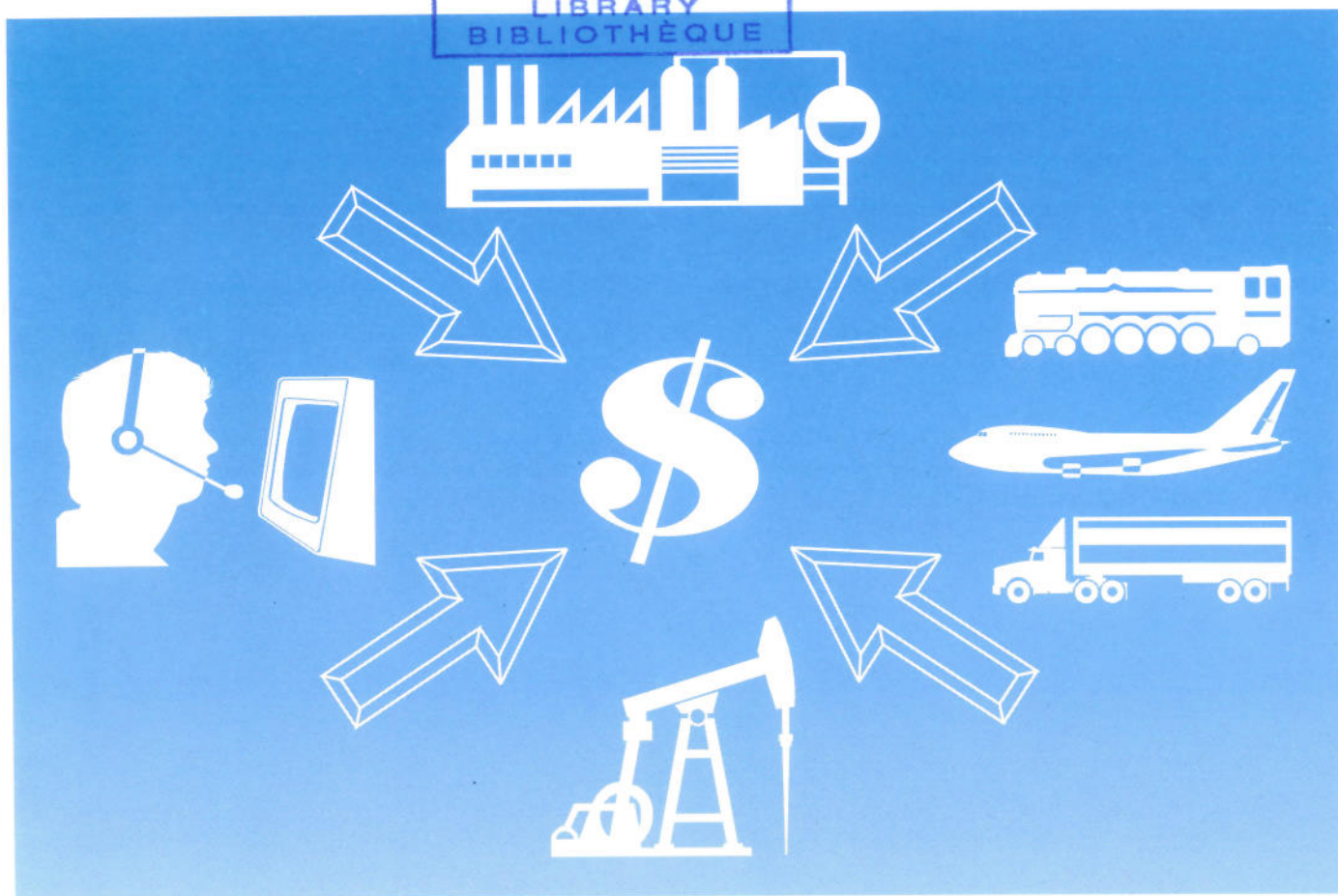
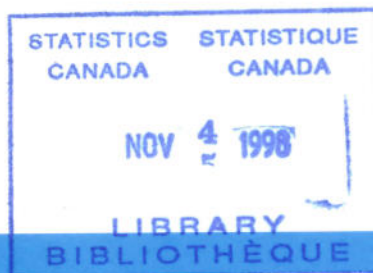
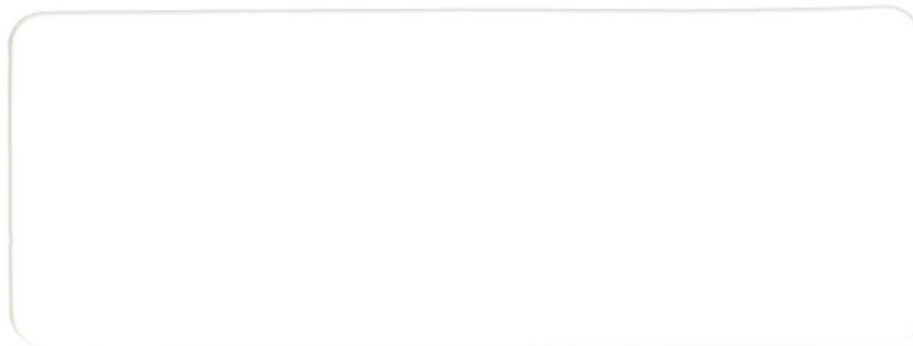


C 3



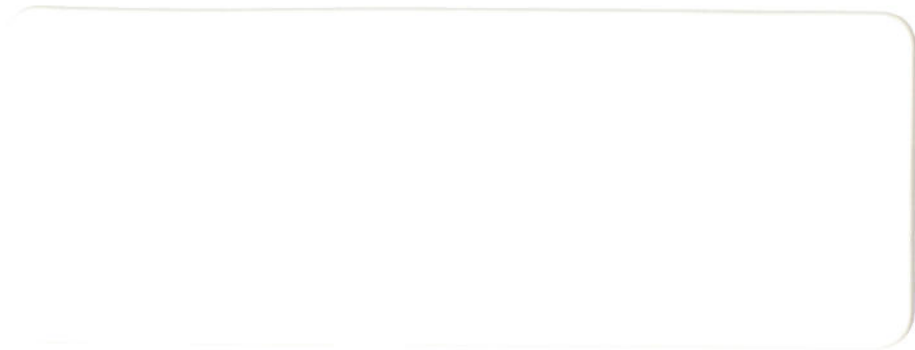
# Financial Performance Indicators for Canadian Business



Statistics  
Canada

Statistique  
Canada

Canada



THE  
FOLLOWING  
TABLE  
GIVES  
A SUMMARY  
OF THE  
RESULTS  
OBTAINED  
IN THE  
EXPERIMENTS  
CONCERNING  
THE  
EFFECT  
OF  
TEMPERATURE  
ON  
THE  
RATE  
OF  
REACTION  
BETWEEN  
SODIUM  
HYDROXIDE  
AND  
SODIUM  
CARBONATE  
IN  
AQUEOUS  
SOLUTION  
AT  
VARIOUS  
TEMPERATURES  
AND  
CONCENTRATIONS  
OF  
THE  
REACTANTS

TABLE I  
Summary of Results of Experiments  
concerning the Effect of Temperature  
on the Rate of Reaction between  
Sodium Hydroxide and Sodium  
Carbonate in Aqueous Solution  
at Various Temperatures and  
Concentrations of the Reactants





Statistics Canada  
Industrial Organization and  
Finance Division

# ***Financial Performance Indicators for Canadian Business***

## ***VOLUME 2***

### ***SMALL AND MEDIUM FIRMS***

*(Firms with revenues under \$25 million)*

## ***1995 Reference Year***

Published by authority of the Minister  
responsible for Statistics Canada

© Minister of Industry, 1998

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise without prior written permission from Licence Services, Marketing Division, Statistics Canada, Ottawa, Ontario, Canada K1A 0T6.

October 1998

Price: \$220.00

Catalogue no. 61F0059XPE

ISSN

Ottawa

---

#### **Note of Appreciation**

*Canada owes the success of its statistical system to a long-standing cooperation involving Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued cooperation and goodwill.*

## Symbols

The following standard symbols are used in Statistics Canada publications:

- .. figures not available.
- ... figures not appropriate or not applicable.
- nil or zero.
- amount too small to be expressed.
- <sup>p</sup> preliminary figures.
- <sup>r</sup> revised figures.
- x confidential to meet secrecy requirements of the Statistics Act.

## ACKNOWLEDGEMENTS

This publication was prepared under the direction of:

- **Krishna Sahay**, Director, Industrial Organization and Finance Division
- **Jack Wilson**, C.A. – Professional Advisor
- **Margaret Côté**, Manager, Client Services and Publications
- **Gail Sharland**, Head, Publications

### SUPPORT SPECIALISTS

- **Vo Vuong**
- **Johanne Desjardins**

The paper used in this publication meets the minimum requirements of American National Standard for Information Sciences - Permanence of Paper for Printed Library Materials, ANSI Z39.48 - 1984.



## Table of Contents

	Page
List of industries .....	4
Statistical tables .....	10

**SMALL AND MEDIUM FIRMS****Revenue under \$25 million**

Industry No.	Industry Name	SIC-E	Page
<b>AGRICULTURAL AND RELATED SERVICE INDUSTRIES</b>			
001	Livestock farms (except animal specialties)	011	10
002	Other animal specialty farms	012	12
003	Field crop farms	013	14
004	Field crop combination farms	014	16
005	Fruit and other vegetable farms	015	18
006	Horticultural specialties	016	20
007	Livestock, field crop and horticultural combination farms	017	22
008	Services incidental to livestock and animal specialties	021	24
009	Services incidental to agricultural crops	022	26
010	Other services incidental to agriculture	023	28
<b>FISHING AND TRAPPING INDUSTRIES</b>			
011	Fishing industries	031	30
012	Services incidental to fishing	032	32
<b>LOGGING AND FORESTRY INDUSTRIES</b>			
013	Logging industry	041	34
014	Forestry services industry	051	36
<b>MINING (INCLUDING MILLING), QUARRYING AND OIL WELL INDUSTRIES</b>			
015	Metal mines	061	38
016	Non-metal mines (except coal)	062	40
017	Crude petroleum and natural gas industries	071	42
018	Stone quarries	081	44
019	Sand and gravel pits	082	46
020	Service industries incidental to crude petroleum and natural gas	091	48
021	Service industries incidental to mining	092	50
<b>MANUFACTURING INDUSTRIES</b>			
022	Meat and poultry products industries	101	52
023	Fish products industry	102	54
024	Flour, prepared cereal food and feed industries	105	56
025	Bakery products industries	107	58
026	Other food products industries	109	60
027	Soft drink industry	111	62
028	Brewery products industry	113	64
029	Wine industry	114	66
030	Rubber Hose and Belting Industry	152	68
031	Other rubber products industries	159	70
032	Other plastic products industries	169	72
033	Leather and allied products industries	171	74
034	Spun yarn and woven cloth industries	182	76
035	Canvas and related products industry	193	78
036	Other textile products industries	199	80
037	Men's and boys' clothing industries	243	82
038	Women's clothing industries	244	84
039	Other clothing and apparel industries	249	86

Industry No.	Industry Name	SIC-E	Page
	MANUFACTURING INDUSTRIES - continued		
040	Sawmill, planing mill and shingle mill products industries	251	88
041	Sash, door and other millwork industries	254	90
042	Wooden box and pallet industry	256	92
043	Other wood industries	259	94
044	Household furniture industries	261	96
045	Office furniture industries	264	98
046	Other furniture and fixture industries	269	100
047	Pulp and paper industries	271	102
048	Paper box and bag industries	273	104
049	Other converted paper products industries	279	106
050	Commercial printing industries	281	108
051	Platemaking, typesetting and bindery industry	282	110
052	Publishing industries	283	112
053	Combined publishing and printing industries	284	114
054	Primary steel industries	291	116
055	Iron foundries	294	118
056	Aluminum rolling, casting and extruding industry	296	120
057	Other rolled, cast and extruded non-ferrous metal products industries	299	122
058	Fabricated structural metal products industries	302	124
059	Ornamental and architectural metal products industries	303	126
060	Stamped, pressed and coated metal products industries	304	128
061	Wire and wire products industries	305	130
062	Hardware, tool and cutlery industries	306	132
063	Heating equipment industry	307	134
064	Machine shop industry	308	136
065	Other metal fabricating industries	309	138
066	Agricultural implement industry	311	140
067	Other machinery and equipment industries	319	142
068	Aircraft and aircraft parts industry	321	144
069	Truck and bus body and trailer industries	324	146
070	Motor vehicle parts and accessories industries	325	148
071	Boatbuilding and repair industry	328	150
072	Electric lighting industries	333	152
073	Communication and other electronic equipment industries	335	154
074	Office, store and business machine industries	336	156
075	Electrical industrial equipment industries	337	158
076	Other electrical products industries	339	160
077	Clay products industries	351	162
078	Concrete products industries	354	164
079	Ready-mix concrete industry	355	166
080	Glass and glass products industries	356	168
081	Other non-metallic mineral products industries	359	170
082	Refined petroleum products industries	361	172
083	Other petroleum and coal products industries	369	174
084	Industrial chemicals industries n.e.c.	371	176
085	Agricultural chemical industries	372	178
086	Pharmaceutical and medicine industry	374	180
087	Paint and varnish industry	375	182
088	Soap and cleaning compounds industry	376	184
089	Toilet preparations industry	377	186
090	Other chemical products industries	379	188



Industry No.	Industry Name	SIC-E	Page
	MANUFACTURING INDUSTRIES - concluded		
091	Scientific and professional equipment industries	391	190
092	Jewellery and precious metal industries	392	192
093	Sporting goods and toy industries	393	194
094	Sign and display industry	397	196
095	Other manufactured products industries	399	198
	CONSTRUCTION INDUSTRIES		
096	Residential building and development	401	200
097	Non-residential building and development	402	202
098	Industrial construction (other than buildings)	411	204
099	Highway and heavy construction	412	206
100	Site work	421	208
101	Structural and related work	422	210
102	Exterior close-in work	423	212
103	Plumbing, heating and air conditioning, mechanical work	424	214
104	Mechanical specialty work	425	216
105	Electrical work	426	218
106	Interior and finishing work	427	220
107	Other trade work	429	222
108	Project management, construction	441	224
109	Other services incidental to construction	449	226
	TRANSPORTATION AND STORAGE INDUSTRIES		
110	Air transport industries	451	228
111	Service industries incidental to air transport	452	230
112	Railway transport and related service industries	453	232
113	Water transport industries	454	234
114	Service industries incidental to water transport	455	236
115	Truck transport industries	456	238
116	Public passenger transit systems industries	457	240
117	Other transportation industries	458	242
118	Other service industries incidental to transportation	459	244
119	Other storage and warehousing industries	479	246
	COMMUNICATION AND OTHER UTILITY INDUSTRIES		
120	Telecommunication broadcasting industries	481	248
121	Telecommunication carriers industry	482	250
122	Other telecommunication industries	483	252
123	Postal and courier service industries	484	254
124	Electric power systems industry	491	256
125	Gas distribution systems industry	492	258
126	Other utility industries n.e.c.	499	260
	WHOLESALE TRADE INDUSTRIES		
127	Farm products, wholesale	501	262
128	Petroleum products, wholesale	511	264
129	Food, wholesale	521	266
130	Beverages, wholesale	522	268
131	Drugs and toilet preparations, wholesale	523	270
132	Tobacco products, wholesale	524	272

Industry No.	Industry Name	SIC-E	Page
	WHOLESALE TRADE INDUSTRIES - concluded		
133	Apparel, wholesale	531	274
134	Dry goods, wholesale	532	276
135	Electrical and electronic household appliances and part, wholesale	541	278
136	Household furniture, wholesale	542	280
137	Household furnishings, wholesale	543	282
138	Motor vehicles, wholesale	551	284
139	Motor vehicle parts and accessories, wholesale	552	286
140	Metal and metal products, wholesale	561	288
141	Hardware and plumbing, heating and air conditioning equipment and supplies, wholesale	562	290
142	Lumber and building materials, wholesale	563	292
143	Farm machinery, equipment and supplies, wholesale	571	294
144	Construction, forestry and mining machinery, equipment and supplies, wholesale	572	296
145	Industrial machinery, equipment and supplies, wholesale	573	298
146	Electrical and electronic machinery, equipment and supplies, wholesale	574	300
147	Other machinery, equipment and supplies, wholesale	579	302
148	Waste materials, wholesale	591	304
149	Paper and paper products, wholesale	592	306
150	Agricultural supplies, wholesale	593	308
151	Toys, amusement and sporting goods, wholesale	594	310
152	Photographic equipment and musical instruments and supplies, wholesale	595	312
153	Jewellery and watches, wholesale	596	314
154	Industrial and household chemicals, wholesale	597	316
155	General merchandise, wholesale	598	318
156	Other products n.e.c., wholesale	599	320
	RETAIL TRADE INDUSTRIES		
157	Food stores	601	322
158	Prescription drugs and patent medicine stores	603	324
159	Shoe stores	611	326
160	Men's clothing stores	612	328
161	Women's clothing stores	613	330
162	Clothing stores n.e.c.	614	332
163	Fabric and yarn stores	615	334
164	Household furniture stores	621	336
165	Appliance, television, radio and stereo stores	622	338
166	Household furnishings stores	623	340
167	Automobile dealers	631	342
168	Recreational vehicle dealers	632	344
169	Gasoline service stations	633	346
170	Automotive parts and accessories stores	634	348
171	Motor vehicle repair shops	635	350
172	Other motor vehicle services	639	352
173	General merchandise stores	641	354
174	Book and stationery stores	651	356
175	Florists, lawn and garden centres	652	358
176	Hardware, paint, glass and wallpaper stores	653	360
177	Sporting goods and bicycle shops	654	362
178	Musical instrument and record stores	655	364
179	Jewellery stores and watch and jewellery repair shops	656	366
180	Camera and photographic supply stores	657	368
181	Toy, hobby, novelty and souvenir stores	658	370

Industry No.	Industry Name	SIC-E	Page
	RETAIL TRADE INDUSTRIES - concluded		
182	Other retail stores	659	372
183	Vending machine operators	691	374
184	Direct sellers	692	376
	REAL ESTATE OPERATOR AND INSURANCE AGENT INDUSTRIES		
185	Operators of buildings and dwellings	751	378
186	Other real estate operators	759	380
187	Insurance and real estate agencies	761	382
	BUSINESS SERVICE INDUSTRIES		
188	Employment agencies and personnel suppliers	771	384
189	Computer and related services	772	386
190	Accounting and bookkeeping services	773	388
191	Advertising services	774	390
192	Architectural, engineering and other scientific and technical services	775	392
193	Offices of lawyers and notaries	776	394
194	Management consulting services	777	396
195	Other business services	779	398
	EDUCATIONAL SERVICE INDUSTRIES		
196	Elementary and secondary education	851	400
197	Post-secondary non-university education	852	402
198	Other educational services	859	404
	HEALTH AND SOCIAL SERVICE INDUSTRIES		
199	Other institutional health and social services	862	406
200	Non-institutional health services	863	408
201	Non-institutional social services	864	410
202	Offices of physicians, surgeons and dentists, private practice	865	412
203	Offices of other health practitioners	866	414
204	Medical and other health laboratories	868	416
205	Health and social service associations and agencies	869	418
	ACCOMMODATION, FOOD AND BEVERAGE SERVICE INDUSTRIES		
206	Hotels, motels and tourist courts	911	420
207	Lodging houses and residential clubs	912	422
208	Camping grounds and travel trailer parks	913	424
209	Recreation and vacation camps	914	426
210	Food services	921	428
211	Taverns, bars and night clubs	922	430
	OTHER SERVICE INDUSTRIES		
212	Motion picture, audio and video production and distribution	961	432
213	Motion picture exhibition	962	434
214	Theatrical and other staged entertainment services	963	436
215	Commercial spectator sports	964	438
216	Sports and recreation clubs and services	965	440
217	Gambling operations	966	442
218	Other amusement and recreational services	969	444
219	Barber and beauty shops	971	446
220	Laundries and cleaners	972	448
221	Funeral services	973	450

Industry		SIC-E	Page
No.	Industry Name		
	OTHER SERVICE INDUSTRIES - concluded		
222	Other personal and household services	979	452
223	Machinery and equipment rental and leasing services	991	454
224	Automobile and truck rental and leasing services	992	456
225	Photographers	993	458
226	Other repair services	994	460
227	Services to buildings and dwellings	995	462
228	Travel services	996	464
229	Other services n.e.c.	999	466
230	Total non-financial		468
231	Total mining		470
232	Total manufacturing		472
233	Total construction and real estate		474
234	Total transportation, storage, communications and utilities		476
235	Total wholesale trade		478
236	Total retail trade		480
237	Total services		482



Industry 1 - Livestock farms (except animal specialties)

SICE Grouping 011

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	9,062					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.4	4.3	-3.4	4.5	4.1	0.6
Pretax profit margin	14.5	5.4	-2.8	5.7	5.0	0.8
Operating profit margin	18.2	7.0	-0.4	7.6	3.8	1.7
Gross profit margin	61.5	40.1	25.8	46.2	32.1	9.2
Operating revenue to net operating assets	89.5	61.6	35.8	50.1	70.9	230.3
Return on net operating assets	9.3	4.6	-0.3	4.6	3.6	5.2
Pretax profit to assets	7.3	2.8	-1.4	2.4	3.7	3.3
Return on capital employed	9.1	4.5	1.8	4.6	4.0	6.1
Return on equity (2)	14.6	5.9	-2.0	5.2	7.1	6.4
<u>Efficiency (ratios)</u>						
Receivable turnover	14.82	12.07	6.61	9.35	13.15	13.28
Inventory turnover	2.59	1.76	1.09	1.60	2.62	4.67
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.23	2.29	1.42	2.30	2.13	1.32
Debt to equity	0.40	0.78	2.18	0.68	0.99	1.63
Liabilities to assets	0.38	0.62	0.82	0.62	0.59	0.67
Interest coverage	4.81	2.95	1.07	3.25	2.16	1.42
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	10					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 1 - Livestock farms (except animal specialties)  
**SICE Grouping** 011

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.0	1.1
Accounts receivable	3.0	10.3
Inventory	16.0	37.0
Capital assets	49.9	27.3
Other assets	14.0	11.5
<b>Total operating assets</b>	<b>86.9</b>	<b>87.2</b>
Investments and accounts with affiliates	7.6	10.9
Portfolio investments and loans with non-affiliates	5.6	2.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	2.3	6.9
Borrowing:		
Banks	12.5	18.1
Short term paper	0.9	1.4
Mortgages	2.6	3.0
Bonds	9.6	15.6
Other loans	7.1	10.0
Amount owing to affiliates	20.6	7.3
Other liabilities	1.0	0.5
Deferred income tax	2.3	5.5
<b>Total liabilities</b>	<b>59.0</b>	<b>68.2</b>
<b>Shareholders' equity</b>		
Share capital	12.3	11.4
Retained earnings	24.3	16.1
Other surplus	4.5	4.3
<b>Total shareholders' equity</b>	<b>41.0</b>	<b>31.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>28.3</b>	<b>55.0</b>
<b>Current liabilities - % of total assets</b>	<b>14.2</b>	<b>38.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 12

Industry 2 - Other animal specialty farms

SICE Grouping 012

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	449					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	14.9	2.4	-10.4	2.2	3.1	...
Pretax profit margin	17.0	3.0	-9.2	3.0	3.6	...
Operating profit margin	...	-2.9	...	...	-2.9	...
Gross profit margin	68.3	44.7	27.7	51.1	32.5	...
Operating revenue to net operating assets	...	254.5	...	...	254.5	...
Return on net operating assets	...	-12.1	...	...	-12.1	...
Pretax profit to assets	11.9	2.6	-6.1	2.1	4.9	...
Return on capital employed	...	3.2	...	...	-4.1	...
Return on equity (2)	25.7	7.2	-5.2	5.7	11.1	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	5.99	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	3.01	...	...	1.88	...
Debt to equity	...	...	...	...	...	...
Liabilities to assets	0.35	0.67	1.04	0.68	0.65	...
Interest coverage	...	-1.06	...	...	...	...
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				60	40	
Pretax profit				60	40	
Net profit				60	40	
Percentage of firms with zero or negative equity(2)				30		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business***Revenue under \$25 million, Reference Year 1995*

