

**To the General Meeting of the Stockholders of the State Bank of North Carolina.**

The Committee to whom it was referred "to report a full and detailed account of the situation and affairs of the whole institution," beg leave to REPORT.—

That in the nature of things, it was not possible for your Committee to ascertain with entire certainty, what amount of losses the Bank would have to sustain:—the real estate may sell for more or less than it is estimated at—a debt now deemed good may eventually turn out bad—and one deemed doubtful, or even desperate, may be collected. All that your Committee could do was to procure the most accurate estimate within their power. For this purpose, they called in the assistance of the best informed and most judicious Stockholders at the Principal Bank and at the Branches. The condensed result of this inquiry is exhibited in the paper hereto appended marked (A.) By this it will appear that the probable losses to be now sustained by the Bank, amount to

\$ 415,581 89  
From which deduct interest on debts lying over and damages on protested bills of exchange \$67,247 80  
Reserved from general Profit & Loss, 197,455 92  
264,703 72

Leaving a balance of loss of \$ 150,878 17

to be charged on the capital. This is on the supposition that every note which has ever been issued by the Bank will be returned on its redemption. This cannot possibly be the case. Your Committee, taking into consideration the length of time that the Bank hath been in operation,—the vast number of notes which it hath issued (many of them of small denominations)—and the very extensive circulation which they have had, are of opinion, that the gain to the Bank from its notes being lost, must be very considerable, perhaps equal to the above balance of loss on bad debts and depreciation of real estate. Perhaps not. On this head, your Committee can give no opinion, having nothing but conjecture on which to form one. It is therefore left to every individual stockholder to judge for himself. This it is all that is deemed necessary to state concerning the situation of the capital.

Then your committee turned its attention towards the net profits which had accrued to the Bank during the last six months. It is obvious, that although, owing to the manner of keeping the books of the Bank, some items may be brought into the account as profits made by the Bank during the last six months, yet, if they did not actually accrue during that period, they ought to be deducted from the amount appearing by the books. Of this description, is the sum of \$468 78, being the amount of small balances of long standing, which the Directors at the Principal Bank ordered to be carried to the account of Profit and Loss. Also the sum of \$3,356 24, being the amount of interest for last year, at 4 per cent. on stock which the State holds in the Bank, and has not paid for, and which was, according to the Charter, retained out of last December dividend. It is true, that if the Bank makes a dividend next December, it will be entitled to retain the same sum, and then one-half of it will have accrued during the present half-year; yet, as the Bank has no claim against the State for this sum, or any part of it, except by retainer out of the dividend to be made next December, and it is uncertain whether the Bank will then make a dividend, your committee thinks, the whole of this sum, being entirely contingent, ought to be deducted. It is also obvious, that to ascertain the net profits, the losses incurred during the half-year must be deducted from the gross profits. What these losses will actually be, time alone can shew; but your committee believes that, in estimating them, the average loss of every half year since the Bank went into operation, would be a fair standard. In fixing this average, it is proper to remark, that some of the Branches have, from time to time, placed some of their losses to the account of Profit and Loss: to what amount is not accurately ascertained; but it is believed to be certainly not less than \$25,000 or \$30,000. If that sum be added to the loss stated in the annexed Account (A.) it will be found that the average loss of every half-year is something over \$13,000. The net profits will then be,

Gross profits, \$40,602 31  
Deduct long-standing balances, carried to the account of Profit and Loss, 468 78  
Int. for last year on Stock not paid for by State, 3,356 24  
Average loss for the half-year, 13,000 00  
16,823 02

Net profits, \$ 23,779 29

Not adequate to the making a dividend of one and a half per cent. Your committee having been appointed with the view of its bringing forward such facts and statements as might assist your meeting in deciding the question concerning the closing the concern, turned its attention to that subject also.

