

The indebtedness on the building was reduced last year by the payment in full of the balance of the late Mrs. Ferguson's loan, namely \$1,700, leaving as the only charge against the building the original mortgage to Mr. Charles Gibb of \$7,000.

Whilst warmly acknowledging gifts of both money and works of art during the year, the Council feel it their duty respectfully to call the attention of wealthier members of the Association, and lovers of the Fine Arts generally, to the desirability of lessening, by means of liberal subscriptions, the still heavy debt upon the building. Anxious as your Council are to extend, in many directions, the usefulness of the Association, their first care must necessarily be, at the present moment, the reduction, if not the complete extinction of debt.

Insurance.

The policies of insurance upon the building and its contents have been increased by \$3,103.75 since last year. They are as follow:—

Upon the building— <i>London and Liverpool</i>	
<i>and Globe.....</i>	\$16,000.00
<i>Plate Glass Insurance Co.</i>	603.75
	16,603.75
Upon Furniture— <i>London and Liverpool and</i>	
<i>Globe... ..</i>	800.00
Upon Pictures, Bronzes and Statuary, }	
the property of the Association.... }	do 25,930
do do <i>London Assurance.</i>	4,500
	30,430.00
Upon Loan Collection in the Gallery—	
<i>Imperial Insurance Co.</i>	25,000.00
Making a total Insurance of.....	\$72,833.75

2. ASSESSMENTS.

Early last year a petition was addressed to the municipal authorities, praying them to relieve the buildings of the Association from taxation, upon the ground that the institution is purely educational in its character. The representations of your Council were favorably received, and it has been decided that the gallery for the future shall be exempt from assessment.