Page : 13

**Industry** 2 - Other animal specialty farms**SICE Grouping** 012

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	1.9	-
Accounts receivable	4.2	-
Inventory	20.3	-
Capital assets	22.3	-
Other assets	4.6	-
<i>Total operating assets</i>	<b>53.3</b>	-
Investments and accounts with affiliates	13.1	-
Portfolio investments and loans with non-affiliates	33.6	-
<i>Total assets</i>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	3.0	-
Borrowing:		
Banks	3.6	-
Short term paper	0.4	-
Mortgages	0.8	-
Bonds	4.2	-
Other loans	2.0	-
Amount owing to affiliates	41.2	-
Other liabilities	0.2	-
Deferred income tax	3.3	-
<i>Total liabilities</i>	<b>58.8</b>	-
<b>Shareholders' equity</b>		
Share capital	5.5	-
Retained earnings	33.0	-
Other surplus	2.7	-
<i>Total shareholders' equity</i>	<b>41.2</b>	-
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	-
Current assets - % of total assets	41.6	-
Current liabilities - % of total assets	9.3	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 14

Industry 3 - Field crop farms  
SICE Grouping 013

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,963					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	24.7	10.6	-0.5	11.0	9.6	2.6
Pretax profit margin	28.9	13.0	0.7	13.6	10.9	2.8
Operating profit margin	27.9	13.8	-1.1	15.8	12.1	3.8
Gross profit margin	69.0	46.7	27.4	54.9	37.5	15.2
Operating revenue to net operating assets	93.7	46.0	28.5	42.4	80.2	189.0
Return on net operating assets	14.9	5.8	-1.7	4.5	5.9	8.9
Pretax profit to assets	12.1	5.7	0.3	5.3	6.9	6.0
Return on capital employed	14.3	5.8	1.5	6.0	4.6	8.1
Return on equity (2)	21.1	9.0	1.4	8.3	12.0	11.5
<u>Efficiency (ratios)</u>						
Receivable turnover	11.76	10.64	6.25	6.57	10.77	11.38
Inventory turnover	2.84	1.09	0.87	0.94	1.97	5.48
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.71	1.35	0.92	1.21	2.40	1.64
Debt to equity	0.41	0.77	1.51	0.72	0.86	0.95
Liabilities to assets	0.27	0.51	0.77	0.50	0.55	0.60
Interest coverage	5.82	2.40	0.93	2.34	2.60	2.64
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	70		30			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	17					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 3 - Field crop farms  
 SICE Grouping 013

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.9	3.1
Accounts receivable	2.5	16.5
Inventory	10.9	21.8
Capital assets	65.4	51.4
Other assets	6.4	3.4
<b>Total operating assets</b>	<b>89.2</b>	<b>96.2</b>
Investments and accounts with affiliates	3.8	2.0
Portfolio investments and loans with non-affiliates	7.0	1.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	1.8	13.2
Borrowing:		
Banks	13.1	13.5
Short term paper	0.5	1.4
Mortgages	3.9	2.7
Bonds	5.7	15.9
Other loans	7.7	7.6
Amount owing to affiliates	22.1	3.4
Other liabilities	1.4	0.7
Deferred income tax	2.9	4.8
<b>Total liabilities</b>	<b>59.2</b>	<b>63.2</b>
<b>Shareholders' equity</b>		
Share capital	9.3	4.9
Retained earnings	30.9	27.7
Other surplus	0.5	4.2
<b>Total shareholders' equity</b>	<b>40.8</b>	<b>36.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>24.3</b>	<b>45.4</b>
<b>Current liabilities - % of total assets</b>	<b>13.8</b>	<b>31.1</b>



# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 16

Industry 4 - Field crop combination farms

SICE Grouping 014

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	654					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	23.2	11.7	-0.2	12.0	10.9	...
Pretax profit margin	27.0	13.9	1.2	15.0	11.7	...
Operating profit margin	...	7.1	...	...	...	...
Gross profit margin	77.3	56.0	33.2	61.9	41.8	...
Operating revenue to net operating assets	...	68.0	...	...	...	...
Return on net operating assets	...	0.5	...	...	...	...
Pretax profit to assets	13.7	6.5	0.5	5.9	8.0	...
Return on capital employed	...	5.9	...	...	...	...
Return on equity (2)	26.1	11.8	2.4	10.3	14.7	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	1.02	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.01	...	...	...	...
Debt to equity	...	0.23	...	...	...	...
Liabilities to assets	0.34	0.57	0.80	0.58	0.55	...
Interest coverage	...	-1.41	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 17

Industry 4 - Field crop combination farms

SICE Grouping 014

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.4	-
Accounts receivable	0.9	-
Inventory	23.0	-
Capital assets	56.4	-
Other assets	1.5	-
<b>Total operating assets</b>	<b>89.3</b>	<b>-</b>
Investments and accounts with affiliates	1.1	-
Portfolio investments and loans with non-affiliates	9.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	4.9	-
Borrowing:		
Banks	9.3	-
Short term paper	0.9	-
Mortgages	1.9	-
Bonds	10.6	-
Other loans	5.4	-
Amount owing to affiliates	8.9	-
Other liabilities	0.4	-
Deferred income tax	1.2	-
<b>Total liabilities</b>	<b>43.6</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	9.1	-
Retained earnings	31.0	-
Other surplus	16.4	-
<b>Total shareholders' equity</b>	<b>56.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	34.6	-
Current liabilities - % of total assets	13.6	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 18

Industry 5 - Fruit and other vegetable farms

SICE Grouping 015

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	898					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.1	3.9	-3.5	2.2	5.2	2.3
Pretax profit margin	14.4	4.7	-3.4	3.4	6.1	2.9
Operating profit margin	10.6	4.0	-2.4	...	14.8	4.2
Gross profit margin	65.3	42.4	24.7	48.0	34.2	15.3
Operating revenue to net operating assets	172.7	75.1	52.1	...	172.7	221.2
Return on net operating assets	26.6	-0.8	-3.5	-1.8	26.6	14.2
Pretax profit to assets	10.6	3.6	-3.0	1.9	6.8	5.4
Return on capital employed	21.1	7.6	-7.3	-2.8	21.1	11.9
Return on equity (2)	22.8	9.1	0.3	6.0	12.7	17.8
<u>Efficiency (ratios)</u>						
Receivable turnover	6.64	5.27	4.35	...	4.35	6.58
Inventory turnover	...	7.24	...	...	3.50	14.57
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.89	1.21	1.08	...	1.08	1.06
Debt to equity	0.09	1.29	1.80	...	1.29	1.41
Liabilities to assets	0.41	0.67	0.93	0.75	0.58	0.63
Interest coverage	12.63	-0.55	-3.73	...	12.63	2.55
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	74		26			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 19

**Industry** 5 - Fruit and other vegetable farms**SICE Grouping** 015

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.8	2.1
Accounts receivable	8.4	16.2
Inventory	4.8	9.1
Capital assets	38.9	57.5
Other assets	2.2	5.2
<b>Total operating assets</b>	<b>58.1</b>	<b>90.1</b>
Investments and accounts with affiliates	14.9	7.9
Portfolio investments and loans with non-affiliates	27.0	2.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	4.3	13.7
Borrowing:		
Banks	8.7	11.7
Short term paper	0.8	1.3
Mortgages	8.2	2.4
Bonds	9.3	14.1
Other loans	4.5	6.7
Amount owing to affiliates	4.1	14.9
Other liabilities	3.2	3.5
Deferred income tax	2.1	1.1
<b>Total liabilities</b>	<b>45.3</b>	<b>69.3</b>
<b>Shareholders' equity</b>		
Share capital	6.7	5.7
Retained earnings	43.8	21.7
Other surplus	4.2	3.3
<b>Total shareholders' equity</b>	<b>54.7</b>	<b>30.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>20.6</b>	<b>33.0</b>
<b>Current liabilities - % of total assets</b>	<b>15.9</b>	<b>34.3</b>



# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 20

Industry 6 - Horticultural specialties

SICE Grouping 016

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,270					
Financial ratios						
<i>Profitability (percentages)</i>						
Net profit margin	8.9	2.7	-3.6	2.3	2.8	1.8
Pretax profit margin	10.5	3.4	-3.2	3.0	3.6	2.4
Operating profit margin	9.6	3.9	-5.0	-0.7	6.0	3.4
Gross profit margin	59.5	43.0	26.1	49.8	35.2	28.2
Operating revenue to net operating assets	262.3	129.8	110.3	128.5	188.0	216.0
Return on net operating assets	21.8	7.1	-6.4	1.6	7.5	9.7
Pretax profit to assets	10.8	3.4	-3.4	2.2	4.7	3.0
Return on capital employed	17.1	6.8	-2.8	2.5	6.9	7.5
Return on equity (2)	24.5	9.3	-0.2	9.0	10.4	8.4
<i>Efficiency (ratios)</i>						
Receivable turnover	11.37	10.62	6.74	6.36	10.97	8.33
Inventory turnover	25.44	9.99	3.54	...	14.99	7.22
<i>Liquidity/Solvency (ratios)</i>						
Working capital	2.82	2.56	0.97	2.71	0.99	1.26
Debt to equity	0.14	0.77	2.54	0.23	2.54	1.40
Liabilities to assets	0.39	0.70	0.97	0.74	0.66	0.73
Interest coverage	2.51	1.16	-0.24	1.33	1.16	2.35
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	69		31			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 21

**Industry** 6 - Horticultural specialties**SICE Grouping** 016

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.4	1.6
Accounts receivable	8.6	13.4
Inventory	10.7	22.0
Capital assets	55.4	42.7
Other assets	5.6	4.0
<b>Total operating assets</b>	<b>87.7</b>	<b>83.6</b>
Investments and accounts with affiliates	6.1	8.7
Portfolio investments and loans with non-affiliates	6.2	7.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	8.5	9.7
Borrowing:		
Banks	17.7	17.0
Short term paper	0.7	1.2
Mortgages	5.7	2.3
Bonds	7.6	11.4
Other loans	9.7	9.1
Amount owing to affiliates	21.2	10.7
Other liabilities	4.0	3.1
Deferred income tax	1.3	6.2
<b>Total liabilities</b>	<b>76.3</b>	<b>70.6</b>
<b>Shareholders' equity</b>		
Share capital	6.6	11.5
Retained earnings	14.5	15.7
Other surplus	2.5	2.1
<b>Total shareholders' equity</b>	<b>23.7</b>	<b>29.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>31.0</b>	<b>43.0</b>
<b>Current liabilities - % of total assets</b>	<b>40.6</b>	<b>32.8</b>

**Small and Medium Firms**
**Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 22

Industry 7 - Livestock, field crop and horticultural combination farms

SICE Grouping 017

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,777					
Financial ratios						
<i>Profitability (percentages)</i>						
Net profit margin	16.5	5.0	-5.3	4.9	5.2	0.2
Pretax profit margin	19.2	6.1	-4.2	6.0	6.1	0.2
Operating profit margin	19.4	11.8	3.3	11.9	8.0	-0.2
Gross profit margin	70.8	46.6	28.2	55.6	32.8	...
Operating revenue to net operating assets	80.4	40.6	26.0	38.7	43.7	160.6
Return on net operating assets	10.8	4.8	1.1	4.1	5.2	9.1
Pretax profit to assets	8.5	2.9	-2.0	2.4	4.3	0.5
Return on capital employed	11.5	6.4	2.1	3.8	7.3	6.8
Return on equity (2)	17.4	6.9	-2.8	5.9	8.5	...
<i>Efficiency (ratios)</i>						
Receivable turnover	18.26	16.48	5.52	...	18.26	...
Inventory turnover	2.21	1.02	0.79	0.89	1.06	5.62
<i>Liquidity/Solvency (ratios)</i>						
Working capital	3.26	2.35	1.72	2.71	2.11	1.35
Debt to equity	0.25	0.97	1.66	0.70	0.97	...
Liabilities to assets	0.38	0.61	0.83	0.62	0.61	0.76
Interest coverage	4.81	2.35	0.40	1.97	4.08	1.13
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	72		28			
Net profit	79		21			
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 23

**Industry** 7 - Livestock, field crop and horticultural combination farms**SICE Grouping** 017

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	1.3	2.9
Accounts receivable	4.0	13.1
Inventory	17.5	34.6
Capital assets	60.4	31.2
Other assets	8.1	5.0
<b>Total operating assets</b>	<b>91.3</b>	<b>86.8</b>
Investments and accounts with affiliates	4.4	4.1
Portfolio investments and loans with non-affiliates	4.3	9.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	2.1	6.1
Borrowing:		
Banks	11.7	12.2
Short term paper	0.7	1.3
Mortgages	1.9	2.5
Bonds	7.9	14.6
Other loans	6.9	7.0
Amount owing to affiliates	18.5	32.3
Other liabilities	1.5	0.2
Deferred income tax	2.3	0.7
<b>Total liabilities</b>	<b>53.5</b>	<b>77.0</b>
<b>Shareholders' equity</b>		
Share capital	12.3	13.2
Retained earnings	24.4	8.2
Other surplus	9.9	1.6
<b>Total shareholders' equity</b>	<b>46.5</b>	<b>23.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>27.5</b>	<b>56.9</b>
<b>Current liabilities - % of total assets</b>	<b>16.7</b>	<b>24.2</b>

**Small and Medium Firms**
**Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 24

Industry 8 - Services incidental to livestock and animal specialties

SICE Grouping 021

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,220					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.5	4.0	-0.7	3.3	5.2	1.1
Pretax profit margin	13.0	5.0	-0.5	3.9	6.5	1.5
Operating profit margin	18.7	6.5	0.8	7.7	5.1	1.4
Gross profit margin	63.8	42.6	24.5	50.9	34.6	16.7
Operating revenue to net operating assets	278.3	235.8	142.6	228.2	265.2	161.9
Return on net operating assets	30.4	14.3	4.1	14.9	12.9	6.5
Pretax profit to assets	21.6	8.1	-1.1	5.4	12.5	2.9
Return on capital employed	28.3	13.7	3.8	12.8	14.8	6.2
Return on equity (2)	33.3	15.7	3.0	13.6	19.6	8.4
<u>Efficiency (ratios)</u>						
Receivable turnover	14.61	11.25	5.66	7.70	11.25	8.49
Inventory turnover	6.85	4.22	3.12	5.85	2.49	1.79
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.32	2.16	1.23	2.19	1.75	1.20
Debt to equity	0.20	0.67	1.53	0.53	0.67	0.51
Liabilities to assets	0.32	0.63	0.92	0.69	0.56	0.73
Interest coverage	5.27	2.22	0.71	2.22	3.83	1.66
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	90		10			
Pretax profit	83		17			
Net profit	83		17			
Percentage of firms with zero or negative equity(2)			9			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 25

**Industry** 8 - Services incidental to livestock and animal specialties**SICE Grouping** 021

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.2	12.5
Accounts receivable	12.4	16.8
Inventory	12.5	22.4
Capital assets	38.6	17.7
Other assets	2.6	2.8
<b>Total operating assets</b>	<b>79.3</b>	<b>72.2</b>
Investments and accounts with affiliates	9.1	20.3
Portfolio investments and loans with non-affiliates	11.6	7.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.1	13.8
Borrowing:		
Banks	13.1	11.8
Short term paper	0.4	0.8
Mortgages	1.7	1.5
Bonds	2.7	9.0
Other loans	6.1	4.8
Amount owing to affiliates	9.1	9.4
Other liabilities	2.7	1.4
Deferred income tax	1.6	2.7
<b>Total liabilities</b>	<b>50.3</b>	<b>55.2</b>
<b>Shareholders' equity</b>		
Share capital	28.7	6.4
Retained earnings	19.9	37.3
Other surplus	1.1	1.2
<b>Total shareholders' equity</b>	<b>49.7</b>	<b>44.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>46.4</b>	<b>56.4</b>
<b>Current liabilities - % of total assets</b>	<b>26.7</b>	<b>37.7</b>

Industry 9 - Services incidental to agricultural crops

SICE Grouping 022

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	684					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.8	2.7	-2.6	2.6	2.8	1.2
Pretax profit margin	11.8	3.2	-2.3	3.1	3.4	1.5
Operating profit margin	10.6	4.9	2.9	4.9	6.6	2.5
Gross profit margin	63.5	38.1	17.7	51.1	24.9	11.8
Operating revenue to net operating assets	273.1	169.3	75.4	154.4	248.1	557.5
Return on net operating assets	17.2	11.2	2.8	11.1	13.2	9.6
Pretax profit to assets	14.5	4.6	-3.4	3.7	6.5	5.6
Return on capital employed	26.3	12.1	2.8	15.1	10.2	8.6
Return on equity (2)	27.4	10.1	-1.5	6.5	15.7	15.0
<u>Efficiency (ratios)</u>						
Receivable turnover	17.96	8.87	5.17	11.80	5.79	12.48
Inventory turnover	13.53	6.82	3.01	...	6.82	2.96
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.05	1.45	1.19	1.19	1.45	1.12
Debt to equity	0.21	0.69	1.25	0.69	0.53	1.41
Liabilities to assets	0.34	0.65	0.94	0.66	0.62	0.80
Interest coverage	4.50	2.33	-0.70	2.33	3.07	2.41
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	78		22			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	9					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 27

**Industry** 9 - Services incidental to agricultural crops**SICE Grouping** 022

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.4	2.0
Accounts receivable	15.0	19.9
Inventory	2.2	30.1
Capital assets	53.0	33.8
Other assets	2.8	2.8
<b>Total operating assets</b>	<b>84.5</b>	<b>88.6</b>
Investments and accounts with affiliates	2.6	10.8
Portfolio investments and loans with non-affiliates	12.9	0.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	11.1	16.5
Borrowing:		
Banks	7.2	19.1
Short term paper	0.1	1.5
Mortgages	1.6	3.5
Bonds	1.2	16.4
Other loans	3.4	7.8
Amount owing to affiliates	14.2	2.4
Other liabilities	4.6	1.2
Deferred income tax	3.0	2.0
<b>Total liabilities</b>	<b>46.4</b>	<b>70.3</b>
<b>Shareholders' equity</b>		
Share capital	23.3	7.6
Retained earnings	24.8	22.1
Other surplus	5.5	0.0
<b>Total shareholders' equity</b>	<b>53.6</b>	<b>29.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>42.8</b>	<b>55.9</b>
<b>Current liabilities - % of total assets</b>	<b>29.1</b>	<b>47.7</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 28

Industry 10 - Other services incidental to agriculture

SICE Grouping 023

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	275					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.5	3.3	-2.8	3.4	2.9	...
Pretax profit margin	16.4	3.9	-2.6	3.9	3.7	...
Operating profit margin	...	3.6	...	...	...	...
Gross profit margin	66.0	37.2	19.9	44.8	26.7	...
Operating revenue to net operating assets	...	173.2	...	...	...	...
Return on net operating assets	...	21.2	...	...	...	...
Pretax profit to assets	19.8	5.8	-3.8	4.7	7.8	...
Return on capital employed	...	4.5	...	...	...	...
Return on equity (2)	35.1	14.3	1.3	14.3	14.3	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	14.47	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.81	...	...	...	...
Debt to equity	...	...	...	...	...	...
Liabilities to assets	0.36	0.69	1.00	0.72	0.64	...
Interest coverage	...	...	...	...	...	...
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				60	40	
Pretax profit				60	40	
Net profit				60	40	
Percentage of firms with zero or negative equity(2)				30		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 29

**Industry** 10 - Other services incidental to agriculture**SICE Grouping** 023

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	2.6	-
Accounts receivable	15.1	-
Inventory	7.7	-
Capital assets	44.7	-
Other assets	9.2	-
<b>Total operating assets</b>	<b>79.2</b>	<b>-</b>
Investments and accounts with affiliates	20.2	-
Portfolio investments and loans with non-affiliates	0.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	8.9	-
Borrowing:		
Banks	18.3	-
Short term paper	0.1	-
Mortgages	0.2	-
Bonds	1.3	-
Other loans	11.1	-
Amount owing to affiliates	13.3	-
Other liabilities	2.1	-
Deferred income tax	-0.6	-
<b>Total liabilities</b>	<b>54.7</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	25.4	-
Retained earnings	14.7	-
Other surplus	5.1	-
<b>Total shareholders' equity</b>	<b>45.3</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>35.2</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>28.8</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 30

Industry 11 - Fishing industries

SICE Grouping 031

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,143					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	19.0	7.1	-3.5	5.1	11.6	2.1
Pretax profit margin	23.9	9.0	-3.1	6.6	14.2	2.3
Operating profit margin	21.7	12.5	2.0	13.3	11.0	2.6
Gross profit margin	59.9	38.1	23.8	46.5	31.5	...
Operating revenue to net operating assets	205.8	139.0	70.0	131.3	149.2	313.3
Return on net operating assets	25.9	10.4	-1.9	9.0	10.9	15.0
Pretax profit to assets	20.0	7.7	-2.6	5.0	13.4	1.4
Return on capital employed	20.8	7.8	-0.9	5.2	14.6	10.6
Return on equity (2)	27.5	11.4	-1.1	8.2	19.0	...
<u>Efficiency (ratios)</u>						
Receivable turnover	11.89	6.91	3.76	6.49	7.95	11.52
Inventory turnover	12.44	5.25	3.21	5.25	6.04	6.10
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.49	2.35	1.48	2.05	2.70	2.01
Debt to equity	0.15	0.46	1.35	0.35	0.77	0.36
Liabilities to assets	0.20	0.45	0.77	0.47	0.43	0.94
Interest coverage	6.70	1.43	0.24	1.32	2.56	4.88
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)			16			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 11 - Fishing industries  
 SICE Grouping 031

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	18.1	6.3
Accounts receivable	9.6	11.1
Inventory	2.7	11.0
Capital assets	37.5	42.7
Other assets	11.8	16.1
<b>Total operating assets</b>	<b>79.7</b>	<b>87.2</b>
Investments and accounts with affiliates	7.2	6.6
Portfolio investments and loans with non-affiliates	13.1	6.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	8.5	11.9
Borrowing:		
Banks	15.6	35.2
Short term paper	0.1	0.6
Mortgages	2.0	9.5
Bonds	1.0	7.3
Other loans	9.9	14.3
Amount owing to affiliates	16.6	12.4
Other liabilities	5.1	3.9
Deferred income tax	1.3	3.2
<b>Total liabilities</b>	<b>60.1</b>	<b>98.2</b>
<b>Shareholders' equity</b>		
Share capital	3.0	5.4
Retained earnings	34.4	-8.8
Other surplus	2.5	5.2
<b>Total shareholders' equity</b>	<b>39.9</b>	<b>1.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>37.6</b>	<b>35.0</b>
<b>Current liabilities - % of total assets</b>	<b>22.4</b>	<b>46.2</b>

Industry 12 - Services incidental to fishing

SICE Grouping 032

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	166					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	15.3	4.4	-6.0	4.6	4.3	...
Pretax profit margin	15.6	4.9	-5.7	5.2	4.6	...
Operating profit margin	...	7.1	...	...	1.6	...
Gross profit margin	49.5	32.8	21.3	36.0	32.3	...
Operating revenue to net operating assets	...	80.8	...	...	248.7	...
Return on net operating assets	...	-0.3	...	...	10.2	...
Pretax profit to assets	18.0	5.0	-4.3	4.0	5.9	...
Return on capital employed	...	10.8	...	...	12.3	...
Return on equity (2)	45.8	16.1	-1.7	11.7	20.1	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	1.47	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.14	...	...	0.92	...
Debt to equity	...	2.01	...	...	2.44	...
Liabilities to assets	0.43	0.79	1.00	0.84	0.68	...
Interest coverage	...	1.33	...	...	1.88	...
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				60	40	
Pretax profit				60	40	
Net profit				60	40	
Percentage of firms with zero or negative equity(2)						30

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 33

**Industry** 12 - Services incidental to fishing**SICE Grouping** 032

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.3	-
Accounts receivable	7.1	-
Inventory	11.8	-
Capital assets	46.9	-
Other assets	17.1	-
<b>Total operating assets</b>	<b>89.2</b>	<b>-</b>
Investments and accounts with affiliates	4.1	-
Portfolio investments and loans with non-affiliates	6.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	9.9	-
Borrowing:		
Banks	18.3	-
Short term paper	0.6	-
Mortgages	1.2	-
Bonds	6.7	-
Other loans	14.6	-
Amount owing to affiliates	19.0	-
Other liabilities	0.8	-
Deferred income tax	2.3	-
<b>Total liabilities</b>	<b>73.3</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	17.3	-
Retained earnings	8.3	-
Other surplus	1.1	-
<b>Total shareholders' equity</b>	<b>26.7</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>38.0</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>22.0</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 34