Your Committee finds that in Nov. 1828, the responsibilities of the Bank for notes in circulation, debts to foreign banks, and for deposits, amounted to \$1,518,319 12

The available Funds, Specie, Bills of Exchange, Foreign Notes and Foreign Bank credits, amounted to 493,852 48

Balance to be provided for by collections, \$1,024,466 64

Your Committee also finds that in May last the same responsibilities amounted to \$1,449,547 06

And the same available funds amounted to 632,217 43

Balance to be provided for by collections, only \$ 817,329 63

Thus, although the Profits accruing to the Bank diminished, and must, in the opinion of your committee, be diminished still more; yet

the power of the Bank to answer promptly all demands against it has greatly increased. To be more particular on this subject. The present responsibilities of the Bank, or the claims which may be brought against it, consist of the following items, viz.—(Statement C.)

Notes in circulation, \$910,554 25  
Due to Foreign Banks, 299,441 26  
Due for Deposits, 239,551 55  
\$1,449,547 06

From the above sum of \$910,554 25, stated as the amount of "Notes in circulation," which the Bank may be called upon to redeem, must be deducted the lost Notes (be they more or less) as the Bank cannot be called upon to redeem them. As to the balance of those notes, or those actually in circulation, your committee entertains no apprehensions that the Bank will be pressed for the redemption of them. What makes them now current, and remain in circulation? Because they are received in the payment of taxes; because they are received by this Bank, and all the other Banks in this State, and because this Bank redeems them, with more or less promptness, whenever they are presented for that purpose. How will it be, if the stockholders should determine to close the concern, and wind up the affairs of the institution? They will still be receivable in payment of taxes, we shall still receive them in payments; and as a large part of our collections will be made in the notes of other Banks, which we shall call upon them to redeem, those Banks will not only be obliged to receive, but to seek for, our notes, in order to make exchanges with us. The weekly collections made by us, will thus every week lessen the number of our notes in circulation, and increase our power of redeeming them. Thus all the causes which now give currency to our notes, would, after a resolution to close the concern, continue to operate; and some of them, and those powerful ones, to operate with more force: therefore, your Committee believe that our notes would continue to be at least as current as they are now. Your Committee cannot conceive that any man, having \$10, 20, 30 of our notes, which answered to him all the purposes of money, would take the unnecessary and useless trouble of travelling to the Bank to get them exchanged, i. e. to get something for them, which, to him, would only answer the purposes of money—be no better than the notes for which he had gotten in exchange.—On the whole, it appears to your Committee, that any apprehension, that after a resolution to close the concern, our notes would depreciate, or that the Bank would be pressed for their redemption, is utterly unfounded and chimerical.

It has been stated above, that this Bank owes to Foreign Banks, \$299,441 26. Far the larger part of this sum is due to the Bank of the United States. That Bank has been a very forbearing and indulgent creditor, when this Bank owed it more, and was in a worse situation for making prompt payment. There is not the smallest reason to believe that that Bank will alter its conduct. So that we have no pressure to apprehend on account of this responsibility. If, however, a resolution is taken to close the concern, these debts will soon be paid off—probably, as they are bearing interest, sooner than the creditor Banks wish.

The Deposits have been stated, from the books of the Bank, to amount to \$239,551 55. But your Committee, on inquiry, finds, that more than one-half of that sum consists of moneys paid into the Bank on account of debts due to the Bank; and being not yet, for various causes, appropriated to the payment of those debts, are placed to the credit of the payers-in. So that the real deposits are only something over \$100,000. This sum the Bank, in the event of closing the concern, would undoubtedly have to pay soon—and it is amply able to do so.

Your Committee hath stated the available funds of the Bank to amount to the sum of \$632,217 43. By available funds, your Committee means such funds as can be promptly brought into operation to answer demands against the Bank, before it is obliged to rely upon collections for that purpose. In order to prevent erroneous impressions, it is now proper to state, that a considerable part of that fund consists of bills of exchange, some of which will no doubt be dishonored, and have to be collected by suit, and so not be promptly available. To what amount this will be the case, your Committee will not even hazard a conjecture; but it is believed, that the truly available funds of the Bank may be safely stated to be upwards of \$500,000.

