

"The Board confidently anticipate a large accession to the membership during the ensuing year, induced by more extensive accommodations, the prospect of large additions both to the library and reading room, and improvement in every other department."

The treasurer's statement shows total receipts from all sources \$17,480 13; expenditure, \$8,428 13; balance in hand \$9,052,00. The assets and liabilities of the Institute are estimated as follows:

ASSETS:

Balance cash in hand.	\$9,052 00
Members' Subscriptions due ...	128 00
Rents due.....	26 37
Value of Building	32,000 00
Value of ground (cost)	6,525 00
Value of Library, Furniture, &c. 4,200 00	
	<hr/> \$51,931 37

LIABILITIES:

Loan on Building and Ground	18,400 00
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Clear Assets	\$33,531 37

In compliance with the new by-laws of the Institute, the principal portion of the books held by the members were sent in during the week preceding the annual meeting, and a thorough examination of the library was made by the Board. Its condition is thus given:

"The total number of Books in the Library, according to the last Annual Report, was	4,121
Added by purchase during the year.....	292
Bound up from Reading Room	56
Donations	1
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Total..... 4,470

Worn out, or rendered unfit for circulation during the year.....	153
Missing, or worn out during former years, but of which no account had been previously taken, for want of annual examination; and works lost by members, for which payment has been received by the Institute.....	282 435
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Now in Library.....4,035

The report recommends that a *Conversazione* should be held at the opening of the Music Hall, the profits to be devoted exclusively to the purchase of books for the Library.

The Board acknowledges the obligation the Institute is under to those gentlemen who have furnished their respective periodicals to the Reading Room free of charge; and states that

"This department of the Institute has been well attended during the year, and undoubtedly would have been better appreciated, but for want of room and consequent classification of the periodicals supplied; the interest, however, taken in the Reading Room augurs well for the future, when the large room with ample accommodation shall be thrown open."

The Reading Room has been supplied during the year with 41 Canadian, 22 British, and 15 American Newspapers and Magazines; several other British Periodicals have been ordered.

For want of proper accommodation in the present building, and having to devote so much time and

attention to the new Hall, but one lecture was delivered in connection with the Institute during the past session.

"An English class established in 1859, under the direction of Mr. Richard Lewis, was re-organized last fall and met for a term of five months. The exercises consisted of lessons in English Grammar, on the analysis of sentences, on composition and rhetoric, and on logic, elocution and public speaking. Mr. Lewis labored zealously for the improvement of his class, which was well attended, and a manifest improvement was the result in all who attended industriously to the studies. It was closed only a week or two since, when the thanks of the class were heartily accorded to Mr. Lewis for the interest he had manifested in the welfare and improvement of its members.

"The class has agreed to meet at intervals through the summer months, so as to continue its organization ready for next session.

"A class for the study of vocal music has recently been established in connection with the Institute, conducted by Mr. C. Pearson, which your Board have reason to believe is making satisfactory progress in its studies.

The Board recommend to their successors, that a large share of attention be given to the formation and conducting of classes in the Institute, especially as ample rooms have been provided in the new Hall for their accommodation.

The report states that a settlement was obtained with the government in August last, "when the sum of \$16,000 was accepted for the purpose of covering the cost of alterations and repairs to the new Hall, and for Rent, Insurance, and Interest on the debt, for such time as the building might be expected to be undergoing the necessary repairs and alterations. After various delays from causes which have already been under discussion, the principal works for the completion of the building were given out to contract, and are now, with the exception of the Music Hall, nearly ready for occupation.

The services of the late President, Patrick Free-land, Esq., and of the Hon. G. W. Allan, in obtaining the settlement with the government, are acknowledged with the warmest expression of thanks.

"The Board have leased the set of offices in the south-west corner of the ground floor of the building, for a term of five years, at an annual rent of \$300; and have also leased three rooms, on the south-west corner of the second story, to the Board of Arts and Manufactures, for its model rooms, and Free Library of reference, for a term of three years, at an annual rent of \$240.

"Other rooms, both for permanent and casual rentals, are yet at the disposal of the Institute, from the whole of which a sufficient revenue to meet the annual interest, and insurance on the building, may be anticipated."

An arrangement has been entered into with the "Toronto Electoral Division Society," to hold a joint Exhibition of Arts, Manufactures, and Horticultural and Agricultural products, in the New Hall of the Institute. The Exhibition will open on Monday the 7th of October, and remain open from 10 a. m., to 10 p. m., each day, for two weeks. Nearly one