Industry 13 - Logging industry

SICE Grouping 041

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,116					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.4	3.5	-2.0	3.3	3.7	2.0
Pretax profit margin	12.4	4.4	-1.6	4.1	4.5	2.5
Operating profit margin	16.5	7.8	1.4	9.3	6.7	3.3
Gross profit margin	50.0	29.0	16.1	36.6	22.2	11.7
Operating revenue to net operating assets	229.3	162.7	91.4	144.4	180.4	292.1
Return on net operating assets	22.5	11.2	1.5	7.3	14.9	10.2
Pretax profit to assets	18.9	6.7	-3.1	5.6	8.1	6.2
Return on capital employed	18.1	11.3	3.0	9.2	12.9	9.4
Return on equity (2)	38.0	16.2	0.6	14.9	17.4	16.8
<u>Efficiency (ratios)</u>						
Receivable turnover	15.64	11.89	7.18	11.48	12.68	11.70
Inventory turnover	11.50	4.48	1.13	7.00	4.48	8.50
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.43	1.79	1.02	3.06	1.27	1.09
Debt to equity	0.30	1.00	2.73	0.66	1.11	1.42
Liabilities to assets	0.43	0.68	0.92	0.69	0.66	0.73
Interest coverage	6.48	2.07	0.71	1.58	3.04	3.16
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	79		21			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 35

**Industry** 13 - Logging industry**SICE Grouping** 041

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.6	6.9
Accounts receivable	8.8	14.7
Inventory	3.4	9.6
Capital assets	52.4	49.7
Other assets	4.1	3.9
<b>Total operating assets</b>	<b>81.3</b>	<b>84.8</b>
Investments and accounts with affiliates	9.1	10.2
Portfolio investments and loans with non-affiliates	9.5	5.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.2	21.5
Borrowing:		
Banks	19.2	13.2
Short term paper	0.5	2.1
Mortgages	2.1	2.3
Bonds	5.6	13.5
Other loans	10.9	7.5
Amount owing to affiliates	11.8	8.6
Other liabilities	4.0	3.2
Deferred income tax	0.5	2.4
<b>Total liabilities</b>	<b>67.8</b>	<b>74.3</b>
<b>Shareholders' equity</b>		
Share capital	2.7	3.6
Retained earnings	27.2	21.2
Other surplus	2.3	0.9
<b>Total shareholders' equity</b>	<b>32.2</b>	<b>25.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>33.1</b>	<b>37.9</b>
<b>Current liabilities - % of total assets</b>	<b>31.7</b>	<b>44.2</b>

# Small and Medium Firms

Revenue under \$25 million, Reference Year 1995

## Financial Performance Indicators for Canadian Business

Page : 36

Industry 14 - Forestry services industry

SICE Grouping 051

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	456					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.8	2.9	-1.6	2.7	3.3	1.3
Pretax profit margin	9.5	3.5	-1.5	2.9	4.0	1.6
Operating profit margin	10.9	4.4	0.0	4.6	4.1	1.7
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	413.0	240.9	144.7	158.8	307.5	377.8
Return on net operating assets	22.5	12.3	1.0	7.7	12.6	8.5
Pretax profit to assets	22.7	8.2	-3.8	4.8	11.8	8.7
Return on capital employed	19.0	11.7	2.8	7.9	12.4	4.5
Return on equity (2)	39.3	21.0	4.0	19.4	22.4	23.5
<u>Efficiency (ratios)</u>						
Receivable turnover	15.48	11.89	6.71	13.11	8.54	4.83
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.22	1.44	1.04	1.06	2.35	1.47
Debt to equity	0.20	0.38	1.19	0.38	0.42	1.04
Liabilities to assets	0.42	0.70	0.96	0.77	0.57	0.69
Interest coverage	7.30	2.56	0.00	1.39	3.81	1.68
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	83		17			
Pretax profit	79		21			
Net profit	79		21			
Percentage of firms with zero or negative equity(2)	8					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 37

Industry 14 - Forestry services industry

SICE Grouping 051

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.8	6.2
Accounts receivable	19.8	24.0
Inventory	4.6	9.0
Capital assets	34.1	18.9
Other assets	5.1	5.5
<b>Total operating assets</b>	<b>76.3</b>	<b>63.7</b>
Investments and accounts with affiliates	18.5	34.7
Portfolio investments and loans with non-affiliates	5.2	1.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.4	23.3
Borrowing:		
Banks	16.6	8.3
Short term paper	0.0	0.8
Mortgages	2.3	1.9
Bonds	0.6	9.5
Other loans	7.3	4.7
Amount owing to affiliates	7.8	18.7
Other liabilities	5.2	3.0
Deferred income tax	1.0	1.4
<b>Total liabilities</b>	<b>54.2</b>	<b>71.5</b>
<b>Shareholders' equity</b>		
Share capital	16.7	3.6
Retained earnings	28.5	24.1
Other surplus	0.6	0.7
<b>Total shareholders' equity</b>	<b>45.8</b>	<b>28.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>43.3</b>	<b>65.5</b>
<b>Current liabilities - % of total assets</b>	<b>26.9</b>	<b>49.3</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 38

Industry 15 - Metal mines

SICE Grouping 061

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	84					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	22.4	6.9	-78.5	4.7	8.1	5.1
Pretax profit margin	27.2	7.7	-62.5	4.7	8.3	7.3
Operating profit margin	...	26.1	...	26.3	...	...
Gross profit margin	...	47.8	...	...	...	...
Operating revenue to net operating assets	119.3	44.1	1.6	7.0	...	...
Return on net operating assets	20.3	2.3	-9.9	-2.4	...	...
Pretax profit to assets	19.7	3.2	-2.5	2.7	3.7	1.6
Return on capital employed	20.0	4.1	-1.0	2.6	...	...
Return on equity (2)	22.5	2.1	-3.2	-0.2	8.8	...
<u>Efficiency (ratios)</u>						
Receivable turnover	3.49	1.52	0.32	0.53	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	11.24	4.30	3.73	6.73	...	...
Debt to equity	0.05	0.26	0.30	0.17	...	...
Liabilities to assets	0.07	0.36	0.80	0.34	0.38	...
Interest coverage	5.01	3.27	-2.55	3.27	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 39

**Industry** 15 - Metal mines**SICE Grouping** 061

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.0	-
Accounts receivable	14.3	-
Inventory	19.0	-
Capital assets	21.5	-
Other assets	10.2	-
<b>Total operating assets</b>	<b>71.9</b>	-
Investments and accounts with affiliates	20.3	-
Portfolio investments and loans with non-affiliates	7.8	-
<b>Total assets</b>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	10.8	-
Borrowing:		
Banks	16.4	-
Short term paper	-	-
Mortgages	-	-
Bonds	16.5	-
Other loans	-	-
Amount owing to affiliates	7.0	-
Other liabilities	2.4	-
Deferred income tax	-6.9	-
<b>Total liabilities</b>	<b>46.1</b>	-
<b>Shareholders' equity</b>		
Share capital	80.8	-
Retained earnings	-183.2	-
Other surplus	156.3	-
<b>Total shareholders' equity</b>	<b>53.9</b>	-
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	-
<b>Current assets - % of total assets</b>	<b>57.2</b>	-
<b>Current liabilities - % of total assets</b>	<b>15.9</b>	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 40

Industry 16 - Non-metal mines (except coal)

SICE Grouping 062

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	61					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	21.5	6.5	-1.4	4.3	8.6	6.0
Pretax profit margin	23.6	6.8	-1.2	5.3	8.9	7.5
Operating profit margin	18.6	9.2	0.7	...	7.0	8.3
Gross profit margin	56.6	43.1	23.5	44.7	40.6	31.6
Operating revenue to net operating assets	173.1	95.8	79.9	...	93.7	90.5
Return on net operating assets	...	-14.4	...	...	4.6	15.5
Pretax profit to assets	16.2	5.0	-1.4	2.2	10.4	8.2
Return on capital employed	13.7	7.9	0.2	...	6.1	10.3
Return on equity (2)	29.2	10.7	1.7	6.0	15.6	16.2
<u>Efficiency (ratios)</u>						
Receivable turnover	...	9.28	...	...	6.57	8.66
Inventory turnover	...	14.74	...	...	3.33	4.11
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	3.44	...	...	2.51	1.64
Debt to equity	...	0.29	...	...	0.11	0.24
Liabilities to assets	0.28	0.49	0.86	0.49	0.50	0.54
Interest coverage	...	1.30	...	...	1.84	3.29
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 41

**Industry** 16 - Non-metal mines (except coal)**SICE Grouping** 062

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.2	4.9
Accounts receivable	6.4	8.6
Inventory	2.7	14.9
Capital assets	8.7	52.3
Other assets	0.5	9.0
<b>Total operating assets</b>	<b>27.5</b>	<b>89.7</b>
Investments and accounts with affiliates	67.9	8.0
Portfolio investments and loans with non-affiliates	4.6	2.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	5.2	9.3
Borrowing:		
Banks	21.2	29.3
Short term paper	0.0	0.0
Mortgages	0.0	0.0
Bonds	0.2	0.2
Other loans	19.8	3.1
Amount owing to affiliates	3.9	21.1
Other liabilities	0.6	10.9
Deferred income tax	0.1	8.6
<b>Total liabilities</b>	<b>50.9</b>	<b>82.6</b>
<b>Shareholders' equity</b>		
Share capital	35.9	38.0
Retained earnings	13.2	-32.5
Other surplus	0.0	11.9
<b>Total shareholders' equity</b>	<b>49.1</b>	<b>17.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>25.0</b>	<b>30.6</b>
<b>Current liabilities - % of total assets</b>	<b>11.1</b>	<b>40.0</b>

Industry 17 - Crude petroleum and natural gas industries

SICE Grouping 071

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,444					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	26.2	7.5	-13.2	7.4	8.3	6.2
Pretax profit margin	33.0	11.1	-9.8	10.9	11.6	7.3
Operating profit margin	28.3	10.4	-11.6	13.3	7.3	19.0
Gross profit margin	71.6	48.3	31.7	53.3	40.4	29.2
Operating revenue to net operating assets	141.2	52.8	31.2	54.8	42.8	39.9
Return on net operating assets	14.8	2.1	-11.9	0.6	2.7	4.7
Pretax profit to assets	15.0	4.0	-3.6	3.9	4.2	2.2
Return on capital employed	12.4	5.2	-2.3	7.0	3.8	4.8
Return on equity (2)	19.6	5.6	-3.4	5.5	6.1	5.8
<u>Efficiency (ratios)</u>						
Receivable turnover	13.01	7.00	3.37	8.47	5.67	5.76
Inventory turnover	...	2.31	...	...	...	11.02
<u>Liquidity/Solvency (ratios)</u>						
Working capital	7.03	2.07	1.07	3.35	1.14	1.32
Debt to equity	0.07	0.22	0.49	0.18	0.28	0.60
Liabilities to assets	0.11	0.32	0.66	0.30	0.39	0.51
Interest coverage	4.14	0.69	-5.25	0.57	0.94	1.66
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			63	37		
Pretax profit			66	34		
Net profit			65	35		
Percentage of firms with zero or negative equity(2)						11

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 43

**Industry** 17 - Crude petroleum and natural gas industries**SICE Grouping** 071

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.3	2.8
Accounts receivable	8.4	5.2
Inventory	0.6	0.2
Capital assets	48.2	56.6
Other assets	4.9	2.3
<b>Total operating assets</b>	<b>75.5</b>	<b>67.1</b>
Investments and accounts with affiliates	12.1	26.5
Portfolio investments and loans with non-affiliates	12.4	6.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	9.0	5.4
Borrowing:		
Banks	8.8	15.9
Short term paper	0.2	0.3
Mortgages	1.2	0.5
Bonds	2.8	3.7
Other loans	6.5	9.5
Amount owing to affiliates	8.8	14.3
Other liabilities	3.3	2.3
Deferred income tax	2.4	4.6
<b>Total liabilities</b>	<b>42.8</b>	<b>56.4</b>
<b>Shareholders' equity</b>		
Share capital	50.8	38.6
Retained earnings	-11.0	-1.4
Other surplus	17.4	6.4
<b>Total shareholders' equity</b>	<b>57.2</b>	<b>43.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>29.5</b>	<b>9.5</b>
<b>Current liabilities - % of total assets</b>	<b>15.8</b>	<b>11.3</b>

Industry 18 - Stone quarries

SICE Grouping 081

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	92					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.9	2.1	-7.9	-1.5	3.8	5.2
Pretax profit margin	14.4	3.3	-6.1	1.0	4.5	5.2
Operating profit margin	10.3	2.2	-4.9	...	2.2	3.0
Gross profit margin	59.9	29.7	19.1	48.1	26.8	...
Operating revenue to net operating assets	141.7	97.6	49.8	...	139.9	125.3
Return on net operating assets	0.4	-3.5	-11.3	...	-3.5	4.7
Pretax profit to assets	9.4	2.9	-4.1	0.9	4.2	5.6
Return on capital employed	12.5	4.5	-0.9	...	4.7	6.5
Return on equity (2)	21.4	6.4	-2.9	1.9	9.2	8.0
<u>Efficiency (ratios)</u>						
Receivable turnover	8.50	6.86	3.46	...	7.07	5.45
Inventory turnover	10.99	3.77	2.17	...	2.49	9.95
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.81	2.01	1.21	...	1.34	1.33
Debt to equity	...	0.69	...	...	0.60	0.52
Liabilities to assets	0.26	0.59	0.91	0.71	0.56	0.53
Interest coverage	...	0.40	...	...	0.71	0.76
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	10					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 45

**Industry** 18 - Stone quarries**SICE Grouping** 081

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.1	5.3
Accounts receivable	11.8	21.3
Inventory	12.9	11.0
Capital assets	49.2	54.3
Other assets	2.0	2.3
<b>Total operating assets</b>	<b>79.0</b>	<b>94.2</b>
Investments and accounts with affiliates	15.4	5.8
Portfolio investments and loans with non-affiliates	5.6	0.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	8.8	17.0
Borrowing:		
Banks	15.9	14.2
Short term paper	0.5	-
Mortgages	1.0	1.8
Bonds	5.5	2.6
Other loans	7.9	4.2
Amount owing to affiliates	14.5	12.0
Other liabilities	3.4	3.0
Deferred income tax	2.8	1.4
<b>Total liabilities</b>	<b>60.3</b>	<b>56.3</b>
<b>Shareholders' equity</b>		
Share capital	9.7	23.1
Retained earnings	25.1	20.3
Other surplus	4.8	0.3
<b>Total shareholders' equity</b>	<b>39.7</b>	<b>43.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>31.6</b>	<b>38.9</b>
<b>Current liabilities - % of total assets</b>	<b>20.9</b>	<b>37.9</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 46

Industry 19 - Sand and gravel pits

SICE Grouping 082

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	529					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.7	2.7	-5.2	2.2	2.8	0.1
Pretax profit margin	12.4	3.6	-4.4	2.9	3.7	0.3
Operating profit margin	17.3	9.3	4.6	11.2	7.7	2.3
Gross profit margin	51.0	27.4	17.2	38.3	23.0	23.7
Operating revenue to net operating assets	187.4	137.6	76.9	112.1	145.9	148.4
Return on net operating assets	18.8	10.2	5.8	8.7	12.3	3.3
Pretax profit to assets	11.8	3.5	-3.7	2.1	4.7	0.3
Return on capital employed	16.5	9.1	5.1	8.0	11.2	3.1
Return on equity (2)	21.8	8.2	-1.7	7.3	9.0	3.5
<u>Efficiency (ratios)</u>						
Receivable turnover	11.46	6.04	3.86	4.82	6.78	7.83
Inventory turnover	17.33	9.73	2.20	...	11.96	7.11
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.53	1.41	0.85	2.10	0.99	0.78
Debt to equity	0.22	0.60	1.98	0.41	0.74	1.28
Liabilities to assets	0.31	0.61	0.91	0.67	0.59	0.68
Interest coverage	7.56	2.77	1.43	2.05	2.77	1.03
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	78		22			
Net profit	76		24			
Percentage of firms with zero or negative equity(2)	11					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 47

**Industry** 19 - Sand and gravel pits**SICE Grouping** 082

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.7	4.2
Accounts receivable	13.4	15.0
Inventory	6.2	6.3
Capital assets	45.1	53.5
Other assets	3.9	4.3
<b>Total operating assets</b>	<b>78.3</b>	<b>83.2</b>
Investments and accounts with affiliates	9.6	9.6
Portfolio investments and loans with non-affiliates	12.1	7.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	10.8	11.8
Borrowing:		
Banks	14.0	25.1
Short term paper	0.1	0.5
Mortgages	3.8	3.6
Bonds	1.2	2.7
Other loans	8.2	12.3
Amount owing to affiliates	12.5	9.8
Other liabilities	2.4	2.2
Deferred income tax	1.6	3.9
<b>Total liabilities</b>	<b>54.6</b>	<b>71.8</b>
<b>Shareholders' equity</b>		
Share capital	1.5	10.3
Retained earnings	43.8	13.4
Other surplus	0.1	4.4
<b>Total shareholders' equity</b>	<b>45.4</b>	<b>28.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>37.6</b>	<b>32.3</b>
<b>Current liabilities - % of total assets</b>	<b>27.2</b>	<b>30.8</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 48

Industry 20 - Service industries incidental to crude petroleum and natural gas  
SICE Grouping 091

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,778					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	13.5	5.0	-1.3	5.3	4.9	2.1
Pretax profit margin	16.8	6.3	-1.0	6.7	5.9	2.7
Operating profit margin	15.5	7.4	0.9	7.4	5.1	3.0
Gross profit margin	72.1	44.5	26.4	57.3	36.0	26.4
Operating revenue to net operating assets	272.0	208.0	124.8	208.8	201.1	281.4
Return on net operating assets	24.0	12.8	2.2	9.5	19.3	14.7
Pretax profit to assets	27.0	10.6	-1.7	9.6	11.8	5.5
Return on capital employed	22.4	10.0	3.9	9.9	19.2	10.1
Return on equity (2)	41.5	20.6	1.9	17.4	25.5	15.6
<u>Efficiency (ratios)</u>						
Receivable turnover	10.45	6.75	5.16	6.75	7.36	7.29
Inventory turnover	8.63	4.80	2.15	8.09	4.80	16.14
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.59	1.58	0.93	1.58	1.36	1.07
Debt to equity	0.33	0.78	2.74	0.87	0.58	1.04
Liabilities to assets	0.31	0.58	0.85	0.55	0.61	0.74
Interest coverage	6.91	2.45	0.80	1.19	4.88	3.59
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	79		21			
Pretax profit	79		21			
Net profit	77		23			
Percentage of firms with zero or negative equity(2)	7					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 20 - Service industries incidental to crude petroleum and natural gas  
SICE Grouping 091

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.3	5.8
Accounts receivable	21.1	21.0
Inventory	3.1	2.7
Capital assets	47.3	49.8
Other assets	3.6	2.4
<b>Total operating assets</b>	<b>86.3</b>	<b>81.7</b>
Investments and accounts with affiliates	9.5	14.6
Portfolio investments and loans with non-affiliates	4.2	3.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.7	14.7
Borrowing:		
Banks	11.6	11.8
Short term paper	0.3	0.1
Mortgages	0.8	0.2
Bonds	4.6	1.1
Other loans	7.2	5.2
Amount owing to affiliates	13.1	30.4
Other liabilities	2.3	2.3
Deferred income tax	1.6	3.5
<b>Total liabilities</b>	<b>58.3</b>	<b>69.3</b>
<b>Shareholders' equity</b>		
Share capital	6.8	13.3
Retained earnings	34.6	11.4
Other surplus	0.4	5.9
<b>Total shareholders' equity</b>	<b>41.7</b>	<b>30.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>40.5</b>	<b>32.8</b>
<b>Current liabilities - % of total assets</b>	<b>31.0</b>	<b>29.0</b>

# Small and Medium Firms

Revenue under \$25 million, Reference Year 1995

## Financial Performance Indicators for Canadian Business

Page : 50

Industry 21 - Service industries incidental to mining

SICE Grouping 092

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	611					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.1	1.2	-29.6	-0.8	2.9	1.2
Pretax profit margin	12.4	1.9	-29.1	-0.7	3.9	2.9
Operating profit margin	8.3	0.4	-33.0	-30.9	4.3	2.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	286.0	166.5	28.2	114.3	178.8	140.6
Return on net operating assets	13.7	-2.2	-10.7	-4.9	8.1	6.9
Pretax profit to assets	15.1	1.3	-6.4	-0.5	6.0	4.2
Return on capital employed	16.0	1.5	-15.1	-3.1	12.3	5.0
Return on equity (2)	21.8	2.1	-6.4	-0.8	10.7	6.5
<u>Efficiency (ratios)</u>						
Receivable turnover	8.74	6.05	2.41	8.43	5.69	5.06
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.10	1.49	1.08	1.49	1.27	0.92
Debt to equity	0.25	0.60	0.79	0.60	0.50	...
Liabilities to assets	0.12	0.41	0.77	0.30	0.52	0.63
Interest coverage	6.63	2.45	-4.85	1.13	4.66	1.29
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	68		32			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	7					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 451

**Industry** 221 - Funeral services**SICE Grouping** 973

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	14.5	-
Accounts receivable	7.3	-
Inventory	5.7	-
Capital assets	36.3	-
Other assets	9.4	-
<b>Total operating assets</b>	<b>73.2</b>	<b>-</b>
Investments and accounts with affiliates	4.5	-
Portfolio investments and loans with non-affiliates	22.2	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	9.8	-
Borrowing:		
Banks	11.7	-
Short term paper	0.3	-
Mortgages	3.8	-
Bonds	3.6	-
Other loans	5.9	-
Amount owing to affiliates	5.2	-
Other liabilities	28.2	-
Deferred income tax	0.2	-
<b>Total liabilities</b>	<b>68.8</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.4	-
Retained earnings	25.6	-
Other surplus	3.2	-
<b>Total shareholders' equity</b>	<b>31.2</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>36.4</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>23.4</b>	<b>-</b>

Industry 222 - Other personal and household services

SICE Grouping 979

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,409					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.9	1.2	-4.3	1.0	2.2	0.8
Pretax profit margin	6.9	1.2	-4.4	1.0	2.8	0.8
Operating profit margin	8.9	3.7	-2.2	3.0	7.6	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	412.9	240.6	159.0	197.4	460.6	...
Return on net operating assets	15.3	2.5	-8.5	-0.5	25.5	...
Pretax profit to assets	16.9	2.7	-10.0	2.2	6.0	1.4
Return on capital employed	17.1	7.9	-8.5	7.7	16.5	...
Return on equity (2)	33.9	12.5	-3.9	11.5	16.3	6.6
<u>Efficiency (ratios)</u>						
Receivable turnover	14.31	11.66	9.20	...	10.29	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.90	1.76	1.21	1.80	1.21	...
Debt to equity	0.22	0.85	1.92	0.66	1.84	...
Liabilities to assets	0.53	0.88	1.12	0.91	0.75	0.67
Interest coverage	5.33	1.98	-1.44	1.29	3.48	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	78		22			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 453

Industry 222 - Other personal and household services

SICE Grouping 979

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.9	-
Accounts receivable	10.4	-
Inventory	6.4	-
Capital assets	41.9	-
Other assets	16.9	-
<b>Total operating assets</b>	<b>89.4</b>	<b>-</b>
Investments and accounts with affiliates	5.6	-
Portfolio investments and loans with non-affiliates	5.0	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	19.0	-
Borrowing:		
Banks	14.8	-
Short term paper	0.4	-
Mortgages	1.0	-
Bonds	4.2	-
Other loans	10.2	-
Amount owing to affiliates	18.7	-
Other liabilities	15.6	-
Deferred income tax	0.8	-
<b>Total liabilities</b>	<b>84.7</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	8.1	-
Retained earnings	6.1	-
Other surplus	1.1	-
<b>Total shareholders' equity</b>	<b>15.3</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>37.7</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>43.6</b>	<b>-</b>

Industry 223 - Machinery and equipment rental and leasing services

SICE Grouping 991

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,844					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.8	2.7	-3.8	2.0	3.6	1.9
Pretax profit margin	12.6	3.3	-3.5	2.4	4.5	2.9
Operating profit margin	13.1	5.0	-2.5	3.2	6.7	3.9
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	239.7	140.4	74.6	125.9	201.3	197.3
Return on net operating assets	15.5	6.3	-3.9	4.7	9.9	8.1
Pretax profit to assets	13.5	3.5	-3.6	2.3	6.4	5.1
Return on capital employed	15.2	6.7	-1.4	5.4	9.4	10.7
Return on equity (2)	31.8	12.0	-1.0	10.0	14.8	11.2
<u>Efficiency (ratios)</u>						
Receivable turnover	11.48	7.54	4.94	7.90	7.42	6.15
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.19	1.69	1.00	1.76	1.65	1.12
Debt to equity	0.39	0.93	3.09	1.17	0.74	1.79
Liabilities to assets	0.45	0.73	0.98	0.77	0.67	0.71
Interest coverage	4.46	1.60	-0.69	1.00	2.43	2.62
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	70		30			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)			14			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business**Revenue under \$25 million, Reference Year 1995*

