

Brought over - - - - - \$2,089.26

The expenditure has been :—

For Interest on loans (balance),	- - - - -	\$334.44
“ Fuel and gas,	- - - - -	272.95
“ Fire insurance on Building and Pictures,	- - - - -	347.62
“ Printing, advertising, stationery, postages, etc.,	- - - - -	153.71
“ Salaries of Curator and Janitor,	- - - - -	184.01
“ Water and taxes (unpaid),	- - - - -	357.00
Leaving a balance to the good of	- - - - -	439.53
	—————	\$2,089.26

This credit-balance has been more than absorbed by the deficit of \$607.99, shewn in the Inauguration Account. On the whole, the year's expenditure has been in excess of its income by the sum of \$168.46.

In September there was received through the President of the Ontario Society of Artists, a draft by His Excellency the Governor-General for the constitution of a central Dominion Art Association, to be called the Canadian Academy, proposed by His Excellency; the President of the Ontario Society informing us that he had been charged by His Excellency to lay the matter before our Association. In reply to the letter of the President of the Ontario Society, the Council informed him that while our Corporation had to preserve its separate organization, the officers would yet do all in their power to further the design of His Excellency and the other promoters of the new Association, and to lead others to do so, and it was added that the formation of the new Association could not but be approved of.

It is proposed to have a class of honorary Life Members, to be composed chiefly of persons who may have rendered signal services to the Association. A by-law so enacting is now offered for ratification, and the names of Messrs. W. B. Lambe, J. Popham, and T. D. King are meanwhile submitted by the Council for election to that office.

The Circular of the Association of February, 1879, stated that it was “earnestly desired that the Gallery should be opened free of debt,