1st ANNUAL REPORT.—January 20, 1875.

CANADA AGRICULTURAL INSURANCE COMPANY'S OFFICES,
MONTREAL, JANUARY 20th, 1875.

GENTLEMEN,—The organization of this Company which was undertaken a little over one year ago has been accomplished, the Capital Stock of $1,000,000, all subscribed, and the first call of 10 per cent. all paid in.

The Deposit was made with the Receiver General, the Government License granted, and our first Policy of Insurance issued in May, 1874, (8 months ago.)

Before commencing business, your Directors entered into negociations with the Agricultural Insurance Company of Watertown, N.Y., for the transfer of their Canadian Business, which resulted in the re-insurance of their entire business in the Dominion, and upon terms which your Directors considered advantageous to our Company, although, many who seemed to feel unfriendly toward us, predicted that the arrangement was one which would surely lead the Company to ruin within twelve months from its organization.

In accepting a transfer of the Canadian business of the Watertown Company, which had been doing business in Canada for several years, we were undertaking all the cares and heavy responsibilities of an old Company carrying a full line of three years risks. Upon making an inspection of the business, it was found necessary to inaugurate a thorough reconstruction of the Agency system, many of the old agencies where discontinued and new ones planted. A large number of the Agents were occupying too much territory, this had to be divided, and in many cases subdivided. Risks were inspected, and many of them were cancelled or changed, in fact an enormous amount of work had to be done which taxed the management *very heavily*, as the changes in the old business, and the systematizing of the new, required the oversight and direction of experienced hands, who understood every part of the complicated machinery, and could act promptly, intelligently and decisively;—this work has all been successfully accomplished, and a large and progressive business established.

The volume of business actually done, we consider somewhat remarkable, considering that only risks upon insolated or detached Farm Property, Residences, and Churches are accepted (averaging only about ½ of a cent per annum on the $1.00, and taking into account the difficulties incidental to the organization of all large Corporations, we feel that our record thus far is one we may justly be proud of;—it shows conclusively that we have been warmly supported by the public, and that we enjoy their fullest confidence.

Your Directors in congratulating the Shareholders upon the success we have attained, would impress upon *each*, individually, the great importance of taking an active interest in soliciting new business for the Company, and never loosing an opportunity of advocating its claims upon the public for support. By so doing we feel confident our business operations can easily be doubled within the present year,

All of which is respectfully submitted,

A. C. DEL. HARWOOD, *President*.

EDWARD H. GOFF, *Managing Director*.

RECEIPTS.—1st 8 *Months*.

Premiums received	$109,892.68
Interest "	453.27
" accrued	2,648.05
	$112,994.00

CASH ASSETS.—*January* 1st, 1875.

Office Furniture and Plant, Head and Branch Offices	$ 5,945.00
Receiver General on Deposit,	50,000.00
Municipal Debent's on hand,	5,000.00
Bills Receivable	64,545.84
Agency Balances........	11,852.23
Interest accrued........	2,648.05
Cash on hand and in Bank..	11,470.93
	$151,462.05