Page : 455

**Industry** 223 - Machinery and equipment rental and leasing services**SICE Grouping** 991

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.2	2.4
Accounts receivable	12.1	17.4
Inventory	9.1	16.5
Capital assets	53.3	48.8
Other assets	3.2	5.3
<b>Total operating assets</b>	<b>84.9</b>	<b>90.4</b>
Investments and accounts with affiliates	11.2	7.0
Portfolio investments and loans with non-affiliates	3.9	2.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	11.3	13.7
Borrowing:		
Banks	17.6	21.9
Short term paper	0.3	3.0
Mortgages	3.6	1.5
Bonds	2.8	5.5
Other loans	8.7	13.3
Amount owing to affiliates	24.2	17.8
Other liabilities	2.2	3.6
Deferred income tax	1.9	2.9
<b>Total liabilities</b>	<b>72.5</b>	<b>83.3</b>
<b>Shareholders' equity</b>		
Share capital	5.3	7.7
Retained earnings	19.9	8.0
Other surplus	2.2	1.0
<b>Total shareholders' equity</b>	<b>27.5</b>	<b>16.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	33.1	39.7
Current liabilities - % of total assets	34.8	45.5

Industry 224 - Automobile and truck rental and leasing services

SICE Grouping 992

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,426					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.8	2.3	-4.7	2.6	1.8	1.1
Pretax profit margin	11.9	2.9	-4.2	3.3	2.5	1.4
Operating profit margin	20.7	6.4	-1.2	7.2	6.1	5.9
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	163.2	69.1	43.4	76.2	61.6	72.7
Return on net operating assets	15.6	6.7	-1.4	5.1	7.4	8.1
Pretax profit to assets	7.8	1.8	-3.0	1.8	1.8	1.8
Return on capital employed	14.8	8.5	1.6	7.2	9.7	8.0
Return on equity (2)	26.6	8.3	-2.8	7.1	10.5	18.2
<u>Efficiency (ratios)</u>						
Receivable turnover	14.51	10.16	6.58	9.67	10.16	8.57
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.28	2.16	0.99	2.38	1.39	1.08
Debt to equity	0.37	1.66	3.26	1.15	2.39	4.41
Liabilities to assets	0.57	0.83	0.98	0.82	0.84	0.91
Interest coverage	3.38	1.66	0.75	1.06	1.92	1.34
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	69		31			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 457

Industry 224 - Automobile and truck rental and leasing services

SICE Grouping 992

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.4	1.2
Accounts receivable	12.7	17.2
Inventory	8.0	20.1
Capital assets	58.4	49.0
Other assets	2.4	4.6
<b>Total operating assets</b>	<b>84.9</b>	<b>92.0</b>
Investments and accounts with affiliates	10.6	2.8
Portfolio investments and loans with non-affiliates	4.4	5.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	5.1	4.8
Borrowing:		
Banks	33.8	38.4
Short term paper	0.5	2.4
Mortgages	1.9	1.9
Bonds	2.2	8.5
Other loans	25.1	21.5
Amount owing to affiliates	13.5	6.0
Other liabilities	2.1	4.5
Deferred income tax	2.1	3.9
<b>Total liabilities</b>	<b>86.3</b>	<b>91.9</b>
<b>Shareholders' equity</b>		
Share capital	3.9	2.8
Retained earnings	6.1	4.9
Other surplus	3.6	0.5
<b>Total shareholders' equity</b>	<b>13.7</b>	<b>8.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>29.1</b>	<b>37.0</b>
<b>Current liabilities - % of total assets</b>	<b>36.7</b>	<b>29.9</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 458

Industry 225 - Photographers

SICE Grouping 993

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	817					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.2	0.8	-3.9	0.5	1.7	...
Pretax profit margin	7.6	1.0	-3.8	0.7	1.9	...
Operating profit margin	8.4	1.0	-2.5	1.0	2.3	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	338.4	220.8	129.7	220.8	206.2	...
Return on net operating assets	14.3	3.5	-7.3	2.5	10.3	...
Pretax profit to assets	14.8	1.8	-9.1	1.4	5.4	...
Return on capital employed	12.8	4.8	-8.4	1.6	13.6	...
Return on equity (2)	27.3	6.5	-7.7	5.8	12.3	...
<u>Efficiency (ratios)</u>						
Receivable turnover	13.47	8.11	5.14	7.79	12.52	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.48	1.56	0.84	1.56	1.13	...
Debt to equity	0.23	0.70	1.54	0.70	0.35	...
Liabilities to assets	0.40	0.77	1.02	0.78	0.68	...
Interest coverage	2.00	0.33	-1.70	...	0.82	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	64		36			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			24			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 459

Industry 225 - Photographers

SICE Grouping 993

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.9	-
Accounts receivable	17.3	-
Inventory	13.5	-
Capital assets	46.2	-
Other assets	1.7	-
<b>Total operating assets</b>	<b>89.6</b>	<b>-</b>
Investments and accounts with affiliates	6.0	-
Portfolio investments and loans with non-affiliates	4.4	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	19.5	-
Borrowing:		
Banks	16.1	-
Short term paper	0.1	-
Mortgages	6.4	-
Bonds	0.9	-
Other loans	8.7	-
Amount owing to affiliates	13.9	-
Other liabilities	5.2	-
Deferred income tax	0.4	-
<b>Total liabilities</b>	<b>71.2</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.5	-
Retained earnings	26.2	-
Other surplus	0.2	-
<b>Total shareholders' equity</b>	<b>28.8</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>47.0</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>39.4</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 460

Industry 226 - Other repair services

SICE Grouping 994

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,122					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.7	2.8	-1.2	2.5	3.6	1.7
Pretax profit margin	10.8	3.5	-1.1	2.9	4.6	2.2
Operating profit margin	7.9	2.7	-0.9	1.7	5.2	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	371.5	260.4	174.4	215.9	294.0	...
Return on net operating assets	19.2	8.7	-2.9	4.5	15.0	...
Pretax profit to assets	21.0	6.8	-2.4	5.4	9.9	4.5
Return on capital employed	17.6	9.4	0.8	6.1	12.5	...
Return on equity (2)	35.7	16.0	2.2	13.6	21.4	13.5
<u>Efficiency (ratios)</u>						
Receivable turnover	12.96	8.97	6.75	10.05	8.23	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.06	1.76	1.11	1.78	1.55	...
Debt to equity	0.28	0.76	1.76	0.72	0.79	...
Liabilities to assets	0.36	0.65	0.91	0.66	0.63	0.76
Interest coverage	5.44	1.99	0.56	1.33	3.32	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			80	20		
Pretax profit			75	25		
Net profit			74	26		
Percentage of firms with zero or negative equity(2)			12			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 461

Industry 226 - Other repair services

SICE Grouping 994

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.7	-
Accounts receivable	23.0	-
Inventory	22.3	-
Capital assets	32.3	-
Other assets	2.0	-
<b>Total operating assets</b>	<b>89.4</b>	<b>-</b>
Investments and accounts with affiliates	6.9	-
Portfolio investments and loans with non-affiliates	3.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	21.8	-
Borrowing:		
Banks	15.4	-
Short term paper	0.1	-
Mortgages	3.3	-
Bonds	1.6	-
Other loans	5.6	-
Amount owing to affiliates	9.9	-
Other liabilities	2.0	-
Deferred income tax	0.3	-
<b>Total liabilities</b>	<b>59.9</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	3.0	-
Retained earnings	36.6	-
Other surplus	0.5	-
<b>Total shareholders' equity</b>	<b>40.1</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>60.2</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>37.9</b>	<b>-</b>

Industry 227 - Services to buildings and dwellings

SICE Grouping 995

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,453					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.8	1.4	-2.4	1.1	2.1	1.3
Pretax profit margin	7.2	1.7	-2.2	1.4	2.7	1.8
Operating profit margin	7.8	2.5	-2.1	1.6	3.4	1.6
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	455.1	311.9	194.0	318.3	309.7	302.3
Return on net operating assets	23.2	7.9	-5.2	4.4	12.4	20.2
Pretax profit to assets	18.9	4.4	-7.3	3.3	7.7	6.0
Return on capital employed	22.2	8.3	0.7	6.3	9.8	14.7
Return on equity (2)	35.7	13.7	-3.1	12.5	16.1	17.0
<u>Efficiency (ratios)</u>						
Receivable turnover	13.33	10.14	7.31	10.82	8.20	8.41
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.42	1.43	1.00	1.47	1.39	1.04
Debt to equity	0.14	0.61	2.03	0.66	0.57	0.47
Liabilities to assets	0.47	0.77	1.02	0.81	0.68	0.73
Interest coverage	5.67	2.00	0.58	2.00	2.00	2.58
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	69		31			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	24					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995***Financial Performance Indicators for Canadian Business**

Page : 463

**Industry** 227 - Services to buildings and dwellings**SICE Grouping** 995

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.4	4.3
Accounts receivable	24.4	35.8
Inventory	6.1	6.7
Capital assets	36.5	33.2
Other assets	4.8	5.5
<b>Total operating assets</b>	<b>83.2</b>	<b>85.5</b>
Investments and accounts with affiliates	11.4	11.1
Portfolio investments and loans with non-affiliates	5.4	3.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.0	24.5
Borrowing:		
Banks	14.9	16.1
Short term paper	0.1	0.1
Mortgages	7.0	5.1
Bonds	1.3	1.4
Other loans	6.0	4.7
Amount owing to affiliates	16.7	14.1
Other liabilities	9.6	4.9
Deferred income tax	0.0	1.3
<b>Total liabilities</b>	<b>75.7</b>	<b>72.2</b>
<b>Shareholders' equity</b>		
Share capital	2.9	6.8
Retained earnings	19.7	20.3
Other surplus	1.8	0.8
<b>Total shareholders' equity</b>	<b>24.3</b>	<b>27.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>47.4</b>	<b>56.1</b>
<b>Current liabilities - % of total assets</b>	<b>39.3</b>	<b>50.3</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 464

Industry 228 - Travel services

SICE Grouping 996

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,993					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.8	0.6	-1.4	1.2	0.4	0.4
Pretax profit margin	4.4	0.7	-1.2	1.5	0.4	0.5
Operating profit margin	11.4	3.1	-1.8	3.3	2.6	0.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	359.7	228.4	149.0	223.0	318.6	...
Return on net operating assets	22.9	8.9	-3.7	7.3	9.9	15.7
Pretax profit to assets	15.4	3.8	-7.2	2.8	4.8	6.4
Return on capital employed	20.2	9.2	-1.4	8.6	10.7	11.9
Return on equity (2)	31.8	12.5	1.0	9.6	14.8	16.8
<u>Efficiency (ratios)</u>						
Receivable turnover	10.63	6.34	3.72	6.34	6.09	10.95
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.03	2.04	1.39	2.12	1.55	1.18
Debt to equity	0.21	0.84	2.31	0.87	0.34	0.42
Liabilities to assets	0.42	0.70	0.97	0.69	0.70	0.71
Interest coverage	10.00	2.51	-1.00	1.68	7.83	1.37
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	69		31			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)			19			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 465

Industry 228 - Travel services

SICE Grouping 996

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	28.9	10.0
Accounts receivable	23.2	22.3
Inventory	0.9	2.5
Capital assets	16.0	24.0
Other assets	9.8	10.6
<b>Total operating assets</b>	<b>78.8</b>	<b>69.4</b>
Investments and accounts with affiliates	9.6	13.0
Portfolio investments and loans with non-affiliates	11.6	17.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	28.5	34.6
Borrowing:		
Banks	6.8	4.3
Short term paper	0.2	0.1
Mortgages	1.8	1.2
Bonds	2.2	1.3
Other loans	3.2	0.7
Amount owing to affiliates	21.0	8.9
Other liabilities	6.3	11.3
Deferred income tax	0.1	0.7
<b>Total liabilities</b>	<b>70.3</b>	<b>63.2</b>
<b>Shareholders' equity</b>		
Share capital	14.6	14.2
Retained earnings	13.9	22.4
Other surplus	1.2	0.3
<b>Total shareholders' equity</b>	<b>29.7</b>	<b>36.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>67.4</b>	<b>63.6</b>
<b>Current liabilities - % of total assets</b>	<b>44.4</b>	<b>48.3</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 466

Industry 229 - Other services n.e.c.

SICE Grouping 999

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,524					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.6	2.0	-2.1	1.9	2.4	1.1
Pretax profit margin	11.9	2.6	-1.7	2.4	3.0	1.5
Operating profit margin	16.3	5.5	-1.3	4.3	8.3	0.4
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	306.4	176.7	72.1	155.0	271.1	366.7
Return on net operating assets	26.6	9.4	-2.5	5.8	14.5	5.1
Pretax profit to assets	20.9	4.7	-3.9	3.4	8.1	5.4
Return on capital employed	22.3	8.5	1.3	5.4	18.3	5.5
Return on equity (2)	36.6	13.2	0.4	10.4	22.0	17.2
<u>Efficiency (ratios)</u>						
Receivable turnover	10.80	8.08	3.60	8.62	7.44	7.39
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.49	2.33	1.10	2.52	1.74	1.38
Debt to equity	0.11	0.27	0.94	0.24	0.39	1.03
Liabilities to assets	0.42	0.77	1.00	0.81	0.74	0.77
Interest coverage	8.01	2.45	0.72	1.97	2.45	2.61
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			75	25		
Pretax profit			75	25		
Net profit			74	26		
Percentage of firms with zero or negative equity(2)						19

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 467

Industry 229 - Other services n.e.c.

SICE Grouping 999

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	20.0	14.5
Accounts receivable	13.6	17.6
Inventory	6.4	6.9
Capital assets	33.5	24.5
Other assets	4.3	12.3
<b>Total operating assets</b>	<b>77.9</b>	<b>75.8</b>
Investments and accounts with affiliates	8.4	12.8
Portfolio investments and loans with non-affiliates	13.7	11.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.5	23.1
Borrowing:		
Banks	12.0	11.8
Short term paper	0.1	0.4
Mortgages	3.7	3.1
Bonds	1.0	12.6
Other loans	5.4	5.2
Amount owing to affiliates	13.6	11.4
Other liabilities	5.0	15.2
Deferred income tax	0.5	-0.2
<b>Total liabilities</b>	<b>58.8</b>	<b>82.6</b>
<b>Shareholders' equity</b>		
Share capital	2.9	3.0
Retained earnings	35.4	12.3
Other surplus	2.9	2.2
<b>Total shareholders' equity</b>	<b>41.2</b>	<b>17.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>50.3</b>	<b>51.1</b>
<b>Current liabilities - % of total assets</b>	<b>32.1</b>	<b>44.5</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 468

Industry 230 - Total non-financial

SICE Grouping

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	406,386					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.7	1.7	-2.3	1.6	1.8	1.2
Pretax profit margin	9.5	2.1	-2.1	2.0	2.3	1.6
Operating profit margin	11.2	3.5	-1.0	3.6	3.5	2.4
Gross profit margin	52.0	33.8	21.2	41.5	27.3	19.2
Operating revenue to net operating assets	345.5	204.0	90.0	170.2	262.4	307.3
Return on net operating assets	18.0	7.2	-2.0	5.5	9.7	10.9
Pretax profit to assets	15.2	3.7	-4.0	2.7	5.2	4.7
Return on capital employed	16.3	7.3	0.3	5.9	9.3	9.5
Return on equity (2)	30.0	11.1	-1.0	9.3	13.2	13.1
<u>Efficiency (ratios)</u>						
Receivable turnover	12.22	8.28	5.29	8.43	8.11	7.46
Inventory turnover	11.30	4.93	2.16	4.48	5.40	5.65
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.29	1.72	1.11	1.88	1.56	1.33
Debt to equity	0.24	0.80	2.16	0.79	0.81	1.17
Liabilities to assets	0.41	0.73	0.99	0.75	0.70	0.74
Interest coverage	5.28	1.59	0.16	1.29	2.05	2.38
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	68		32			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	21					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 469

Industry 230 - Total non-financial

SICE Grouping

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.0	4.6
Accounts receivable	12.7	18.2
Inventory	12.7	17.9
Capital assets	40.7	37.9
Other assets	4.3	4.4
<b>Total operating assets</b>	<b>78.3</b>	<b>82.9</b>
Investments and accounts with affiliates	12.7	12.2
Portfolio investments and loans with non-affiliates	8.9	4.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.0	17.2
Borrowing:		
Banks	14.9	14.9
Short term paper	0.4	0.6
Mortgages	8.8	12.7
Bonds	4.7	5.3
Other loans	7.5	6.9
Amount owing to affiliates	19.1	12.6
Other liabilities	4.5	3.5
Deferred income tax	0.7	1.5
<b>Total liabilities</b>	<b>73.7</b>	<b>75.4</b>
<b>Shareholders' equity</b>		
Share capital	9.6	12.8
Retained earnings	13.9	9.5
Other surplus	2.9	2.3
<b>Total shareholders' equity</b>	<b>26.3</b>	<b>24.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>40.0</b>	<b>44.6</b>
<b>Current liabilities - % of total assets</b>	<b>30.3</b>	<b>35.2</b>

Industry 231 - Total mining

SICE Grouping

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,612					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	16.3	4.5	-5.8	4.5	4.3	2.5
Pretax profit margin	20.4	5.8	-4.7	6.1	5.6	3.2
Operating profit margin	24.5	8.1	-3.2	10.7	7.0	8.6
Gross profit margin	63.5	37.4	21.8	49.4	29.9	26.3
Operating revenue to net operating assets	185.5	82.8	34.5	75.0	103.8	73.6
Return on net operating assets	16.9	6.0	-6.4	4.8	6.5	6.2
Pretax profit to assets	18.9	5.4	-3.1	4.7	6.9	4.0
Return on capital employed	15.9	7.1	-0.6	7.1	6.5	6.7
Return on equity (2)	30.3	9.0	-2.5	7.2	13.2	7.9
<u>Efficiency (ratios)</u>						
Receivable turnover	12.00	6.92	3.99	7.16	6.04	6.14
Inventory turnover	17.71	4.67	1.35	3.21	4.97	8.11
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.77	2.12	1.03	2.83	1.36	1.18
Debt to equity	0.14	0.43	1.26	0.43	0.52	0.99
Liabilities to assets	0.19	0.48	0.81	0.45	0.54	0.63
Interest coverage	5.61	1.66	-1.87	1.48	2.68	1.88
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	68		32			
Pretax profit	70		30			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 231 - Total mining  
 SICE Grouping

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.6	7.4
Accounts receivable	9.0	6.2
Inventory	2.4	0.8
Capital assets	45.6	49.3
Other assets	3.7	2.4
<b>Total operating assets</b>	<b>71.4</b>	<b>66.1</b>
Investments and accounts with affiliates	17.8	26.2
Portfolio investments and loans with non-affiliates	10.8	7.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	8.6	5.8
Borrowing:		
Banks	11.3	14.8
Short term paper	0.3	0.2
Mortgages	1.1	0.5
Bonds	3.8	3.0
Other loans	7.9	8.4
Amount owing to affiliates	16.3	13.2
Other liabilities	2.8	2.4
Deferred income tax	1.6	3.4
<b>Total liabilities</b>	<b>53.8</b>	<b>51.8</b>
<b>Shareholders' equity</b>		
Share capital	40.9	37.9
Retained earnings	-7.7	5.7
Other surplus	13.1	4.6
<b>Total shareholders' equity</b>	<b>46.2</b>	<b>48.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>28.5</b>	<b>15.8</b>
<b>Current liabilities - % of total assets</b>	<b>17.3</b>	<b>11.7</b>

Industry 232 - Total manufacturing

SICE Grouping

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	30,089					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.7	2.2	-1.7	1.2	2.8	2.2
Pretax profit margin	8.0	2.6	-1.5	1.4	3.4	2.7
Operating profit margin	9.1	3.7	-0.4	2.9	4.2	3.6
Gross profit margin	48.0	32.5	21.7	41.1	28.1	22.2
Operating revenue to net operating assets	361.2	238.1	141.2	206.2	266.1	284.3
Return on net operating assets	20.3	8.9	-0.8	5.1	11.3	12.7
Pretax profit to assets	15.2	5.0	-2.9	2.4	6.9	6.0
Return on capital employed	17.8	8.6	0.7	5.5	10.5	10.6
Return on equity (2)	30.4	12.6	0.7	8.4	15.0	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	10.93	7.64	5.52	8.21	7.41	7.02
Inventory turnover	13.48	6.78	3.39	7.18	6.54	6.17
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.89	1.65	1.14	1.67	1.64	1.45
Debt to equity	0.24	0.78	2.00	0.86	0.71	1.02
Liabilities to assets	0.40	0.68	0.94	0.74	0.64	0.66
Interest coverage	6.50	2.00	0.33	1.32	2.61	3.12
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	17					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 473

Industry 232 - Total manufacturing

SICE Grouping

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.4	5.3
Accounts receivable	21.4	25.7
Inventory	17.6	21.2
Capital assets	31.5	25.7
Other assets	4.9	4.6
<b>Total operating assets</b>	<b>83.8</b>	<b>82.5</b>
Investments and accounts with affiliates	10.4	12.9
Portfolio investments and loans with non-affiliates	5.8	4.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.1	22.9
Borrowing:		
Banks	15.3	14.7
Short term paper	0.2	0.3
Mortgages	3.5	2.0
Bonds	3.0	3.0
Other loans	6.9	6.1
Amount owing to affiliates	16.6	11.5
Other liabilities	3.5	3.3
Deferred income tax	0.8	1.5
<b>Total liabilities</b>	<b>66.8</b>	<b>65.2</b>
<b>Shareholders' equity</b>		
Share capital	10.1	15.1
Retained earnings	21.4	17.7
Other surplus	1.7	2.0
<b>Total shareholders' equity</b>	<b>33.2</b>	<b>34.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>54.1</b>	<b>58.7</b>
<b>Current liabilities - % of total assets</b>	<b>36.0</b>	<b>41.7</b>

Industry 233 - Total construction and real estate

SICE Grouping

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	84,723					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.0	1.5	-3.8	1.3	1.9	1.4
Pretax profit margin	10.1	1.9	-3.4	1.7	2.4	1.7
Operating profit margin	17.6	4.5	-1.2	5.4	3.8	2.4
Gross profit margin	44.5	27.0	15.8	33.3	19.9	12.1
Operating revenue to net operating assets	305.8	128.1	30.6	107.0	233.8	250.6
Return on net operating assets	18.1	7.0	-1.4	6.1	8.9	9.5
Pretax profit to assets	12.2	2.1	-4.0	1.4	4.1	3.8
Return on capital employed	15.6	6.9	0.7	6.2	8.6	8.5
Return on equity (2)	25.2	7.8	-3.1	6.0	11.6	12.2
<u>Efficiency (ratios)</u>						
Receivable turnover	11.56	7.84	4.65	8.02	7.17	6.08
Inventory turnover	16.38	7.50	2.67	7.20	8.21	11.51
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.32	1.65	1.08	1.74	1.47	1.27
Debt to equity	0.25	0.88	2.27	0.87	0.89	1.37
Liabilities to assets	0.43	0.75	1.00	0.77	0.72	0.79
Interest coverage	4.88	1.30	0.30	1.15	1.80	2.28
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 233 - Total construction and real estate  
**SICE Grouping**

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.7	2.3
Accounts receivable	8.1	10.2
Inventory	8.9	8.0
Capital assets	51.5	61.5
Other assets	2.6	2.6
<b>Total operating assets</b>	<b>76.9</b>	<b>84.7</b>
Investments and accounts with affiliates	14.6	9.5
Portfolio investments and loans with non-affiliates	8.5	5.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	8.9	9.9
Borrowing:		
Banks	15.1	9.9
Short term paper	0.5	0.7
Mortgages	19.0	39.3
Bonds	6.2	6.3
Other loans	7.9	4.7
Amount owing to affiliates	22.1	11.7
Other liabilities	3.6	3.2
Deferred income tax	0.7	1.9
<b>Total liabilities</b>	<b>84.0</b>	<b>87.7</b>
<b>Shareholders' equity</b>		
Share capital	8.1	8.9
Retained earnings	5.1	0.6
Other surplus	2.8	2.8
<b>Total shareholders' equity</b>	<b>16.0</b>	<b>12.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>28.1</b>	<b>20.3</b>
<b>Current liabilities - % of total assets</b>	<b>25.1</b>	<b>18.3</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 476

