

have been abandoned years ago to the mortgagees, and they are to be allowed to go under the hammer to save usual costs of foreclosure. And others belong to estates of deceased persons with no living representatives, or the estates are in litigation. After I made the statement in May last that from 300 to 400 properties were under the operation of the Lien, and would be sold if the taxes were not paid, there was quite a rush to pay up, so much so, that it was thought by the Collector that very few houses or lots would eventually be sold for taxes. When it is considered that the first sales comprise the accumulations of 40 years of defective assessment laws, the number to be sold will not be excessive. After the first year the number of properties to be realised on for taxes will be limited.

The additions to the funded debt in 1886 are \$25,000 for completion of the new Poor Asylum, \$25,000 for purchase of site for new City Hall, \$6,500 for repairs on Rockhead Prison, and \$1,500 for fencing and improving the South Common. \$10,000 has also been borrowed for water extensions, and \$5,000 for sewerage purposes. The Auditor's and Treasurer's statements as appended will show the receipts and disbursements for the year ending 30th April last.

A general balance sheet of the financial affairs of the corporation should be made, and an extended statement of the liabilities and assets prepared and permanently recorded. This becomes all the more necessary as the funded debt increases, for capitalists will consider it only a business precaution to look more closely into the capacity of the City for carrying its debt and interest charges. Enquiries have already been made by intending investors in City securities living outside the Province as to the extent of the Municipal debt, value of corporation property, capacity of the community for bearing its burden of debt and taxes, and kindred subjects. To answer those questions intelligently and successfully authenticated data should be available. But apart from this, it is only