end the notiferource end to notifion or the corporation at the

close of the field year, to wit, or the 30th day of November,

OFFICE OF THE TRUSTEES OF THE SHEPPARD ASYLUM,

BALTIMORE, 2nd January, 1865.

To His Excellency,

The Governor of Maryland.

In pursuance of an Act of the General Assembly of Maryland, passed on the 24th day of May, 1853, entitled, "An Act to incorporate the Trustees of the Sheppard Asylum, chapter 274," the Trustees of the said Asylum respectfully Report:

That in adherence to the policy heretofore pursued, of not allowing the expenditures materially to exceed the income, they have during the year just ended, in consequence of the greatly increased cost of labor and materials, not been enabled to prosecute the erection of the buildings to the same extent as during the previous year, but have, according to their pecuniary ability, continued the procurement of materials, and completed the entire stone base of the Western Division, with the interior brick walls, up to the main floor line, including the principal tier of iron joists, which are in place. The roof on a part of this division was put on in the year 1863. The construction of door and window frames, sash and other carpenter's work, has been continued; and a large quantity is now on hand, ready for use, as the walls shall be prepared to receive them.

The quarries on the Asylum lands continue to yield an abundant quantity of stone of excellent quality, and the manufacture of bricks is still satisfactorily maintained. The procurement of these essential materials, with the purchase of iron, lumber, &c., constitutes a large part of the expenditures for the past year.

The farm operations have developed much improvement in the arable lands, which continue to yield an ample supply of provender for the stock, which perform all the animal labor incident to the agricultural and building requirements.

Careful attention has been exercised over the property and funds of the corporation, and the Trustees have the gratification to report, that notwithstanding the large outlay incurred in the purchase of land for the Asylum, and the erection of buildings thereon, in addition to the necessary expenditures for the management, repair and improvement of the estate committed to their charge, the income is not diminished, but on the contrary, has been for the last year somewhat larger than for any corresponding period.