Industry 234 - Total transportation, storage, communications and utilities

SICE Grouping

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	21,736					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.8	2.2	-2.5	2.0	2.5	1.6
Pretax profit margin	9.5	2.7	-2.3	2.4	3.1	2.0
Operating profit margin	11.0	3.8	-0.9	3.7	4.2	3.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	312.8	193.5	117.0	177.7	215.7	253.6
Return on net operating assets	19.3	9.1	-1.1	7.6	12.0	11.5
Pretax profit to assets	15.6	4.6	-4.3	3.7	5.9	4.9
Return on capital employed	17.6	9.0	1.3	7.7	11.0	10.1
Return on equity (2)	32.6	13.3	-1.3	12.1	14.6	16.0
<u>Efficiency (ratios)</u>						
Receivable turnover	13.49	9.36	6.30	9.70	8.78	7.99
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.05	1.55	1.00	1.92	1.30	1.05
Debt to equity	0.32	0.95	2.21	0.91	0.97	1.44
Liabilities to assets	0.46	0.75	0.98	0.78	0.70	0.78
Interest coverage	5.74	2.13	0.41	1.85	2.56	2.55
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 234 - Total transportation, storage, communications and utilities  
**SICE Grouping**

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.6	4.9
Accounts receivable	17.1	21.7
Inventory	2.0	2.7
Capital assets	50.3	42.7
Other assets	5.3	8.6
<b>Total operating assets</b>	<b>83.3</b>	<b>80.4</b>
Investments and accounts with affiliates	11.8	16.5
Portfolio investments and loans with non-affiliates	4.9	3.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	15.5	18.0
Borrowing:		
Banks	17.6	17.6
Short term paper	0.3	0.5
Mortgages	2.3	2.0
Bonds	3.6	5.1
Other loans	9.7	8.5
Amount owing to affiliates	16.9	15.6
Other liabilities	21.4	4.3
Deferred income tax	1.1	2.2
<b>Total liabilities</b>	<b>88.3</b>	<b>73.7</b>
<b>Shareholders' equity</b>		
Share capital	7.2	12.9
Retained earnings	1.8	9.1
Other surplus	2.7	4.3
<b>Total shareholders' equity</b>	<b>11.7</b>	<b>26.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>34.4</b>	<b>36.0</b>
<b>Current liabilities - % of total assets</b>	<b>33.7</b>	<b>36.6</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 478

Industry 235 - Total wholesale trade

SICE Grouping

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	40,137					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.3	1.5	-1.4	1.2	1.6	1.2
Pretax profit margin	6.6	1.8	-1.2	1.5	2.0	1.6
Operating profit margin	6.9	2.5	-0.9	2.3	2.6	2.6
Gross profit margin	41.3	29.0	19.2	35.6	25.9	19.3
Operating revenue to net operating assets	389.1	262.7	164.1	221.6	306.6	324.9
Return on net operating assets	17.5	7.4	-0.4	6.3	8.5	11.0
Pretax profit to assets	14.5	4.3	-3.0	2.6	5.3	5.0
Return on capital employed	14.7	6.8	0.3	5.1	8.2	9.6
Return on equity (2)	30.4	12.0	1.0	9.4	13.3	13.2
<u>Efficiency (ratios)</u>						
Receivable turnover	11.66	8.25	5.68	8.44	8.08	7.55
Inventory turnover	10.93	5.23	3.01	5.69	4.94	5.69
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.43	1.73	1.16	2.00	1.62	1.41
Debt to equity	0.25	0.82	2.33	0.96	0.81	1.03
Liabilities to assets	0.43	0.73	0.97	0.78	0.70	0.73
Interest coverage	6.49	1.95	0.50	1.14	2.41	2.68
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	70		30			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	20					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 479

**Industry** 235 - Total wholesale trade**SICE Grouping**

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.9	6.1
Accounts receivable	24.6	32.9
Inventory	27.1	33.1
Capital assets	19.4	13.9
Other assets	3.6	3.8
<b>Total operating assets</b>	<b>83.7</b>	<b>89.8</b>
Investments and accounts with affiliates	10.1	7.1
Portfolio investments and loans with non-affiliates	6.3	3.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.9	26.7
Borrowing:		
Banks	15.9	16.3
Short term paper	0.1	0.4
Mortgages	3.0	1.9
Bonds	1.5	3.0
Other loans	5.6	4.7
Amount owing to affiliates	18.1	14.4
Other liabilities	3.9	3.5
Deferred income tax	0.3	0.2
<b>Total liabilities</b>	<b>69.2</b>	<b>71.1</b>
<b>Shareholders' equity</b>		
Share capital	6.8	8.5
Retained earnings	22.5	19.0
Other surplus	1.5	1.3
<b>Total shareholders' equity</b>	<b>30.8</b>	<b>28.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>67.8</b>	<b>75.9</b>
<b>Current liabilities - % of total assets</b>	<b>42.9</b>	<b>53.2</b>

Industry 236 - Total retail trade  
 SICE Grouping

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	73,694					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.4	0.6	-2.3	0.2	0.9	0.7
Pretax profit margin	4.0	0.8	-2.1	0.3	1.1	0.9
Operating profit margin	5.4	1.8	-1.0	1.4	1.9	1.3
Gross profit margin	45.3	32.3	21.5	38.9	26.7	18.2
Operating revenue to net operating assets	385.7	273.3	158.1	219.8	317.1	383.0
Return on net operating assets	16.3	6.8	-2.0	4.3	9.7	9.1
Pretax profit to assets	10.3	2.0	-6.0	0.5	3.5	3.7
Return on capital employed	14.6	6.6	-0.8	4.0	8.6	8.8
Return on equity (2)	24.7	8.9	-2.7	6.7	10.4	11.5
<u>Efficiency (ratios)</u>						
Receivable turnover	15.50	11.46	7.65	10.81	12.42	12.26
Inventory turnover	13.27	5.83	2.63	5.00	6.77	5.47
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.13	1.71	1.13	1.92	1.57	1.21
Debt to equity	0.25	0.76	2.18	0.72	0.81	1.58
Liabilities to assets	0.48	0.80	1.03	0.88	0.73	0.79
Interest coverage	3.75	1.27	-0.31	1.00	1.66	1.69
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	66		34			
Net profit	66		34			
Percentage of firms with zero or negative equity(2)			21			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 236 - Total retail trade  
 SICE Grouping

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.2	4.5
Accounts receivable	9.1	9.4
Inventory	32.9	50.9
Capital assets	30.7	23.2
Other assets	3.9	3.1
<b>Total operating assets</b>	<b>85.7</b>	<b>91.0</b>
Investments and accounts with affiliates	8.2	5.0
Portfolio investments and loans with non-affiliates	6.0	4.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.1	20.5
Borrowing:		
Banks	17.3	22.4
Short term paper	0.2	1.7
Mortgages	5.6	3.7
Bonds	2.5	10.2
Other loans	8.4	12.8
Amount owing to affiliates	16.1	8.2
Other liabilities	2.3	2.7
Deferred income tax	0.2	0.3
<b>Total liabilities</b>	<b>70.6</b>	<b>82.4</b>
<b>Shareholders' equity</b>		
Share capital	3.8	4.3
Retained earnings	23.7	12.2
Other surplus	1.9	1.2
<b>Total shareholders' equity</b>	<b>29.4</b>	<b>17.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>57.1</b>	<b>69.3</b>
<b>Current liabilities - % of total assets</b>	<b>37.5</b>	<b>57.2</b>

Industry 237 - Total services

SICE Grouping

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	125,256					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	11.5	2.6	-2.0	2.7	2.5	1.5
Pretax profit margin	14.5	3.3	-1.8	3.4	3.1	1.9
Operating profit margin	13.6	4.2	-1.2	4.1	4.3	2.6
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	363.2	221.7	107.1	211.1	252.7	238.7
Return on net operating assets	19.9	7.0	-4.3	5.0	9.7	11.2
Pretax profit to assets	23.1	5.8	-4.1	5.2	7.1	5.4
Return on capital employed	18.2	8.0	-0.7	7.0	10.4	9.5
Return on equity (2)	38.2	15.5	1.2	14.5	17.6	16.8
<u>Efficiency (ratios)</u>						
Receivable turnover	11.81	7.65	4.54	7.60	7.65	7.05
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.43	1.76	1.11	1.85	1.48	1.21
Debt to equity	0.18	0.67	2.02	0.67	0.67	0.77
Liabilities to assets	0.37	0.72	1.00	0.72	0.72	0.77
Interest coverage	6.18	1.66	-0.20	1.45	2.00	1.88
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	73		27			
Pretax profit	70		30			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 237 - Total services

**SICE Grouping**

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.6	5.7
Accounts receivable	12.7	16.2
Inventory	3.5	5.4
Capital assets	39.7	38.2
Other assets	5.7	8.1
<b>Total operating assets</b>	<b>72.2</b>	<b>73.6</b>
Investments and accounts with affiliates	16.6	21.3
Portfolio investments and loans with non-affiliates	11.2	5.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	14.0	15.3
Borrowing:		
Banks	14.2	18.7
Short term paper	0.4	0.8
Mortgages	5.7	6.6
Bonds	4.1	6.5
Other loans	7.8	9.2
Amount owing to affiliates	19.1	15.0
Other liabilities	5.4	4.7
Deferred income tax	0.4	1.4
<b>Total liabilities</b>	<b>71.2</b>	<b>78.2</b>
<b>Shareholders' equity</b>		
Share capital	10.7	18.4
Retained earnings	14.5	1.3
Other surplus	3.5	2.1
<b>Total shareholders' equity</b>	<b>28.8</b>	<b>21.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>36.2</b>	<b>33.7</b>
<b>Current liabilities - % of total assets</b>	<b>30.7</b>	<b>31.9</b>









**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 51

Industry 21 - Service industries incidental to mining

SICE Grouping 092

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.3	1.9
Accounts receivable	6.5	15.6
Inventory	2.0	5.2
Capital assets	38.1	69.6
Other assets	2.1	3.4
<b>Total operating assets</b>	<b>59.0</b>	<b>95.7</b>
Investments and accounts with affiliates	29.1	2.7
Portfolio investments and loans with non-affiliates	11.9	1.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	7.3	18.2
Borrowing:		
Banks	5.6	27.0
Short term paper	0.1	0.0
Mortgages	0.9	2.1
Bonds	2.9	2.9
Other loans	3.1	25.4
Amount owing to affiliates	20.1	1.7
Other liabilities	2.8	1.7
Deferred income tax	-0.4	1.0
<b>Total liabilities</b>	<b>42.4</b>	<b>80.2</b>
<b>Shareholders' equity</b>		
Share capital	62.0	10.8
Retained earnings	-5.7	8.6
Other surplus	1.3	0.3
<b>Total shareholders' equity</b>	<b>57.6</b>	<b>19.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	23.1	24.5
Current liabilities - % of total assets	13.2	28.0

Industry 22 - Meat and poultry products industries

SICE Grouping 101

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	380					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.7	0.9	-2.0	-0.6	1.4	1.1
Pretax profit margin	4.5	1.1	-1.9	-0.5	1.6	1.3
Operating profit margin	6.9	2.2	-0.1	5.2	2.1	1.2
Gross profit margin	40.5	28.5	18.4	39.4	22.7	14.0
Operating revenue to net operating assets	402.0	234.4	108.2	234.4	192.1	235.5
Return on net operating assets	22.4	5.3	-2.5	0.2	5.7	8.1
Pretax profit to assets	12.0	3.4	-3.9	-0.7	5.2	6.1
Return on capital employed	21.9	5.9	1.7	4.2	10.9	7.5
Return on equity (2)	23.6	8.8	-2.3	-0.6	12.3	12.6
<u>Efficiency (ratios)</u>						
Receivable turnover	...	11.38	...	...	12.16	14.17
Inventory turnover	...	15.37	...	...	15.45	20.54
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.83	1.71	1.08	...	1.71	1.34
Debt to equity	...	0.56	...	...	0.32	0.92
Liabilities to assets	0.36	0.71	1.00	0.75	0.70	0.64
Interest coverage	9.25	2.31	0.48	...	6.75	1.03
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	67		33			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 53

Industry 22 - Meat and poultry products industries

SICE Grouping 101

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.9	1.0
Accounts receivable	13.4	21.1
Inventory	4.6	11.5
Capital assets	51.4	56.6
Other assets	2.8	3.4
<b>Total operating assets</b>	<b>76.1</b>	<b>93.6</b>
Investments and accounts with affiliates	4.7	6.1
Portfolio investments and loans with non-affiliates	19.1	0.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	8.6	14.6
Borrowing:		
Banks	16.0	28.4
Short term paper	0.2	0.2
Mortgages	5.5	2.0
Bonds	2.6	2.0
Other loans	4.1	8.2
Amount owing to affiliates	27.1	5.4
Other liabilities	2.1	4.5
Deferred income tax	1.5	2.2
<b>Total liabilities</b>	<b>67.6</b>	<b>67.4</b>
<b>Shareholders' equity</b>		
Share capital	2.0	16.3
Retained earnings	30.3	11.7
Other surplus	0.0	4.6
<b>Total shareholders' equity</b>	<b>32.4</b>	<b>32.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	31.7	34.9
Current liabilities - % of total assets	34.2	32.5

Industry 23 - Fish products industry

SICE Grouping 102

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	324					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.8	1.2	-2.8	0.4	1.2	1.7
Pretax profit margin	6.3	1.3	-2.7	0.5	1.4	1.9
Operating profit margin	11.0	2.2	0.0	6.2	2.2	1.8
Gross profit margin	31.5	18.0	8.9	30.9	14.4	12.6
Operating revenue to net operating assets	396.2	184.6	132.0	108.9	209.0	305.3
Return on net operating assets	17.0	9.7	-0.1	...	9.7	4.9
Pretax profit to assets	13.7	3.6	-7.5	0.8	4.9	6.5
Return on capital employed	22.9	12.3	3.4	...	8.7	5.4
Return on equity (2)	33.3	11.3	-1.9	6.8	12.3	15.1
<u>Efficiency (ratios)</u>						
Receivable turnover	14.65	7.02	3.48	...	8.18	11.16
Inventory turnover	12.15	8.36	2.20	...	8.86	13.84
<u>Liquidity/Solvency (ratios)</u>						
Working capital	7.86	1.91	1.25	9.63	1.40	1.75
Debt to equity	0.09	0.51	1.14	...	0.80	0.72
Liabilities to assets	0.36	0.65	0.95	0.79	0.63	0.63
Interest coverage	4.62	1.81	0.33	...	1.58	2.62
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	78		22			
Pretax profit	70		30			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)			16			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 23 - Fish products industry  
 SICE Grouping 102

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	19.2	4.7
Accounts receivable	11.6	14.5
Inventory	10.2	15.8
Capital assets	30.4	47.9
Other assets	5.0	7.6
<b>Total operating assets</b>	<b>76.4</b>	<b>90.5</b>
Investments and accounts with affiliates	14.6	7.7
Portfolio investments and loans with non-affiliates	9.0	1.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	10.5	7.8
Borrowing:		
Banks	17.0	23.2
Short term paper	0.6	0.6
Mortgages	1.1	2.3
Bonds	6.4	7.0
Other loans	5.8	12.9
Amount owing to affiliates	7.9	8.9
Other liabilities	3.2	7.8
Deferred income tax	0.9	1.0
<b>Total liabilities</b>	<b>53.4</b>	<b>71.4</b>
<b>Shareholders' equity</b>		
Share capital	3.5	5.2
Retained earnings	41.4	21.4
Other surplus	1.7	2.0
<b>Total shareholders' equity</b>	<b>46.6</b>	<b>28.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>55.4</b>	<b>43.2</b>
<b>Current liabilities - % of total assets</b>	<b>35.0</b>	<b>29.6</b>

Industry 24 - Flour, prepared cereal food and feed industries

SICE Grouping 105

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	303					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.2	1.4	-1.1	-0.6	1.8	1.3
Pretax profit margin	5.6	1.9	-1.0	-0.4	2.1	1.5
Operating profit margin	5.4	4.2	2.1	...	4.2	2.0
Gross profit margin	28.0	20.5	15.1	27.6	19.1	15.7
Operating revenue to net operating assets	...	182.7	...	...	182.7	345.2
Return on net operating assets	...	9.4	...	...	8.3	11.0
Pretax profit to assets	11.6	4.1	-1.9	-0.8	6.0	4.2
Return on capital employed	16.5	11.4	7.0	...	9.9	8.4
Return on equity (2)	23.4	8.6	0.7	2.4	9.8	10.8
<u>Efficiency (ratios)</u>						
Receivable turnover	...	12.44	...	...	11.49	8.86
Inventory turnover	...	4.40	...	...	4.59	10.76
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.76	...	...	1.45	1.71
Debt to equity	...	1.00	...	...	0.77	0.75
Liabilities to assets	0.36	0.59	0.83	0.54	0.61	0.64
Interest coverage	...	5.74	...	...	4.09	3.64
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			69	31		
Pretax profit			75	25		
Net profit			75	25		
Percentage of firms with zero or negative equity(2)				...		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 57

**Industry** 24 - Flour, prepared cereal food and feed industries**SICE Grouping** 105

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.3	2.0
Accounts receivable	16.0	23.9
Inventory	18.7	20.7
Capital assets	21.2	28.3
Other assets	2.6	4.4
<b>Total operating assets</b>	<b>70.8</b>	<b>79.3</b>
Investments and accounts with affiliates	14.0	13.7
Portfolio investments and loans with non-affiliates	15.2	7.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	11.3	17.1
Borrowing:		
Banks	11.7	14.7
Short term paper	0.5	0.6
Mortgages	1.0	1.8
Bonds	5.4	7.3
Other loans	8.7	5.0
Amount owing to affiliates	8.8	7.3
Other liabilities	2.4	1.8
Deferred income tax	0.5	1.7
<b>Total liabilities</b>	<b>50.1</b>	<b>57.3</b>
<b>Shareholders' equity</b>		
Share capital	11.4	5.5
Retained earnings	36.7	37.1
Other surplus	1.8	0.1
<b>Total shareholders' equity</b>	<b>49.9</b>	<b>42.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	51.9	55.6
Current liabilities - % of total assets	23.3	35.8

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 58

Industry 25 - Bakery products industries  
SICE Grouping 107

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	497					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.7	0.3	-3.4	0.2	0.3	1.3
Pretax profit margin	4.2	0.4	-3.2	0.3	0.5	1.6
Operating profit margin	7.7	1.6	-2.3	0.2	1.6	0.9
Gross profit margin	59.8	40.6	26.7	49.9	34.0	27.7
Operating revenue to net operating assets	533.6	336.7	96.3	208.8	371.8	278.0
Return on net operating assets	23.8	3.6	-4.2	3.6	2.6	8.2
Pretax profit to assets	9.4	1.0	-8.5	0.7	1.1	4.3
Return on capital employed	22.8	4.3	-0.4	5.1	2.7	4.0
Return on equity (2)	21.6	5.6	-7.9	4.7	6.2	10.2
<u>Efficiency (ratios)</u>						
Receivable turnover	17.48	14.09	11.03	...	11.03	10.40
Inventory turnover	21.51	18.29	13.71	17.35	19.46	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.79	1.67	1.16	1.29	1.73	1.13
Debt to equity	0.21	0.85	2.64	1.59	0.38	0.77
Liabilities to assets	0.40	0.72	1.01	0.76	0.66	0.64
Interest coverage	3.55	0.92	-0.85	1.18	0.70	2.81
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	70		30			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 59

Industry 25 - Bakery products industries

SICE Grouping 107

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.4	1.8
Accounts receivable	4.6	24.2
Inventory	5.5	10.8
Capital assets	40.5	37.5
Other assets	11.1	6.9
<b>Total operating assets</b>	<b>70.1</b>	<b>81.3</b>
Investments and accounts with affiliates	16.9	7.0
Portfolio investments and loans with non-affiliates	12.9	11.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	9.2	16.8
Borrowing:		
Banks	12.8	16.1
Short term paper	0.0	0.5
Mortgages	6.0	5.2
Bonds	0.3	5.6
Other loans	5.2	9.8
Amount owing to affiliates	18.0	4.1
Other liabilities	0.9	1.4
Deferred income tax	1.3	1.6
<b>Total liabilities</b>	<b>53.9</b>	<b>61.0</b>
<b>Shareholders' equity</b>		
Share capital	5.2	8.7
Retained earnings	40.5	29.7
Other surplus	0.4	0.6
<b>Total shareholders' equity</b>	<b>46.1</b>	<b>39.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>29.9</b>	<b>52.2</b>
<b>Current liabilities - % of total assets</b>	<b>20.6</b>	<b>32.5</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 60

Industry 26 - Other food products industries

SICE Grouping 109

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	370					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.6	1.3	-2.4	-0.2	2.0	1.3
Pretax profit margin	5.7	1.5	-2.2	0.0	2.3	1.7
Operating profit margin	7.7	5.0	3.3	...	4.5	2.5
Gross profit margin	50.5	32.3	20.8	42.9	28.2	21.0
Operating revenue to net operating assets	376.0	314.1	180.9	...	314.1	368.9
Return on net operating assets	29.3	12.9	9.4	...	9.4	21.4
Pretax profit to assets	12.3	3.1	-3.9	-0.5	5.1	4.3
Return on capital employed	21.7	10.4	5.2	...	7.8	10.6
Return on equity (2)	31.1	11.9	1.1	4.7	13.5	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	11.10	...	...	8.36	11.46
Inventory turnover	...	5.97	...	...	7.20	7.99
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.95	5.07	1.46	...	5.07	1.31
Debt to equity	...	0.93	...	...	0.93	1.30
Liabilities to assets	0.45	0.77	1.01	0.93	0.72	0.69
Interest coverage	...	2.40	...	...	1.86	2.95
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)	25					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 61

Industry 26 - Other food products industries

SICE Grouping 109

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.3	5.7
Accounts receivable	12.9	21.2
Inventory	13.6	16.6
Capital assets	50.6	27.5
Other assets	1.4	1.9
<b>Total operating assets</b>	<b>83.9</b>	<b>72.9</b>
Investments and accounts with affiliates	10.5	17.8
Portfolio investments and loans with non-affiliates	5.6	9.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.3	20.6
Borrowing:		
Banks	12.3	8.3
Short term paper	0.8	0.3
Mortgages	3.9	0.9
Bonds	9.1	3.8
Other loans	5.4	3.4
Amount owing to affiliates	40.1	27.6
Other liabilities	3.1	1.9
Deferred income tax	0.1	0.7
<b>Total liabilities</b>	<b>88.0</b>	<b>67.6</b>
<b>Shareholders' equity</b>		
Share capital	14.5	8.7
Retained earnings	-2.5	22.2
Other surplus	-	1.4
<b>Total shareholders' equity</b>	<b>12.0</b>	<b>32.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>35.2</b>	<b>53.7</b>
<b>Current liabilities - % of total assets</b>	<b>25.7</b>	<b>41.3</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 62

Industry 27 - Soft drink industry

SICE Grouping 111

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	75					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.8	1.2	-4.5	4.4	1.1	2.2
Pretax profit margin	9.9	1.9	-4.5	8.9	1.8	2.7
Operating profit margin	9.5	0.4	-14.3	5.9	-2.1	2.4
Gross profit margin	49.6	35.5	23.9	63.7	31.6	32.6
Operating revenue to net operating assets	288.8	71.3	22.8	26.7	288.8	222.6
Return on net operating assets	7.9	1.7	-17.5	-1.6	3.8	15.5
Pretax profit to assets	9.6	2.1	-8.0	2.1	1.8	4.5
Return on capital employed	7.4	1.7	-13.7	-1.0	6.5	12.0
Return on equity (2)	19.5	4.9	-0.6	4.8	4.9	9.7
<u>Efficiency (ratios)</u>						
Receivable turnover	...	8.60	...	...	11.89	10.41
Inventory turnover	...	4.89	...	...	7.42	12.95
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.82	1.02	0.83	1.37	1.02	1.59
Debt to equity	...	0.77	...	...	0.61	...
Liabilities to assets	0.25	0.54	1.01	0.67	0.50	0.60
Interest coverage	...	0.09	...	...	0.79	1.63
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 27 - Soft drink industry  
**SICE Grouping** 111

