 75

BANKS IN LIQUIDATION.

Citizens' Bank, and Consolidated Association; property banks, guaranteed by bonds issued by the State.

Orleans Bank.

Exchange and Banking Company.

Alabama and Railroad Company.

Merchants' Bank.

Commercial Bank.

Cerrillon Railroad and Banking Company.

Improvement and Banking Company.

Gaillight and Banking Company.

Office of Board of Currency, New Orleans, January 15, 1867.

(E. A. O. E.)

A. LEGENDRE, Secretary.