Your committee is decidedly of opinion, that the Bank ought most punctiliously to comply, on its part, with any contract or understanding between it and its debtor at the time when the debt was contracted, or since;—that it ought to put the most liberal construction in favor of the debtor, on such contract or agreement; and that its conduct towards its honest debtors ought to be distinguished by neighbourly kindness and charitable forbearance. All this, it is believed, the Bank will be better able to do, after a resolution to close the concern, than before. It is further believed, that, after such a resolution, such measures may be adopted as will enable the Bank, with more effect, to contend against the arts of a fraudulent debtor, and more successfully to claim its share of the effects of an insolvent one. Besides, such a resolution is the road,—the only road, by which the stockholders can withdraw from a losing concern.

The facts stated in this Report, are supported by condensed statements—these condensed statements, are supported by detailed statements—and finally, these detailed statements are supported by the documents from which they have been extracted. All of which, containing the most detailed Statement of the Affairs of the Bank, will be laid before the meeting.

The information contained in all those papers, hath principally been collected, particularly at the Branches, by the President, who, if he had been here, would have made a Report, no doubt, much more satisfactory, and more in detail. He however hath been called away, to go on an errand which no Son could hesitate to run—to attend upon a sick, perhaps a dying mother, who was anxious to see a favorite child once more on this side of the grave.

All which is respectfully submitted,  
P. BROWNE, Chm'n.

Since the above Report was drawn, the President hath returned (this morning) but time and circumstances did not admit of his drawing another, and therefore this is presented.  
P. B.

*An Exhibit, shewing the situation of the State Bank of North Carolina, 18th November, 1828.*

Specie,	66,390 50	Capital Stock,	1,600,000
Foreign notes & Bills of exchange,	316,331 69	Notes in circulation,	910,554 25
Foreign Bank credits,	111,240 29	Due to Foreign Banks,	299,441 26
State Bank & Augusta Bk. Stock taken for debt,	493,852 48	Profits reserved to cover bad debts, losses on Banking Houses, &c. and out of which the present Dividend is payable,	197,614 82
Due from State of North Carolina,	23,340	Due for Deposits,	239,551 55
Do. individuals, being notes discounted, &c.	83,906 11		
Stock unpaid,	1,450		
Real Estate in Banking Houses and Lands taken for debt,	180,758 50		
Internal Bills and Checks,	32,418 25		
	3,315,933 94		

Dollars,

*An Exhibit, shewing the situation of the State Bank of North Carolina, 19th May, 1829.*

Specie,	40,708 84	Capital Stock,	1,600,000
Foreign notes & Bills of exchange,	400,939 30	Notes in circulation,	910,554 25
Foreign Bank credits,	130,521 49	Due to Foreign Banks,	299,441 26
Bank Stock, (State & Augusta) taken for debt,	632,217 43	Profits reserved to cover bad debts, losses on Banking Houses, &c.	197,455 92
Due from State of North Carolina,	23,340	Due to Deposits,	239,551 55
Do. individuals, being notes discounted & others,	83,906 11		
Stock unpaid,	1,450		
Real Estate in Banking Houses and Lands taken for debt,	180,740 09		
Internal Bills and Checks,	15,211 28		
	3,246,966 98		

Dollars,

**An Exhibit shewing the Effects of the Institution, and on which is the Estimated Loss.**

**EFFECTS OF THE INSTITUTION.**

	Bills of Exchange.	Notes Discounted.	Real Estate.	TOTAL.
Raleigh,	35,940 23	434,639 58	33,238 04	503,787 85
Morganton,	" "	89,915 00	" "	89,915 00
Salisbury,	175 68	273,391 83	20,075 72	292,643 23
Fayetteville,	26,600 00	220,396 52	49,388 67	296,385 19
Wilmington,	13,487 98	313,719 25	36,204 23	363,411 46
Newbern,	218,361 10	403,999 98	16,890 00	639,251 08
Tarborough,	52,827 23	198,393 55	15,370 43	266,591 21
Edenton,	58,756 60	283,613 61	9,603 00	351,973 21
Dollars.	406,148 82	2,217,069 32	180,740 09	2,803,958 23