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.8	3.8
Accounts receivable	15.1	26.0
Inventory	17.0	14.6
Capital assets	33.0	33.1
Other assets	9.8	3.4
<b>Total operating assets</b>	<b>85.7</b>	<b>80.9</b>
Investments and accounts with affiliates	14.3	16.8
Portfolio investments and loans with non-affiliates	0.1	2.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	23.1	19.2
Borrowing:		
Banks	7.7	23.7
Short term paper	0.1	-
Mortgages	4.6	0.9
Bonds	1.6	-
Other loans	2.9	14.7
Amount owing to affiliates	53.6	6.8
Other liabilities	2.3	4.0
Deferred income tax	0.2	1.9
<b>Total liabilities</b>	<b>96.2</b>	<b>71.2</b>
<b>Shareholders' equity</b>		
Share capital	26.1	6.2
Retained earnings	-25.2	22.4
Other surplus	3.0	0.2
<b>Total shareholders' equity</b>	<b>3.8</b>	<b>28.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>43.8</b>	<b>44.3</b>
<b>Current liabilities - % of total assets</b>	<b>49.1</b>	<b>37.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 64

Industry 28 - Brewery products industry  
SICE Grouping 113

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	90					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.2	-3.1	-14.6	-5.6	0.2	1.1
Pretax profit margin	3.5	-3.1	-14.6	-5.6	0.2	1.5
Operating profit margin	7.9	2.0	-5.4	-2.0	5.3	3.2
Gross profit margin	62.9	55.3	41.9	55.8	43.4	56.0
Operating revenue to net operating assets	...	218.0	...	218.5	172.5	312.9
Return on net operating assets	...	-7.4	...	-13.9	15.0	9.3
Pretax profit to assets	5.4	-4.1	-21.1	-9.4	0.4	2.7
Return on capital employed	15.3	4.5	-7.0	-6.0	13.9	6.3
Return on equity (2)	26.8	6.3	-26.6	6.5	1.9	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	2.30	...	...	...	11.95
Inventory turnover	...	7.66	...	7.69	3.18	4.63
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.81	...	1.89	1.44	0.78
Debt to equity	...	0.54	...	...	...	0.78
Liabilities to assets	0.83	1.04	1.38	1.16	0.80	0.70
Interest coverage	...	1.43	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 65

Industry 28 - Brewery products industry

SICE Grouping 113

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.3	1.7
Accounts receivable	10.1	15.5
Inventory	11.9	21.4
Capital assets	64.5	58.3
Other assets	5.9	3.1
<b>Total operating assets</b>	<b>95.7</b>	<b>100.0</b>
Investments and accounts with affiliates	4.1	0.0
Portfolio investments and loans with non-affiliates	0.3	-
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.6	22.6
Borrowing:		
Banks	16.4	18.2
Short term paper	0.4	0.1
Mortgages	3.5	4.2
Bonds	4.7	1.6
Other loans	8.1	8.6
Amount owing to affiliates	22.3	4.0
Other liabilities	2.5	0.9
Deferred income tax	1.1	2.5
<b>Total liabilities</b>	<b>72.4</b>	<b>62.7</b>
<b>Shareholders' equity</b>		
Share capital	31.3	33.2
Retained earnings	-4.2	4.1
Other surplus	0.4	-
<b>Total shareholders' equity</b>	<b>27.6</b>	<b>37.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>27.4</b>	<b>40.2</b>
<b>Current liabilities - % of total assets</b>	<b>27.2</b>	<b>36.7</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 66

Industry 29 - Wine industry

SICE Grouping 114

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	42					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	11.2	5.5	0.7	3.7	6.8	2.9
Pretax profit margin	12.3	6.9	1.1	5.7	8.6	4.9
Operating profit margin	...	12.7	...	...	12.7	6.1
Gross profit margin	58.5	48.9	41.1	54.9	45.0	...
Operating revenue to net operating assets	...	130.7	...	...	130.7	173.5
Return on net operating assets	...	16.5	...	...	16.5	8.7
Pretax profit to assets	13.9	6.8	0.6	4.8	7.0	4.4
Return on capital employed	...	10.5	...	...	10.5	7.5
Return on equity (2)	41.3	26.5	10.3	32.2	13.9	3.9
<u>Efficiency (ratios)</u>						
Receivable turnover	...	8.12	...	...	6.33	7.41
Inventory turnover	...	1.81	...	...	1.81	1.75
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.52	...	...	4.58	1.44
Debt to equity	...	1.45	...	...	1.35	0.60
Liabilities to assets	0.55	0.77	0.96	0.81	0.72	0.26
Interest coverage	...	2.02	...	...	1.82	3.24
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>			<u>Firms with losses (%)</u>		
Operating profit	60			40		
Pretax profit	60			40		
Net profit	60			40		
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 29 - Wine industry  
 SICE Grouping 114

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.1	2.1
Accounts receivable	7.1	15.2
Inventory	31.6	44.3
Capital assets	46.0	30.6
Other assets	3.4	2.7
<i>Total operating assets</i>	<i>92.1</i>	<i>94.8</i>
Investments and accounts with affiliates	1.3	5.2
Portfolio investments and loans with non-affiliates	6.6	0.0
<i>Total assets</i>	<i>100.0</i>	<i>100.0</i>
<b>Liabilities</b>		
Accounts payable	8.9	23.9
Borrowing:		
Banks	15.9	12.9
Short term paper	0.3	-
Mortgages	7.8	5.1
Bonds	3.3	-
Other loans	6.8	0.5
Amount owing to affiliates	24.9	13.3
Other liabilities	0.4	1.3
Deferred income tax	0.5	5.3
<i>Total liabilities</i>	<i>68.9</i>	<i>62.3</i>
<b>Shareholders' equity</b>		
Share capital	12.6	14.2
Retained earnings	18.5	15.9
Other surplus	-	7.6
<i>Total shareholders' equity</i>	<i>31.1</i>	<i>37.7</i>
<i>Total liabilities and shareholders' equity</i>	<i>100.0</i>	<i>100.0</i>
<b>Current assets - % of total assets</b>	<b>49.9</b>	<b>62.1</b>
<b>Current liabilities - % of total assets</b>	<b>24.6</b>	<b>42.1</b>

Industry 30 - Rubber hose and belting industry

SICE Grouping 152

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	22					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.8	4.1	1.6	...	2.8	...
Pretax profit margin	7.3	4.8	1.9	...	3.7	...
Operating profit margin	...	6.2	...	...	5.6	...
Gross profit margin	45.4	39.2	29.6	...	35.9	...
Operating revenue to net operating assets	...	205.1	...	...	278.0	...
Return on net operating assets	...	19.0	...	...	19.0	...
Pretax profit to assets	11.6	8.1	5.4	...	8.6	...
Return on capital employed	...	17.7	...	...	22.1	...
Return on equity (2)	29.6	13.1	6.3	...	14.5	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	5.71	...	...	7.54	...
Inventory turnover	...	8.49	...	...	9.60	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.79	...	...	1.79	...
Debt to equity	...	...	...	...	...	...
Liabilities to assets	0.35	0.61	0.81	...	0.67	...
Interest coverage	...	...	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 69

Industry 30 - Rubber hose and belting industry

SICE Grouping 152

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.1	-
Accounts receivable	34.0	-
Inventory	23.4	-
Capital assets	29.1	-
Other assets	1.5	-
<b>Total operating assets</b>	<b>97.1</b>	<b>-</b>
Investments and accounts with affiliates	2.9	-
Portfolio investments and loans with non-affiliates	0.0	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	26.9	-
Borrowing:		
Banks	17.0	-
Short term paper	-	-
Mortgages	-	-
Bonds	-	-
Other loans	5.6	-
Amount owing to affiliates	5.1	-
Other liabilities	1.2	-
Deferred income tax	0.1	-
<b>Total liabilities</b>	<b>56.0</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	1.4	-
Retained earnings	36.2	-
Other surplus	6.4	-
<b>Total shareholders' equity</b>	<b>44.0</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>68.8</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>47.8</b>	<b>-</b>

Industry 31 - Other rubber products industries

SICE Grouping 159

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	86					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.0	3.8	-1.3	0.2	4.9	3.5
Pretax profit margin	11.8	4.7	-1.1	-0.4	6.4	3.8
Operating profit margin	13.6	7.2	4.3	...	8.0	1.4
Gross profit margin	44.0	33.5	23.7	38.4	32.8	22.7
Operating revenue to net operating assets	310.2	181.7	102.9	...	218.5	299.5
Return on net operating assets	19.7	14.1	7.1	...	16.0	4.4
Pretax profit to assets	19.0	6.9	-1.4	1.2	10.8	14.2
Return on capital employed	14.0	12.0	4.3	...	13.6	7.8
Return on equity (2)	36.3	15.5	4.5	27.7	14.6	19.9
<u>Efficiency (ratios)</u>						
Receivable turnover	8.71	6.32	4.97	...	6.32	5.53
Inventory turnover	10.52	5.34	3.36	...	5.34	8.32
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.46	1.65	1.34	...	1.77	1.16
Debt to equity	...	0.42	...	...	0.42	1.28
Liabilities to assets	0.35	0.70	0.96	1.00	0.55	0.74
Interest coverage	6.23	3.35	1.10	...	3.93	...
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				93	7	
Pretax profit				85	15	
Net profit				85	15	
Percentage of firms with zero or negative equity(2)				26		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 71

Industry 31 - Other rubber products industries

SICE Grouping 159

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.4	8.3
Accounts receivable	34.4	27.2
Inventory	15.3	16.1
Capital assets	35.0	41.5
Other assets	1.9	1.4
<b>Total operating assets</b>	<b>90.9</b>	<b>94.6</b>
Investments and accounts with affiliates	2.5	2.9
Portfolio investments and loans with non-affiliates	6.5	2.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	15.9	19.4
Borrowing:		
Banks	12.9	18.1
Short term paper	0.2	-
Mortgages	3.1	-
Bonds	2.8	-
Other loans	5.1	3.0
Amount owing to affiliates	11.4	9.9
Other liabilities	5.5	1.8
Deferred income tax	0.5	2.2
<b>Total liabilities</b>	<b>57.3</b>	<b>54.4</b>
<b>Shareholders' equity</b>		
Share capital	4.9	23.2
Retained earnings	37.5	22.4
Other surplus	0.2	-
<b>Total shareholders' equity</b>	<b>42.7</b>	<b>45.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>63.7</b>	<b>57.0</b>
<b>Current liabilities - % of total assets</b>	<b>34.4</b>	<b>30.0</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 72

Industry 32 - Other plastic products industries  
SICE Grouping 169

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	746					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.1	2.6	-1.2	0.6	3.5	2.8
Pretax profit margin	8.6	3.2	-0.9	0.7	4.2	3.3
Operating profit margin	7.3	2.9	0.5	1.0	5.1	5.4
Gross profit margin	40.7	30.3	21.3	39.5	27.3	20.9
Operating revenue to net operating assets	365.4	273.5	159.7	260.7	277.7	328.0
Return on net operating assets	15.9	8.1	1.1	5.3	11.5	21.0
Pretax profit to assets	14.9	5.9	-1.8	1.1	7.5	6.8
Return on capital employed	18.1	9.0	4.0	6.2	9.2	13.8
Return on equity (2)	33.2	16.3	3.5	13.3	17.0	17.4
<u>Efficiency (ratios)</u>						
Receivable turnover	9.99	6.88	4.78	7.35	6.38	7.61
Inventory turnover	12.05	7.19	4.57	6.49	8.68	8.32
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.84	1.41	1.14	1.41	1.54	1.35
Debt to equity	0.31	1.04	2.55	1.97	0.56	0.88
Liabilities to assets	0.44	0.69	0.91	0.76	0.68	0.68
Interest coverage	8.69	2.36	0.27	1.00	3.19	6.35
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	75		25			
Net profit	76		24			
Percentage of firms with zero or negative equity(2)	22					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 73

Industry 32 - Other plastic products industries

SICE Grouping 169

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.1	6.0
Accounts receivable	26.0	22.9
Inventory	13.8	19.5
Capital assets	39.1	35.4
Other assets	6.2	5.1
<b>Total operating assets</b>	<b>90.2</b>	<b>88.9</b>
Investments and accounts with affiliates	5.0	8.8
Portfolio investments and loans with non-affiliates	4.8	2.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.8	21.4
Borrowing:		
Banks	15.3	14.8
Short term paper	0.1	0.3
Mortgages	3.0	1.6
Bonds	1.3	3.0
Other loans	4.4	8.7
Amount owing to affiliates	20.7	13.6
Other liabilities	6.6	3.2
Deferred income tax	0.6	2.3
<b>Total liabilities</b>	<b>70.8</b>	<b>69.0</b>
<b>Shareholders' equity</b>		
Share capital	9.5	4.8
Retained earnings	19.0	25.8
Other surplus	0.8	0.4
<b>Total shareholders' equity</b>	<b>29.2</b>	<b>31.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>52.1</b>	<b>58.5</b>
<b>Current liabilities - % of total assets</b>	<b>48.5</b>	<b>42.8</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 74

Industry 33 - Leather and allied products industries

SICE Grouping 171

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	235					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.6	1.8	-3.4	1.3	2.3	1.9
Pretax profit margin	6.9	1.9	-3.2	1.5	2.8	2.3
Operating profit margin	8.0	4.8	1.4	4.2	5.0	4.0
Gross profit margin	46.0	29.1	19.0	36.2	26.1	23.4
Operating revenue to net operating assets	357.4	242.3	137.2	239.2	242.3	270.3
Return on net operating assets	21.5	13.2	4.4	12.5	13.8	11.9
Pretax profit to assets	12.5	3.2	-6.3	1.8	4.8	4.5
Return on capital employed	17.0	10.0	2.5	7.9	10.0	10.3
Return on equity (2)	24.6	9.7	0.4	9.2	10.9	13.5
<u>Efficiency (ratios)</u>						
Receivable turnover	8.83	5.96	4.34	5.90	6.23	5.90
Inventory turnover	5.59	3.60	2.08	2.37	3.96	3.46
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.82	1.85	1.25	1.78	1.86	1.50
Debt to equity	0.18	0.74	1.56	0.62	0.77	1.07
Liabilities to assets	0.41	0.71	0.98	0.79	0.64	0.63
Interest coverage	4.21	2.09	1.14	1.86	2.47	2.04
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	82		18			
Pretax profit	79		21			
Net profit	79		21			
Percentage of firms with zero or negative equity(2)			22			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 33 - Leather and allied products industries

**SICE Grouping** 171

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.6	3.2
Accounts receivable	23.7	30.0
Inventory	32.1	37.4
Capital assets	21.9	19.3
Other assets	2.9	2.0
<b>Total operating assets</b>	<b>84.2</b>	<b>92.0</b>
Investments and accounts with affiliates	14.2	6.7
Portfolio investments and loans with non-affiliates	1.6	1.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	25.2	21.3
Borrowing:		
Banks	26.4	29.8
Short term paper	0.1	0.1
Mortgages	4.0	4.9
Bonds	1.8	1.5
Other loans	4.1	2.4
Amount owing to affiliates	16.8	8.5
Other liabilities	1.9	8.2
Deferred income tax	0.4	0.7
<b>Total liabilities</b>	<b>80.6</b>	<b>77.5</b>
<b>Shareholders' equity</b>		
Share capital	9.1	15.3
Retained earnings	4.6	0.8
Other surplus	5.8	6.3
<b>Total shareholders' equity</b>	<b>19.4</b>	<b>22.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>64.5</b>	<b>76.9</b>
<b>Current liabilities - % of total assets</b>	<b>45.5</b>	<b>56.2</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 76

Industry 34 - Spun yarn and woven cloth industries

SICE Grouping 182

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	44					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.6	0.9	-2.0	-1.2	3.1	2.0
Pretax profit margin	8.3	1.4	-2.0	-0.7	3.7	2.8
Operating profit margin	4.5	0.6	-3.7	...	4.5	7.1
Gross profit margin	36.8	28.5	17.8	29.9	25.3	21.2
Operating revenue to net operating assets	306.2	189.7	117.1	149.3	189.7	106.0
Return on net operating assets	8.3	2.2	-1.5	-1.8	8.3	13.1
Pretax profit to assets	15.0	1.9	-2.4	-2.2	3.1	4.1
Return on capital employed	12.9	7.5	0.3	...	6.8	11.1
Return on equity (2)	32.8	9.2	-3.7	-1.4	11.6	10.9
<u>Efficiency (ratios)</u>						
Receivable turnover	9.51	7.50	4.51	...	4.68	4.83
Inventory turnover	...	6.01	...	...	5.55	3.99
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.23	1.85	1.22	1.93	1.22	1.37
Debt to equity	...	1.50	...	...	1.00	...
Liabilities to assets	0.48	0.74	0.97	0.81	0.69	0.69
Interest coverage	...	1.74	...	...	2.59	...
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				65	35	
Pretax profit				65	35	
Net profit				65	35	
Percentage of firms with zero or negative equity(2)				5		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 77

Industry 34 - Spun yarn and woven cloth industries

SICE Grouping 182

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.3	3.1
Accounts receivable	27.7	26.6
Inventory	18.5	21.5
Capital assets	36.0	35.1
Other assets	1.2	1.3
<b>Total operating assets</b>	<b>88.7</b>	<b>87.6</b>
Investments and accounts with affiliates	1.6	10.5
Portfolio investments and loans with non-affiliates	9.7	1.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.1	14.3
Borrowing:		
Banks	21.8	10.3
Short term paper	-	0.4
Mortgages	7.1	0.8
Bonds	0.0	4.5
Other loans	12.9	6.4
Amount owing to affiliates	5.6	9.3
Other liabilities	0.4	1.7
Deferred income tax	0.9	3.1
<b>Total liabilities</b>	<b>66.8</b>	<b>50.9</b>
<b>Shareholders' equity</b>		
Share capital	11.0	3.5
Retained earnings	21.8	45.6
Other surplus	0.4	-
<b>Total shareholders' equity</b>	<b>33.2</b>	<b>49.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>61.1</b>	<b>53.0</b>
<b>Current liabilities - % of total assets</b>	<b>47.2</b>	<b>22.8</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 78

Industry 35 - Canvas and related products industry

SICE Grouping 193

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	139					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.6	1.6	-1.1	1.2	2.5	...
Pretax profit margin	7.2	2.1	-1.1	1.2	2.7	...
Operating profit margin	...	2.1	...	...	...	...
Gross profit margin	45.9	35.4	25.3	40.1	31.2	...
Operating revenue to net operating assets	...	...	...	...	...	...
Return on net operating assets	...	6.6	...	...	...	...
Pretax profit to assets	14.2	5.4	-2.5	4.1	6.7	...
Return on capital employed	...	11.5	...	...	...	...
Return on equity (2)	31.2	11.6	1.2	11.1	14.0	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	6.20	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.86	...	...	...	...
Debt to equity	...	0.50	...	...	...	...
Liabilities to assets	0.48	0.70	0.98	0.81	0.65	...
Interest coverage	...	1.90	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 79

Industry 35 - Canvas and related products industry

SICE Grouping 193

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.1	-
Accounts receivable	23.2	-
Inventory	23.2	-
Capital assets	27.2	-
Other assets	4.2	-
<b>Total operating assets</b>	<b>85.0</b>	<b>-</b>
Investments and accounts with affiliates	15.0	-
Portfolio investments and loans with non-affiliates	0.0	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	23.4	-
Borrowing:		
Banks	13.8	-
Short term paper	-	-
Mortgages	0.3	-
Bonds	-	-
Other loans	4.8	-
Amount owing to affiliates	22.2	-
Other liabilities	1.6	-
Deferred income tax	-	-
<b>Total liabilities</b>	<b>66.2</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	1.2	-
Retained earnings	32.6	-
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>33.8</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>56.2</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>39.8</b>	<b>-</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 80

Industry 36 - Other textile products industries

SICE Grouping 199

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	604					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.1	1.7	-2.0	1.1	2.6	2.2
Pretax profit margin	7.7	2.4	-1.9	1.2	3.0	2.8
Operating profit margin	7.2	4.5	-2.1	0.1	5.7	5.5
Gross profit margin	45.2	32.9	22.7	39.1	25.8	23.0
Operating revenue to net operating assets	454.4	324.7	160.9	134.1	324.7	245.9
Return on net operating assets	24.7	12.1	-1.9	-1.9	20.0	11.1
Pretax profit to assets	13.5	4.7	-3.5	2.0	6.3	5.6
Return on capital employed	22.5	14.3	0.7	2.0	18.6	10.1
Return on equity (2)	31.1	11.7	1.3	8.3	13.4	13.6
<u>Efficiency (ratios)</u>						
Receivable turnover	10.01	6.32	5.80	9.98	5.96	5.99
Inventory turnover	9.18	5.81	4.15	7.51	5.63	4.17
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.12	1.43	1.19	1.17	1.66	1.26
Debt to equity	0.17	0.54	1.00	0.46	0.75	1.47
Liabilities to assets	0.41	0.70	0.97	0.74	0.68	0.69
Interest coverage	7.11	4.05	0.28	1.29	4.05	2.33
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	68		32			
Pretax profit	68		32			
Net profit	66		34			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 81

Industry 36 - Other textile products industries

SICE Grouping 199

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.5	4.3
Accounts receivable	23.4	23.0
Inventory	19.7	25.1
Capital assets	28.4	32.6
Other assets	4.0	5.9
<b>Total operating assets</b>	<b>82.0</b>	<b>90.8</b>
Investments and accounts with affiliates	12.1	8.5
Portfolio investments and loans with non-affiliates	5.8	0.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.0	18.8
Borrowing:		
Banks	16.0	17.9
Short term paper	0.4	0.5
Mortgages	1.8	2.0
Bonds	4.3	4.8
Other loans	6.1	3.6
Amount owing to affiliates	5.8	9.6
Other liabilities	2.5	4.7
Deferred income tax	0.7	0.8
<b>Total liabilities</b>	<b>53.5</b>	<b>62.7</b>
<b>Shareholders' equity</b>		
Share capital	11.6	30.0
Retained earnings	33.0	7.3
Other surplus	1.9	0.0
<b>Total shareholders' equity</b>	<b>46.5</b>	<b>37.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>55.3</b>	<b>56.7</b>
<b>Current liabilities - % of total assets</b>	<b>31.4</b>	<b>36.8</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 82

Industry 37 - Men's and boys' clothing industries

SICE Grouping 243

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	242					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.5	1.3	-2.4	0.8	1.4	1.9
Pretax profit margin	5.2	1.4	-2.5	0.8	1.5	2.6
Operating profit margin	...	2.3	...	...	1.4	3.3
Gross profit margin	31.9	23.8	16.7	29.7	21.6	23.9
Operating revenue to net operating assets	...	248.7	...	...	278.9	266.7
Return on net operating assets	...	4.5	...	...	3.8	7.4
Pretax profit to assets	11.9	2.7	-6.1	1.8	3.0	6.4
Return on capital employed	...	5.5	...	...	4.2	6.4
Return on equity (2)	23.1	7.8	-1.2	3.8	9.1	13.7
<u>Efficiency (ratios)</u>						
Receivable turnover	...	9.63	...	...	9.11	3.60
Inventory turnover	...	4.08	...	...	4.08	3.84
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.12	...	...	1.22	1.44
Debt to equity	...	0.70	...	...	0.70	0.96
Liabilities to assets	0.45	0.71	0.94	0.82	0.65	0.67
Interest coverage	...	2.68	...	...	2.56	1.70
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 37 - Men's and boys' clothing industries  
 SICE Grouping 243

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.8	1.6
Accounts receivable	22.6	40.4
Inventory	33.9	39.8
Capital assets	26.8	9.9
Other assets	5.1	1.0
<b>Total operating assets</b>	<b>95.2</b>	<b>92.8</b>
Investments and accounts with affiliates	1.8	3.3
Portfolio investments and loans with non-affiliates	3.0	3.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.1	20.5
Borrowing:		
Banks	16.8	28.4
Short term paper	0.7	0.2
Mortgages	9.1	1.0
Bonds	7.5	2.0
Other loans	6.2	1.8
Amount owing to affiliates	9.7	10.3
Other liabilities	1.6	0.7
Deferred income tax	0.0	0.5
<b>Total liabilities</b>	<b>69.7</b>	<b>65.5</b>
<b>Shareholders' equity</b>		
Share capital	4.5	4.6
Retained earnings	25.8	26.7
Other surplus	-	3.2
<b>Total shareholders' equity</b>	<b>30.3</b>	<b>34.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	69.4	87.6
Current liabilities - % of total assets	43.7	56.6

