

An important element in our enquiry has been to ascertain, whenever it was possible, the amount of goods traded in the various Districts during an Outfit. To arrive at this result we have adopted the following process, which is probably approximately correct. We have added to the Inventory amount of goods on hand transferred from the *previous* Outfit, the amount of goods sent out in the Outfit under examination, and then we deducted the amount of goods unexpended at the *close of the Outfit* as shown in the Inventories. We have thus been able to ascertain the amount of goods disposed of in each Outfit. The Returns for these goods are mainly represented by the Furs traded in the same Outfit, but we have in many cases to take into account the transfers or the value of goods supplied to other Districts, and the value of goods taken up by the servants, and, in some cases, sales of goods for cash.

As regards the Returns, we have been anxious to make a comparison between those of the last three Outfits, irrespectively of the rise and fall in prices. We have wished to estimate as far as possible *what amount of Furs has been traded in each Outfit against what amount of goods*. It was not possible without immense labour to apply the valuation price of one Outfit to *all* the items of the returns in the others. But for the Northern, Southern, and Montreal departments, we have taken the principal articles, for the three Outfits 1874, 1875, 1876, viz., Beaver, Marten, Mink, and Otter. The quantities in each Outfit have been calculated at the same prices, viz., at the prices of the last sales, and a comparison has thus been established.

The results thus obtained are, of course, not entirely accurate. In the first place because the unimportant Furs traded are omitted; in the next place, because in many cases the goods disposed of may not be represented by Furs at all. They have been occasionally disposed of with the view of keeping the Indians alive, without payment being obtained for them, and in other cases they appear to have been given as advances, which have not been valued. But the general features are clear, as bearing on the profit of the year: where a larger amount of goods has been disposed of, and no corresponding increase obtained in the Furs, the profits of the year are diminished *pro tanto*.

Statement showing the actual results of the Company's trade:—

DEPARTMENTS.	OUTFIT 1874.		OUTFIT 1875.		OUTFIT 1876.	
	Profit.	Loss	Profit.	Loss.	Profit.	Loss.
	£	£	£	£	£	£
Northern .. .. .	79,748		5,209		1,611	
Southern .. .. .	21,320		18,017		7,168	
Montreal .. .. .		1,000		4,522		4,812
Sandwich Bay .. .. .	160			915		1,703
Western .. .. .	17,069		6,011			2,663
	£117,700		£24,000		Loss ..	£300
Loss— London expenses and balances of ship's accounts .. .. .	£19,800		£19,800			£17,513
Profit .. .. .	£97,900		£4,168		Loss ..	£17,813

These results will be found to agree with the statements of the Fur Trade Accounts presented to the Shareholders.

Interest on the Capital employed in the trade is charged in Fur Trade Accounts, rendered to the officers in accordance with the provisions of the Deed Poll, as follows:—

Outfit 1874.	Outfit 1875.	Outfit 1876.
£47,021	£52,028	£53,383