**ESTIMATED LOSS THEREON.**

	Bills of Exchange.	Notes Discounted.	Real Estate.	TOTAL.
Dollars.	11,808 00	23,216 37	12,208 04	47,232 41
" "	" "	11,979 23	" "	11,979 23
" "	" "	2,614 00	12,386 00	15,000 00
" "	52,541 04	73,002 15	22,833 00	148,376 19
" "	9,586 56	66,197 66	20,204 23	95,988 45
" "	" "	20,394 62	11,175 06	31,569 68
" "	" "	7,543 50	9,370 43	16,913 93
" "	20,000 00	21,919 00	6,603 00	48,522 00
Dollars.	93,935 60	226,866 53	94,779 76	415,581 89

**An Exhibit showing the amount of the Estimated Loss.**

**ESTIMATED LOSS OF THE INSTITUTION.**

	Bills of Exchange.	Notes discounted.	Real estate.	Total.
Raleigh,	11,808	23,216 37	12,208 04	47,232 41
Morganton,	" "	11,979 23	" "	11,979 23
Salisbury,	2,614	12,386	" "	15,000
Fayetteville,	52,541 04	73,002 15	22,833	148,376 19
Wilmington,	9,586 56	66,197 66	20,204 23	95,988 45
Newbern,	218,361 10	403,999 98	16,890 00	639,251 08
Tarborough,	52,827 23	198,393 55	15,370 43	266,591 21
Edenton,	58,756 60	283,613 61	9,603 00	351,973 21
Dollars.	93,935 60	226,866 53	94,779 76	415,581 89

Balance supposed loss of the Institution, \$ 150,878 17

**ESTIMATED GAIN.**

Shewing the interest on the debt lying over, and in suit including damages.

	Debt deemed good,	Total.
Raleigh,	14,934 42	14,934 42
Morganton,	" "	2,137 73
Salisbury,	" "	7,940
Wilmington,	" "	5,870 97
Fayetteville,	" "	2,929 49
Newbern,	" "	17,780 38
Tarborough,	" "	4,759 15
Edenton,	" "	10,895 66
		\$ 67,247 80
General Profit and Loss,		197,455 92
Balance,		150,878 17
Dollars,		415,581 89

**SILK.**  
We were much gratified at a visit which we paid this morning to the rooms where John MacRae Esq. is rearing the silk worm. He has about 3500 Worms most of which have now formed their Cocoons: some few of them are still feeding, and others are spinning their silk. Several other persons in this town have made essays towards rearing the silk worm—among others, James H. Hooper, Esq. has upwards of six thousand at work. We have seen more specimens of raw silk, after it was wound off from the Cocoon, and it was really beautiful, being of a bright straw colour.

We are rejoiced to see intelligent Citizens turning their attention to this most pleasant and profitable occupation, & hope the day is not very distant, when every family in the State will make silk and wine. Our State is admirably adapted to the culture of them, and nothing is wanting to insure success, but patience and perseverance. Let every family plant the white mulberry—get a few silk worms—and cultivate the grape, and we shall soon become a wealthy, healthy really independent people.

In about twenty days, Mr. MacRae will have a great many silk worms for gratuitous distribution, and we advise every person, not already supplied, to call upon him, and get some. The experiment will richly repay all the trouble attending it.—N. C. Journal.

**Meteorite Stone.**—A recent Macon paper contained a brief notice of a Meteoric Stone which fell in Monroe county, Georgia, on the 8th inst. We have been favoured with a letter from a respectable gentleman a resident of Forsyth, in that county, which states that about 3 o'clock of the afternoon of the 8th, two distinct and heavy reports were heard in the air, resembling the firing of cannon, which passed off with a roaring sound of about one minute and a half duration. The reports were heard at the distance of sixty miles, and possibly further. Several persons at work in the field of Mr. Uriah Dunn, situated about a mile and a half from Forsyth heard the noise, and looking up saw a stone falling, which struck the ground within fifty feet of where they were, and penetrated the earth to the depth of thirty inches. It weighed thirty-six pounds—was nearly round with black surface: the interior of the Stone was rather soft and of a gray colour. It contained a metallic substance; a small specimen of which was furnished us, and has been analyzed by a scientific gentleman of this city—it is found to be Iron and Nickel. The small quantity sent, prevented such an analysis as would give the relative quantities of these metals.