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 84

Industry 38 - Women's clothing industries  
SICE Grouping 244

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	564					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.7	1.2	-3.2	0.5	1.6	1.4
Pretax profit margin	5.5	1.5	-3.0	0.7	2.0	1.9
Operating profit margin	3.5	1.0	-2.7	1.0	0.8	4.6
Gross profit margin	36.4	24.1	16.3	27.9	22.1	21.2
Operating revenue to net operating assets	361.4	234.5	180.1	...	230.6	381.7
Return on net operating assets	13.4	9.6	0.6	...	8.7	16.4
Pretax profit to assets	14.1	3.1	-6.6	1.8	4.9	5.2
Return on capital employed	11.5	7.1	0.5	9.6	3.3	13.8
Return on equity (2)	29.0	10.3	-0.8	7.7	13.1	11.1
<u>Efficiency (ratios)</u>						
Receivable turnover	8.91	6.48	5.11	...	7.79	5.41
Inventory turnover	10.28	6.07	3.74	...	5.62	8.12
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.61	1.83	1.16	1.22	1.83	1.73
Debt to equity	0.23	0.70	2.65	...	1.21	0.51
Liabilities to assets	0.40	0.68	0.95	0.79	0.64	0.60
Interest coverage	3.56	1.43	-4.53	...	1.43	3.55
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	68		32			
Pretax profit	64		36			
Net profit	64		36			
Percentage of firms with zero or negative equity(2)	24					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 85

**Industry** 38 - Women's clothing industries**SICE Grouping** 244

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.7	2.6
Accounts receivable	28.1	45.4
Inventory	29.3	24.6
Capital assets	8.0	11.2
Other assets	3.7	5.9
<b>Total operating assets</b>	<b>74.8</b>	<b>89.6</b>
Investments and accounts with affiliates	19.1	6.0
Portfolio investments and loans with non-affiliates	6.1	4.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.7	30.9
Borrowing:		
Banks	12.8	12.1
Short term paper	0.7	0.3
Mortgages	1.4	0.7
Bonds	7.7	3.9
Other loans	5.9	5.3
Amount owing to affiliates	31.6	6.2
Other liabilities	1.1	1.2
Deferred income tax	0.0	0.1
<b>Total liabilities</b>	<b>80.9</b>	<b>60.6</b>
<b>Shareholders' equity</b>		
Share capital	17.4	11.2
Retained earnings	1.7	28.1
Other surplus	-	0.1
<b>Total shareholders' equity</b>	<b>19.1</b>	<b>39.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>76.1</b>	<b>82.1</b>
<b>Current liabilities - % of total assets</b>	<b>47.2</b>	<b>46.2</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 86

Industry 39 - Other clothing and apparel industries

SICE Grouping 249

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	653					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.8	1.7	-2.5	1.6	1.7	1.5
Pretax profit margin	7.0	2.0	-2.5	1.7	2.1	1.8
Operating profit margin	8.0	2.5	-2.8	3.7	2.5	2.2
Gross profit margin	38.4	25.4	17.6	32.4	22.6	22.6
Operating revenue to net operating assets	325.2	196.9	103.1	67.4	298.0	204.2
Return on net operating assets	19.2	7.6	-9.0	2.7	8.4	11.8
Pretax profit to assets	12.9	3.1	-4.0	2.5	3.4	4.1
Return on capital employed	14.0	4.2	-8.8	1.9	6.6	9.1
Return on equity (2)	23.7	8.4	-1.3	6.7	9.9	10.0
<u>Efficiency (ratios)</u>						
Receivable turnover	9.66	6.09	4.07	...	7.60	5.43
Inventory turnover	4.00	2.78	1.75	...	3.23	5.11
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.34	1.57	1.08	1.05	1.63	1.70
Debt to equity	0.39	1.01	3.56	...	1.01	0.38
Liabilities to assets	0.37	0.65	0.96	0.67	0.64	0.71
Interest coverage	3.91	1.00	-1.53	-0.15	2.19	2.77
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	62		38			
Net profit	62		38			
Percentage of firms with zero or negative equity(2)	25					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 87

**Industry** 39 - Other clothing and apparel industries**SICE Grouping** 249

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.2	5.6
Accounts receivable	17.2	30.7
Inventory	29.9	32.0
Capital assets	18.7	18.2
Other assets	3.2	2.5
<b>Total operating assets</b>	<b>77.3</b>	<b>89.2</b>
Investments and accounts with affiliates	15.5	8.2
Portfolio investments and loans with non-affiliates	7.3	2.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.0	22.0
Borrowing:		
Banks	13.9	14.8
Short term paper	0.5	0.1
Mortgages	3.0	2.9
Bonds	6.7	0.8
Other loans	5.1	1.4
Amount owing to affiliates	14.7	11.3
Other liabilities	3.1	1.0
Deferred income tax	0.2	0.9
<b>Total liabilities</b>	<b>64.1</b>	<b>55.2</b>
<b>Shareholders' equity</b>		
Share capital	27.0	5.9
Retained earnings	8.0	38.8
Other surplus	0.9	0.0
<b>Total shareholders' equity</b>	<b>35.9</b>	<b>44.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>64.5</b>	<b>74.2</b>
<b>Current liabilities - % of total assets</b>	<b>40.7</b>	<b>42.2</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 88

Industry 40 - Sawmill, planing mill and shingle mill products industries

SICE Grouping 251

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	759					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.4	3.0	-1.5	1.3	3.5	2.4
Pretax profit margin	10.1	3.7	-1.4	1.5	4.2	3.4
Operating profit margin	9.8	4.6	0.0	1.3	5.0	7.9
Gross profit margin	42.4	23.8	13.4	34.1	20.4	16.3
Operating revenue to net operating assets	293.2	205.8	147.1	106.3	228.6	266.8
Return on net operating assets	27.0	14.5	3.2	4.8	17.1	16.5
Pretax profit to assets	15.4	5.6	-2.3	1.5	8.2	8.2
Return on capital employed	20.4	10.8	3.5	4.4	14.1	15.2
Return on equity (2)	29.7	13.9	1.6	6.9	15.9	21.0
<u>Efficiency (ratios)</u>						
Receivable turnover	14.94	10.37	7.13	7.83	11.15	13.38
Inventory turnover	15.94	7.88	4.93	...	7.68	5.75
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.86	1.89	1.30	1.54	2.22	1.49
Debt to equity	0.15	0.70	1.97	...	0.58	1.12
Liabilities to assets	0.34	0.66	0.92	0.76	0.61	0.62
Interest coverage	12.90	2.41	0.45	0.75	2.53	4.56
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	80		20			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 89

**Industry** 40 - Sawmill, planing mill and shingle mill products industries  
**SICE Grouping** 251

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.3	2.9
Accounts receivable	12.2	8.9
Inventory	17.5	26.5
Capital assets	37.0	43.7
Other assets	6.8	4.5
<b>Total operating assets</b>	<b>82.8</b>	<b>86.6</b>
Investments and accounts with affiliates	8.6	6.1
Portfolio investments and loans with non-affiliates	8.7	7.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	11.7	14.8
Borrowing:		
Banks	28.9	15.3
Short term paper	0.4	0.7
Mortgages	1.4	2.4
Bonds	4.5	7.7
Other loans	18.4	8.4
Amount owing to affiliates	38.8	9.4
Other liabilities	2.2	2.8
Deferred income tax	0.9	2.6
<b>Total liabilities</b>	<b>107.3</b>	<b>64.1</b>
<b>Shareholders' equity</b>		
Share capital	14.8	2.4
Retained earnings	-23.0	31.4
Other surplus	0.8	2.0
<b>Total shareholders' equity</b>	<b>-7.3</b>	<b>35.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>46.8</b>	<b>46.2</b>
<b>Current liabilities - % of total assets</b>	<b>56.5</b>	<b>32.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 90

Industry 41 - Sash, door and other millwork industries

SICE Grouping 254

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,154					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.2	0.9	-3.4	0.3	1.4	1.5
Pretax profit margin	5.0	1.0	-3.4	0.3	1.7	1.9
Operating profit margin	5.8	2.4	-1.2	1.0	2.9	2.9
Gross profit margin	34.3	24.4	16.5	29.7	21.8	20.2
Operating revenue to net operating assets	419.8	278.6	145.1	183.1	290.3	262.4
Return on net operating assets	20.3	12.9	-3.0	6.9	13.6	10.3
Pretax profit to assets	10.6	2.0	-6.9	0.5	3.6	4.9
Return on capital employed	17.0	9.3	-3.5	5.5	9.3	9.2
Return on equity (2)	23.6	8.3	-4.9	4.9	9.9	9.3
<u>Efficiency (ratios)</u>						
Receivable turnover	16.35	9.48	6.43	9.52	8.86	10.52
Inventory turnover	14.45	6.98	4.71	9.93	5.97	4.58
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.68	1.30	0.99	1.22	1.42	1.63
Debt to equity	0.34	0.86	2.47	0.77	0.90	1.32
Liabilities to assets	0.42	0.71	0.97	0.79	0.66	0.64
Interest coverage	4.51	2.04	-0.23	2.48	1.83	3.05
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	73		27			
Pretax profit	65		35			
Net profit	64		36			
Percentage of firms with zero or negative equity(2)			19			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 91

**Industry** 41 - Sash, door and other millwork industries**SICE Grouping** 254

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.2	4.3
Accounts receivable	21.9	21.0
Inventory	21.9	27.2
Capital assets	32.2	29.1
Other assets	4.0	4.3
<b>Total operating assets</b>	<b>85.1</b>	<b>85.9</b>
Investments and accounts with affiliates	9.9	8.2
Portfolio investments and loans with non-affiliates	5.0	5.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.1	17.5
Borrowing:		
Banks	16.7	13.9
Short term paper	0.6	0.5
Mortgages	5.8	3.6
Bonds	7.3	5.2
Other loans	7.1	9.2
Amount owing to affiliates	11.8	22.9
Other liabilities	2.4	4.0
Deferred income tax	0.6	1.5
<b>Total liabilities</b>	<b>71.4</b>	<b>78.4</b>
<b>Shareholders' equity</b>		
Share capital	6.4	8.8
Retained earnings	21.7	11.7
Other surplus	0.4	1.1
<b>Total shareholders' equity</b>	<b>28.6</b>	<b>21.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>54.7</b>	<b>61.4</b>
<b>Current liabilities - % of total assets</b>	<b>44.4</b>	<b>34.9</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 92

Industry 42 - Wooden box and pallet industry

SICE Grouping 256

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	162					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.2	3.0	-0.6	1.2	3.3	2.3
Pretax profit margin	7.7	3.9	-0.5	1.8	4.0	3.2
Operating profit margin	14.2	7.8	4.9	...	7.8	...
Gross profit margin	35.6	23.4	16.6	31.4	22.3	16.0
Operating revenue to net operating assets	...	146.7	...	...	265.7	...
Return on net operating assets	...	12.2	...	...	13.7	...
Pretax profit to assets	17.8	8.7	-0.8	1.2	10.2	7.7
Return on capital employed	24.5	8.2	6.2	...	17.3	...
Return on equity (2)	33.8	18.1	2.7	6.5	20.1	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	8.22	...	...	8.54	...
Inventory turnover	...	5.92	...	...	5.92	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.32	1.49	0.99	...	1.49	...
Debt to equity	...	0.40	...	...	0.39	...
Liabilities to assets	0.47	0.65	0.85	0.67	0.65	0.53
Interest coverage	...	7.86	...	...	7.86	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	100		...			
Pretax profit	94		6			
Net profit	94		6			
Percentage of firms with zero or negative equity(2)			6			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 93

**Industry** 42 - Wooden box and pallet industry**SICE Grouping** 256

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.9	-
Accounts receivable	18.8	-
Inventory	13.8	-
Capital assets	39.1	-
Other assets	3.3	-
<b>Total operating assets</b>	<b>84.0</b>	<b>-</b>
Investments and accounts with affiliates	8.6	-
Portfolio investments and loans with non-affiliates	7.5	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	22.4	-
Borrowing:		
Banks	10.0	-
Short term paper	0.5	-
Mortgages	1.4	-
Bonds	6.2	-
Other loans	5.7	-
Amount owing to affiliates	11.8	-
Other liabilities	3.2	-
Deferred income tax	1.0	-
<b>Total liabilities</b>	<b>62.2</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	6.7	-
Retained earnings	31.1	-
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>37.8</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>48.4</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>34.8</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 94

Industry 43 - Other wood industries  
SICE Grouping 259

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	392					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.0	1.5	-3.2	-0.7	3.0	2.0
Pretax profit margin	7.8	1.8	-3.0	-0.7	3.6	2.6
Operating profit margin	14.8	0.6	-4.9	-2.9	6.9	-3.2
Gross profit margin	45.5	30.2	21.0	37.4	24.2	18.4
Operating revenue to net operating assets	289.8	136.3	86.3	92.8	275.8	230.9
Return on net operating assets	17.0	1.3	-7.3	-4.9	18.2	-4.4
Pretax profit to assets	15.6	3.3	-6.6	-1.2	9.0	6.2
Return on capital employed	16.9	4.8	-4.2	1.7	13.9	-2.9
Return on equity (2)	32.7	13.3	-2.9	6.5	15.7	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	8.34	...	8.34	...	6.69
Inventory turnover	12.92	6.37	3.47	5.36	6.38	3.58
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.75	1.91	1.09	4.75	1.75	1.49
Debt to equity	...	1.62	...	...	0.77	...
Liabilities to assets	0.43	0.74	1.06	0.90	0.61	0.66
Interest coverage	...	-0.88	...	...	...	-5.84
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	69		31			
Pretax profit	69		31			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 95

**Industry** 43 - Other wood industries**SICE Grouping** 259

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	20.8	3.6
Accounts receivable	12.2	14.7
Inventory	26.2	25.7
Capital assets	25.3	46.3
Other assets	3.7	6.1
<b>Total operating assets</b>	<b>88.2</b>	<b>96.4</b>
Investments and accounts with affiliates	10.4	1.2
Portfolio investments and loans with non-affiliates	1.4	2.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	11.8	13.0
Borrowing:		
Banks	23.0	11.6
Short term paper	0.2	0.2
Mortgages	1.7	6.2
Bonds	2.4	2.0
Other loans	5.9	4.5
Amount owing to affiliates	26.5	16.7
Other liabilities	1.9	27.0
Deferred income tax	0.7	1.7
<b>Total liabilities</b>	<b>74.1</b>	<b>82.7</b>
<b>Shareholders' equity</b>		
Share capital	16.4	21.5
Retained earnings	9.4	-5.2
Other surplus	0.1	1.0
<b>Total shareholders' equity</b>	<b>25.9</b>	<b>17.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	64.8	45.8
Current liabilities - % of total assets	45.2	29.1

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 96

Industry 44 - Household furniture industries

SICE Grouping 261

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	901					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.4	0.8	-3.8	-0.5	1.5	1.8
Pretax profit margin	5.1	0.9	-3.6	-0.5	1.8	2.5
Operating profit margin	5.3	1.1	-5.2	-2.3	3.8	2.5
Gross profit margin	38.9	25.8	17.3	30.6	22.5	19.3
Operating revenue to net operating assets	365.1	259.4	115.5	285.7	229.3	300.2
Return on net operating assets	19.7	4.6	-10.6	-8.7	10.4	7.2
Pretax profit to assets	11.9	1.8	-7.4	-0.6	4.0	6.0
Return on capital employed	18.2	7.2	-10.0	-15.4	9.5	6.5
Return on equity (2)	25.3	8.9	-4.7	4.9	13.5	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	11.33	8.29	5.83	8.83	7.24	6.81
Inventory turnover	12.85	6.94	3.58	8.24	5.26	3.89
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.20	1.37	0.91	0.96	1.59	1.58
Debt to equity	0.21	1.05	2.73	1.79	0.92	1.16
Liabilities to assets	0.49	0.76	1.01	0.81	0.70	0.66
Interest coverage	3.93	1.00	-0.99	-1.49	2.11	1.82
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			68	32		
Pretax profit			65	35		
Net profit			63	37		
Percentage of firms with zero or negative equity(2)			15			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business***Revenue under \$25 million, Reference Year 1995*

Page : 97

Industry 44 - Household furniture industries  
 SICE Grouping 261

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.7	1.6
Accounts receivable	24.1	31.6
Inventory	25.0	40.9
Capital assets	27.9	19.9
Other assets	3.5	2.3
<b>Total operating assets</b>	<b>87.3</b>	<b>96.2</b>
Investments and accounts with affiliates	7.9	2.2
Portfolio investments and loans with non-affiliates	4.8	1.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.1	21.2
Borrowing:		
Banks	14.9	21.3
Short term paper	0.2	0.4
Mortgages	4.3	1.6
Bonds	2.5	4.0
Other loans	5.8	6.1
Amount owing to affiliates	19.3	10.8
Other liabilities	3.2	1.5
Deferred income tax	0.8	1.2
<b>Total liabilities</b>	<b>70.0</b>	<b>68.1</b>
<b>Shareholders' equity</b>		
Share capital	9.5	9.5
Retained earnings	16.4	21.8
Other surplus	4.1	0.5
<b>Total shareholders' equity</b>	<b>30.0</b>	<b>31.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>60.8</b>	<b>77.8</b>
<b>Current liabilities - % of total assets</b>	<b>34.5</b>	<b>45.8</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 98

Industry 45 - Office furniture industries

SICE Grouping 264

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	70					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.4	0.7	-2.2	-1.3	1.2	3.2
Pretax profit margin	3.8	0.9	-2.2	-1.3	1.7	4.0
Operating profit margin	...	-1.6	...	...	-0.6	2.3
Gross profit margin	34.9	25.0	18.1	26.4	22.7	25.2
Operating revenue to net operating assets	...	226.2	...	...	303.5	248.9
Return on net operating assets	...	-1.0	...	...	2.5	8.7
Pretax profit to assets	8.4	1.2	-4.4	-3.9	3.7	6.7
Return on capital employed	...	3.1	...	...	5.6	8.8
Return on equity (2)	18.9	5.9	-1.3	-4.1	9.5	29.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	10.73	...	...	8.50	6.99
Inventory turnover	...	6.50	...	...	8.21	5.39
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.28	...	...	1.45	1.42
Debt to equity	...	0.24	...	...	0.57	2.53
Liabilities to assets	0.45	0.70	0.96	0.68	0.75	0.74
Interest coverage	...	0.65	...	...	-2.25	1.74
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 45 - Office furniture industries  
 SICE Grouping 264

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.2	6.7
Accounts receivable	9.5	26.8
Inventory	9.2	16.6
Capital assets	13.0	37.7
Other assets	1.4	9.6
<b>Total operating assets</b>	<b>39.3</b>	<b>97.6</b>
Investments and accounts with affiliates	33.3	2.3
Portfolio investments and loans with non-affiliates	27.4	0.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	11.6	26.4
Borrowing:		
Banks	4.9	21.5
Short term paper	0.1	-
Mortgages	4.4	5.4
Bonds	1.2	1.2
Other loans	1.0	18.1
Amount owing to affiliates	42.5	9.6
Other liabilities	10.2	4.9
Deferred income tax	0.0	0.6
<b>Total liabilities</b>	<b>75.9</b>	<b>87.9</b>
<b>Shareholders' equity</b>		
Share capital	4.1	3.2
Retained earnings	19.9	8.6
Other surplus	-	0.3
<b>Total shareholders' equity</b>	<b>24.1</b>	<b>12.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>26.9</b>	<b>53.7</b>
<b>Current liabilities - % of total assets</b>	<b>39.3</b>	<b>45.5</b>

Industry 46 - Other furniture and fixture industries

SICE Grouping 269

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	339					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.9	1.4	-2.8	-0.4	2.0	1.9
Pretax profit margin	5.0	1.5	-2.8	-0.3	2.4	2.2
Operating profit margin	6.7	1.9	-0.4	3.4	1.3	3.9
Gross profit margin	40.3	27.1	18.3	34.0	25.0	24.1
Operating revenue to net operating assets	376.3	248.9	122.7	292.7	182.6	354.6
Return on net operating assets	12.9	1.8	-8.2	-5.0	1.8	10.7
Pretax profit to assets	10.3	3.0	-4.6	-0.8	5.2	4.3
Return on capital employed	14.8	6.3	0.5	1.4	2.5	9.4
Return on equity (2)	22.5	10.3	0.5	6.8	11.9	9.5
<u>Efficiency (ratios)</u>						
Receivable turnover	8.11	7.55	6.47	...	7.36	6.45
Inventory turnover	7.32	5.45	3.74	...	6.38	5.69
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.92	1.41	1.22	1.71	1.29	1.31
Debt to equity	0.16	0.59	3.28	0.37	0.62	1.42
Liabilities to assets	0.42	0.70	0.96	0.78	0.67	0.74
Interest coverage	4.53	0.75	-1.61	-2.63	1.33	2.69
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	63		37			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	22					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 101

Industry 46 - Other furniture and fixture industries

SICE Grouping 269

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.8	4.2
Accounts receivable	21.3	35.3
Inventory	25.2	25.6
Capital assets	29.4	24.4
Other assets	3.8	4.7
<b>Total operating assets</b>	<b>87.7</b>	<b>94.3</b>
Investments and accounts with affiliates	6.0	4.5
Portfolio investments and loans with non-affiliates	6.3	1.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.1	23.6
Borrowing:		
Banks	9.8	17.8
Short term paper	0.2	0.6
Mortgages	6.9	6.0
Bonds	2.4	5.5
Other loans	3.6	6.5
Amount owing to affiliates	18.8	11.0
Other liabilities	7.3	1.7
Deferred income tax	0.5	2.4
<b>Total liabilities</b>	<b>73.6</b>	<b>75.0</b>
<b>Shareholders' equity</b>		
Share capital	2.1	16.2
Retained earnings	23.1	8.1
Other surplus	1.2	0.7
<b>Total shareholders' equity</b>	<b>26.4</b>	<b>25.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>63.4</b>	<b>66.3</b>
<b>Current liabilities - % of total assets</b>	<b>44.4</b>	<b>47.2</b>

Industry 47 - Pulp and paper industries

SICE Grouping 271

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	31					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.5	5.2	1.0	4.7	5.7	1.5
Pretax profit margin	11.3	5.7	0.8	5.7	6.6	1.5
Operating profit margin	...	5.7	...	...	3.2	...
Gross profit margin	36.6	24.4	14.3	...	23.1	17.7
Operating revenue to net operating assets	...	191.2	...	...	...	...
Return on net operating assets	...	18.3	...	...	19.7	...
Pretax profit to assets	26.8	13.0	3.0	10.2	13.8	3.4
Return on capital employed	...	13.2	...	...	7.1	...
Return on equity (2)	54.7	29.5	12.4	...	28.1	13.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	6.92	...	...	...	...
Inventory turnover	...	6.32	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	0.91	...	...	0.91	...
Debt to equity	...	2.63	...	...	...	...
Liabilities to assets	0.52	0.79	0.95	1.02	0.77	0.84
Interest coverage	...	1.71	...	...	1.71	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 47 - Pulp and paper industries  
**SICE Grouping** 271

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	1.8	-
Accounts receivable	2.9	-
Inventory	2.6	-
Capital assets	47.8	-
Other assets	41.5	-
<i>Total operating assets</i>	<b>96.7</b>	-
Investments and accounts with affiliates	3.3	-
Portfolio investments and loans with non-affiliates	0.0	-
<i>Total assets</i>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	3.2	-
Borrowing:		
Banks	21.0	-
Short term paper	0.1	-
Mortgages	0.2	-
Bonds	0.9	-
Other loans	20.3	-
Amount owing to affiliates	12.5	-
Other liabilities	0.1	-
Deferred income tax	0.1	-
<i>Total liabilities</i>	<b>58.4</b>	-
<b>Shareholders' equity</b>		
Share capital	40.3	-
Retained earnings	1.2	-
Other surplus	0.1	-
<i>Total shareholders' equity</i>	<b>41.6</b>	-
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	-
Current assets - % of total assets	9.9	-
Current liabilities - % of total assets	22.1	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 104

Industry 48 - Paper box and bag industries  
SICE Grouping 273

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	100					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.9	3.4	0.6	6.5	3.4	2.3
Pretax profit margin	10.7	4.2	0.8	7.9	4.2	2.9
Operating profit margin	5.9	2.6	-5.9	...	4.1	5.2
Gross profit margin	35.6	28.2	20.5	32.5	27.9	24.3
Operating revenue to net operating assets	336.4	293.8	180.5	...	263.6	305.4
Return on net operating assets	17.5	6.1	-17.0	...	9.4	23.3
Pretax profit to assets	19.2	8.7	1.9	5.7	9.4	7.1
Return on capital employed	17.9	7.4	-1.2	-24.4	10.9	14.9
Return on equity (2)	33.4	16.4	3.4	8.6	19.0	19.3
<u>Efficiency (ratios)</u>						
Receivable turnover	8.98	7.77	5.01	...	8.21	7.22
Inventory turnover	14.95	5.39	2.90	...	5.90	6.60
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.59	1.65	1.38	1.38	1.70	1.43
Debt to equity	0.13	0.54	1.34	...	0.41	1.06
Liabilities to assets	0.37	0.58	0.80	0.69	0.56	0.70
Interest coverage	6.30	3.70	1.66	...	3.70	5.69
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	70		30			
Pretax profit	74		26			
Net profit	74		26			
Percentage of firms with zero or negative equity(2)	8					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 105

Industry 48 - Paper box and bag industries

SICE Grouping 273

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.5	4.5
Accounts receivable	24.1	30.6
Inventory	24.8	20.6
Capital assets	35.6	33.3
Other assets	5.6	2.2
<b>Total operating assets</b>	<b>94.6</b>	<b>91.2</b>
Investments and accounts with affiliates	2.5	6.3
Portfolio investments and loans with non-affiliates	2.9	2.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.0	21.0
Borrowing:		
Banks	13.9	18.7
Short term paper	0.3	0.2
Mortgages	3.0	5.6
Bonds	3.5	2.6
Other loans	6.4	10.6
Amount owing to affiliates	7.7	6.3
Other liabilities	3.6	1.8
Deferred income tax	1.4	2.2
<b>Total liabilities</b>	<b>62.0</b>	<b>69.1</b>
<b>Shareholders' equity</b>		
Share capital	8.8	2.2
Retained earnings	26.6	27.0
Other surplus	2.6	1.6
<b>Total shareholders' equity</b>	<b>38.0</b>	<b>30.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>59.8</b>	<b>57.4</b>
<b>Current liabilities - % of total assets</b>	<b>38.9</b>	<b>38.4</b>

Industry 49 - Other converted paper products industries

SICE Grouping 279

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	149					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.8	4.0	-0.4	4.0	4.1	2.8
Pretax profit margin	9.0	4.4	-0.1	4.2	4.8	3.3
Operating profit margin	11.4	5.4	-0.2	0.3	2.2	5.9
Gross profit margin	48.0	31.9	22.4	44.0	30.4	27.9
Operating revenue to net operating assets	277.6	222.3	154.4	218.3	222.9	292.0
Return on net operating assets	20.2	7.1	-1.3	7.5	4.9	18.7
Pretax profit to assets	17.7	6.7	-0.4	5.1	8.1	7.2
Return on capital employed	18.4	11.9	0.9	5.5	9.9	14.8
Return on equity (2)	37.0	18.7	3.5	9.7	20.2	17.8
<u>Efficiency (ratios)</u>						
Receivable turnover	8.68	6.08	4.75	5.44	6.44	6.51
Inventory turnover	10.79	6.00	4.90	13.03	5.20	6.77
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.41	2.10	1.31	2.63	1.81	1.23
Debt to equity	0.32	0.64	1.27	...	0.66	1.08
Liabilities to assets	0.40	0.67	0.89	0.65	0.70	0.64
Interest coverage	3.46	1.43	-1.00	...	1.71	5.48
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	65		35			
Pretax profit	67		33			
Net profit	65		35			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 107

Industry 49 - Other converted paper products industries

SICE Grouping 279

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.5	2.9
Accounts receivable	18.2	29.4
Inventory	18.0	19.9
Capital assets	36.2	28.0
Other assets	7.5	2.6
<b>Total operating assets</b>	<b>86.4</b>	<b>82.8</b>
Investments and accounts with affiliates	9.2	9.1
Portfolio investments and loans with non-affiliates	4.4	8.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	14.1	22.9
Borrowing:		
Banks	11.1	16.0
Short term paper	0.4	0.3
Mortgages	3.5	1.8
Bonds	4.5	3.2
Other loans	5.8	8.6
Amount owing to affiliates	13.9	9.3
Other liabilities	0.8	2.9
Deferred income tax	1.1	1.6
<b>Total liabilities</b>	<b>55.2</b>	<b>66.5</b>
<b>Shareholders' equity</b>		
Share capital	11.9	6.8
Retained earnings	20.5	25.8
Other surplus	12.4	0.9
<b>Total shareholders' equity</b>	<b>44.8</b>	<b>33.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>48.3</b>	<b>55.8</b>
<b>Current liabilities - % of total assets</b>	<b>24.6</b>	<b>43.0</b>

Industry 50 - Commercial printing industries  
 SICE Grouping 281

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,971					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.2	1.5	-1.8	0.9	2.3	1.8
Pretax profit margin	6.3	1.8	-1.7	1.0	2.8	2.4
Operating profit margin	7.9	3.6	-1.2	3.7	3.6	3.2
Gross profit margin	56.0	37.8	27.1	44.2	33.1	27.8
Operating revenue to net operating assets	377.2	266.7	194.4	243.7	300.6	277.0
Return on net operating assets	18.4	8.9	-3.9	2.1	11.3	9.7
Pretax profit to assets	13.9	3.9	-3.8	2.2	5.8	5.0
Return on capital employed	18.4	8.9	-1.3	3.5	10.4	8.4
Return on equity (2)	29.4	11.7	-2.0	7.7	14.1	12.5
<u>Efficiency (ratios)</u>						
Receivable turnover	9.51	7.73	6.25	8.25	7.19	6.20
Inventory turnover	23.77	14.60	9.91	15.29	11.90	9.78
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.52	1.47	1.07	1.36	1.48	1.41
Debt to equity	0.25	0.64	1.29	0.44	0.66	0.83
Liabilities to assets	0.47	0.73	0.97	0.81	0.68	0.73
Interest coverage	6.74	1.89	-0.37	0.28	3.10	1.84
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	70		30			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	14					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Financial Performance Indicators for Canadian Business**Revenue under \$25 million, Reference Year 1995*

Page : 109

**Industry** 50 - Commercial printing industries**SICE Grouping** 281

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.1	6.8
Accounts receivable	26.4	30.5
Inventory	11.7	13.7
Capital assets	39.4	31.5
Other assets	3.1	9.3
<b>Total operating assets</b>	<b>87.7</b>	<b>91.8</b>
Investments and accounts with affiliates	8.1	6.0
Portfolio investments and loans with non-affiliates	4.3	2.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.3	21.0
Borrowing:		
Banks	15.7	18.5
Short term paper	0.2	0.4
Mortgages	2.2	1.9
Bonds	2.2	4.3
Other loans	9.1	11.2
Amount owing to affiliates	10.8	6.3
Other liabilities	1.8	4.4
Deferred income tax	1.2	1.9
<b>Total liabilities</b>	<b>63.4</b>	<b>69.9</b>
<b>Shareholders' equity</b>		
Share capital	5.7	9.4
Retained earnings	28.3	20.1
Other surplus	2.6	0.7
<b>Total shareholders' equity</b>	<b>36.6</b>	<b>30.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>50.7</b>	<b>55.6</b>
<b>Current liabilities - % of total assets</b>	<b>34.8</b>	<b>39.6</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 110

Industry 51 - Platemaking, typesetting and bindery industry  
SICE Grouping 282

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	932					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.3	1.5	-3.0	0.5	2.8	2.0
Pretax profit margin	7.3	1.8	-2.9	0.7	3.4	2.6
Operating profit margin	10.0	1.7	0.3	1.0	4.7	4.3
Gross profit margin	61.1	45.8	31.6	52.4	36.8	32.1
Operating revenue to net operating assets	262.6	218.3	125.7	232.9	179.0	176.9
Return on net operating assets	25.0	15.2	-1.6	23.6	8.8	7.9
Pretax profit to assets	13.5	3.1	-5.8	1.0	6.3	5.3
Return on capital employed	23.7	12.8	-0.3	9.5	13.1	6.3
Return on equity (2)	28.3	10.4	-4.0	6.9	13.9	11.9
<u>Efficiency (ratios)</u>						
Receivable turnover	7.62	5.57	4.39	5.57	5.35	4.83
Inventory turnover	17.68	13.30	6.30	13.30	11.85	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.96	1.30	1.01	1.48	1.17	1.30
Debt to equity	0.32	1.40	2.91	1.12	1.42	...
Liabilities to assets	0.45	0.74	1.00	0.81	0.66	0.69
Interest coverage	2.00	1.00	0.30	0.49	1.57	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 111

**Industry** 51 - Platemaking, typesetting and bindery industry**SICE Grouping** 282

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.7	0.9
Accounts receivable	22.1	33.4
Inventory	9.7	8.2
Capital assets	46.3	46.8
Other assets	4.1	8.7
<b>Total operating assets</b>	<b>88.9</b>	<b>98.1</b>
Investments and accounts with affiliates	10.1	1.6
Portfolio investments and loans with non-affiliates	0.9	0.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.7	19.0
Borrowing:		
Banks	22.3	20.4
Short term paper	0.1	0.4
Mortgages	5.5	0.7
Bonds	1.4	4.2
Other loans	12.2	8.2
Amount owing to affiliates	22.3	13.3
Other liabilities	1.7	0.3
Deferred income tax	1.4	3.0
<b>Total liabilities</b>	<b>83.6</b>	<b>69.4</b>
<b>Shareholders' equity</b>		
Share capital	3.7	8.7
Retained earnings	12.6	21.4
Other surplus	-	0.5
<b>Total shareholders' equity</b>	<b>16.4</b>	<b>30.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>43.4</b>	<b>46.4</b>
<b>Current liabilities - % of total assets</b>	<b>33.7</b>	<b>38.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 112

Industry 52 - Publishing industries  
SICE Grouping 283

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	885					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.3	2.9	-1.9	3.0	2.9	2.2
Pretax profit margin	11.9	3.5	-1.3	3.4	3.6	3.0
Operating profit margin	12.4	3.8	-3.0	7.2	1.9	6.6
Gross profit margin	59.0	47.2	33.5	49.0	46.6	39.6
Operating revenue to net operating assets	533.6	355.0	161.4	147.8	465.9	294.0
Return on net operating assets	19.2	9.5	-15.7	9.6	8.6	20.1
Pretax profit to assets	20.8	6.8	-3.8	6.1	8.0	6.7
Return on capital employed	8.7	5.3	-12.5	5.8	4.9	21.9
Return on equity (2)	38.0	17.1	2.7	13.7	20.1	13.2
<u>Efficiency (ratios)</u>						
Receivable turnover	10.89	6.29	4.48	6.40	5.86	5.35
Inventory turnover	...	6.17	...	...	6.54	4.41
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.28	1.58	0.97	1.17	1.68	1.34
Debt to equity	0.09	0.13	2.32	1.74	0.09	0.44
Liabilities to assets	0.43	0.72	0.98	0.76	0.67	0.67
Interest coverage	9.17	2.70	-7.25	2.72	2.38	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 52 - Publishing industries  
 SICE Grouping 283

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.4	8.1
Accounts receivable	22.4	33.3
Inventory	7.4	14.5
Capital assets	10.4	9.0
Other assets	10.6	12.7
<i>Total operating assets</i>	<b>60.3</b>	<b>77.5</b>
Investments and accounts with affiliates	25.1	20.0
Portfolio investments and loans with non-affiliates	14.6	2.5
<i>Total assets</i>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.4	29.4
Borrowing:		
Banks	13.1	8.9
Short term paper	0.2	0.1
Mortgages	3.2	0.2
Bonds	8.1	2.8
Other loans	2.3	2.0
Amount owing to affiliates	22.9	2.8
Other liabilities	9.0	11.7
Deferred income tax	0.5	0.1
<i>Total liabilities</i>	<b>78.5</b>	<b>58.1</b>
<b>Shareholders' equity</b>		
Share capital	9.7	16.0
Retained earnings	11.0	25.4
Other surplus	0.7	0.5
<i>Total shareholders' equity</i>	<b>21.5</b>	<b>41.9</b>
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>60.1</b>	<b>69.7</b>
<b>Current liabilities - % of total assets</b>	<b>51.9</b>	<b>46.7</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 114

Industry 53 - Combined publishing and printing industries

SICE Grouping 284

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	553					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.5	1.9	-2.2	1.7	2.0	2.4
Pretax profit margin	7.8	2.3	-1.8	2.1	2.5	3.0
Operating profit margin	11.7	4.2	-0.1	4.8	3.1	5.4
Gross profit margin	62.6	46.3	30.2	50.3	42.1	28.9
Operating revenue to net operating assets	424.8	309.8	186.5	220.6	365.6	268.5
Return on net operating assets	16.8	8.3	-1.3	...	6.5	10.5
Pretax profit to assets	17.0	4.9	-3.7	4.3	5.4	5.3
Return on capital employed	13.0	8.9	3.5	8.9	9.5	10.5
Return on equity (2)	34.0	11.5	0.3	11.1	11.6	9.5
<u>Efficiency (ratios)</u>						
Receivable turnover	10.70	8.60	7.52	9.14	8.04	5.57
Inventory turnover	17.24	8.77	3.87	...	17.24	5.40
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.89	1.36	1.13	1.29	1.60	1.65
Debt to equity	0.30	0.77	1.33	0.31	1.10	...
Liabilities to assets	0.45	0.73	1.00	0.74	0.73	0.67
Interest coverage	6.35	1.35	-0.58	...	6.35	2.68
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	80		20			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 115

**Industry** 53 - Combined publishing and printing industries**SICE Grouping** 284

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.1	3.1
Accounts receivable	19.8	33.7
Inventory	6.3	10.5
Capital assets	27.5	36.6
Other assets	15.3	8.2
<b>Total operating assets</b>	<b>75.1</b>	<b>92.1</b>
Investments and accounts with affiliates	17.2	7.7
Portfolio investments and loans with non-affiliates	7.7	0.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.8	16.7
Borrowing:		
Banks	13.3	10.9
Short term paper	0.2	0.1
Mortgages	1.5	0.3
Bonds	5.0	1.5
Other loans	4.7	1.2
Amount owing to affiliates	17.2	42.7
Other liabilities	5.0	3.7
Deferred income tax	3.9	2.3
<b>Total liabilities</b>	<b>70.7</b>	<b>79.5</b>
<b>Shareholders' equity</b>		
Share capital	7.2	15.3
Retained earnings	22.1	4.5
Other surplus	-	0.7
<b>Total shareholders' equity</b>	<b>29.3</b>	<b>20.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>44.7</b>	<b>52.6</b>
<b>Current liabilities - % of total assets</b>	<b>39.9</b>	<b>48.4</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 116

Industry 54 - Primary steel industries

SICE Grouping 291

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	111					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.9	3.0	0.5	1.4	3.5	3.8
Pretax profit margin	7.2	3.5	0.4	1.5	4.3	4.5
Operating profit margin	4.7	3.0	1.6	...	3.0	1.9
Gross profit margin	41.2	26.0	16.5	32.0	24.2	18.0
Operating revenue to net operating assets	410.9	252.5	192.7	...	324.0	248.9
Return on net operating assets	24.9	12.3	5.5	...	13.6	6.6
Pretax profit to assets	16.3	8.4	0.6	1.2	10.0	8.8
Return on capital employed	20.3	11.0	5.9	...	12.3	6.6
Return on equity (2)	48.4	22.0	10.2	10.7	23.3	20.8
<u>Efficiency (ratios)</u>						
Receivable turnover	7.97	6.29	4.64	...	6.25	7.05
Inventory turnover	15.55	11.05	8.15	...	12.22	9.52
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.73	1.29	0.93	...	1.36	1.48
Debt to equity	0.73	2.92	3.08	...	0.99	0.48
Liabilities to assets	0.46	0.73	0.96	0.77	0.70	0.70
Interest coverage	6.10	3.43	0.70	...	4.50	0.71
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	88		12			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 54 - Primary steel industries  
**SICE Grouping** 291

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.5	5.9
Accounts receivable	35.7	33.6
Inventory	13.2	23.1
Capital assets	21.7	29.0
Other assets	7.8	1.9
<b>Total operating assets</b>	<b>87.9</b>	<b>93.6</b>
Investments and accounts with affiliates	7.9	5.2
Portfolio investments and loans with non-affiliates	4.2	1.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.6	24.4
Borrowing:		
Banks	10.9	11.7
Short term paper	0.1	0.1
Mortgages	3.1	0.8
Bonds	1.7	2.4
Other loans	3.7	4.4
Amount owing to affiliates	23.6	11.7
Other liabilities	4.2	9.1
Deferred income tax	0.4	1.9
<b>Total liabilities</b>	<b>72.5</b>	<b>66.5</b>
<b>Shareholders' equity</b>		
Share capital	11.7	6.9
Retained earnings	14.5	22.2
Other surplus	1.4	4.4
<b>Total shareholders' equity</b>	<b>27.5</b>	<b>33.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>61.8</b>	<b>65.3</b>
<b>Current liabilities - % of total assets</b>	<b>41.8</b>	<b>42.6</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 118

Industry 55 - Iron foundries

SICE Grouping 294

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	61					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.9	2.4	-1.6	-0.6	3.3	3.4
Pretax profit margin	7.2	3.0	-1.5	-0.6	3.7	4.4
Operating profit margin	...	4.8	...	...	4.8	5.8
Gross profit margin	35.9	23.0	14.5	37.2	19.3	19.1
Operating revenue to net operating assets	...	148.4	...	...	183.1	353.2
Return on net operating assets	...	-3.7	...	...	9.1	18.5
Pretax profit to assets	15.2	5.5	-2.8	-1.5	8.1	8.0
Return on capital employed	...	8.3	...	...	6.5	12.9
Return on equity (2)	33.0	18.1	3.8	...	18.1	14.3
<u>Efficiency (ratios)</u>						
Receivable turnover	...	7.65	...	...	7.65	6.51
Inventory turnover	...	7.28	...	...	7.28	11.25
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.17	...	...	2.17	1.06
Debt to equity	...	0.52	...	...	0.52	1.09
Liabilities to assets	0.40	0.63	0.95	1.01	0.60	0.48
Interest coverage	...	-0.18	...	...	2.20	3.28
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business***Revenue under \$25 million, Reference Year 1995*

Page : 119

Industry 55 - Iron foundries  
 SICE Grouping 294

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.2	2.8
Accounts receivable	33.2	29.8
Inventory	10.7	15.9
Capital assets	45.2	42.6
Other assets	4.2	4.1
<b>Total operating assets</b>	<b>98.4</b>	<b>95.2</b>
Investments and accounts with affiliates	1.0	4.4
Portfolio investments and loans with non-affiliates	0.6	0.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.3	24.0
Borrowing:		
Banks	12.2	17.1
Short term paper	0.0	0.3
Mortgages	2.6	2.1
Bonds	0.4	3.3
Other loans	3.4	9.4
Amount owing to affiliates	11.9	8.2
Other liabilities	2.2	2.0
Deferred income tax	2.8	2.1
<b>Total liabilities</b>	<b>54.9</b>	<b>68.4</b>
<b>Shareholders' equity</b>		
Share capital	8.3	3.9
Retained earnings	35.8	27.6
Other surplus	1.1	0.0
<b>Total shareholders' equity</b>	<b>45.1</b>	<b>31.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>50.4</b>	<b>51.1</b>
<b>Current liabilities - % of total assets</b>	<b>28.2</b>	<b>42.9</b>

Industry 56 - Aluminum rolling, casting and extruding industry

SICE Grouping 296

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	41					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.9	4.8	0.1	5.7	3.2	1.6
Pretax profit margin	9.3	5.2	0.6	7.1	4.2	2.2
Operating profit margin	...	4.7	...	...	5.1	2.9
Gross profit margin	38.1	27.5	16.1	48.8	25.0	19.2
Operating revenue to net operating assets	...	164.7	...	...	171.1	...
Return on net operating assets	...	2.9	...	...	16.9	...
Pretax profit to assets	16.3	9.8	1.3	8.2	9.9	4.6
Return on capital employed	...	12.4	...	...	12.3	7.4
Return on equity (2)	33.5	15.5	2.7	18.5	13.4	11.6
<u>Efficiency (ratios)</u>						
Receivable turnover	...	3.15	...	...	7.02	10.26
Inventory turnover	...	9.97	...	...	8.12	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.43	...	...	1.22	1.58
Debt to equity	...	0.34	...	...	0.26	0.48
Liabilities to assets	0.41	0.57	0.81	0.53	0.58	0.56
Interest coverage	...	3.08	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 121

**Industry** .56 - Aluminum rolling, casting and extruding industry**SICE Grouping** 296

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	1.0	3.1
Accounts receivable	19.1	25.3
Inventory	12.0	37.1
Capital assets	30.9	19.2
Other assets	7.1	1.2
<b>Total operating assets</b>	<b>70.2</b>	<b>85.8</b>
Investments and accounts with affiliates	5.2	9.1
Portfolio investments and loans with non-affiliates	24.6	5.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.8	24.4
Borrowing:		
Banks	9.8	11.7
Short term paper	-	0.1
Mortgages	2.7	0.3
Bonds	1.2	2.4
Other loans	5.5	1.1
Amount owing to affiliates	15.0	15.8
Other liabilities	1.5	0.9
Deferred income tax	0.4	1.2
<b>Total liabilities</b>	<b>53.9</b>	<b>57.8</b>
<b>Shareholders' equity</b>		
Share capital	0.9	5.1
Retained earnings	43.1	37.1
Other surplus	2.1	-
<b>Total shareholders' equity</b>	<b>46.1</b>	<b>42.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>36.0</b>	<b>71.5</b>
<b>Current liabilities - % of total assets</b>	<b>37.5</b>	<b>48.4</b>

Industry 57 - Other rolled, cast and extruded non-ferrous metal products industry

SICE Grouping 299

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	65					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.4	3.1	0.4	3.5	3.1	1.9
Pretax profit margin	7.9	3.8	0.4	4.1	3.8	2.2
Operating profit margin	9.1	2.9	0.4	5.4	0.0	3.6
Gross profit margin	39.9	28.2	18.8	36.0	27.8	22.7
Operating revenue to net operating assets	256.3	139.2	68.1	102.3	256.3	286.1
Return on net operating assets	36.6	3.9	1.0	19.5	-0.3	15.6
Pretax profit to assets	14.7	8.5	0.6	7.4	8.6	5.3
Return on capital employed	30.0	16.3	2.2	19.6	0.1	12.0
Return on equity (2)	34.7	18.1	5.0	8.1	20.5	14.6
<u>Efficiency (ratios)</u>						
Receivable turnover	...	8.23	...	...	9.45	6.55
Inventory turnover	...	8.20	...	...	8.20	6.14
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.26	...	...	0.67	1.85
Debt to equity	...	0.17	...	...	...	0.60
Liabilities to assets	0.33	0.75	0.96	0.84	0.72	0.56
Interest coverage	...	0.25	...	...	-0.11	3.26
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	95		5			
Pretax profit	83		17			
Net profit	83		17			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 123

**Industry** 57 - Other rolled, cast and extruded non-ferrous metal products industry  
**SICE Grouping** 299

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.8	4.6
Accounts receivable	22.8	28.1
Inventory	9.6	27.4
Capital assets	49.1	31.6
Other assets	7.5	2.0
<b>Total operating assets</b>	<b>95.9</b>	<b>93.7</b>
Investments and accounts with affiliates	4.1	3.0
Portfolio investments and loans with non-affiliates	-	3.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.4	19.3
Borrowing:		
Banks	11.1	10.7
Short term paper	0.1	-
Mortgages	2.1	0.8
Bonds	0.9	1.2
Other loans	1.0	3.7
Amount owing to affiliates	29.0	8.5
Other liabilities	1.6	2.4
Deferred income tax	0.3	5.8
<b>Total liabilities</b>	<b>70.5</b>	<b>52.3</b>
<b>Shareholders' equity</b>		
Share capital	0.8	0.8
Retained earnings	21.5	45.2
Other surplus	7.2	1.7
<b>Total shareholders' equity</b>	<b>29.5</b>	<b>47.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>39.8</b>	<b>61.1</b>
<b>Current liabilities - % of total assets</b>	<b>49.2</b>	<b>32.4</b>

Industry 58 - Fabricated structural metal products industries

SICE Grouping 302

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	226					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.2	3.5	0.5	4.1	3.4	2.4
Pretax profit margin	9.8	4.4	0.8	4.9	4.4	2.7
Operating profit margin	8.4	4.3	1.5	...	4.3	3.0
Gross profit margin	39.9	25.6	18.2	39.9	24.0	17.8
Operating revenue to net operating assets	546.9	302.9	213.2	...	278.2	380.1
Return on net operating assets	24.8	10.8	8.2	...	13.9	12.3
Pretax profit to assets	18.5	8.3	1.4	6.8	8.9	6.6
Return on capital employed	21.1	10.5	3.6	...	12.8	13.0
Return on equity (2)	38.4	17.9	5.2	15.6	18.0	22.5
<u>Efficiency (ratios)</u>						
Receivable turnover	9.47	7.37	4.84	...	6.55	5.22
Inventory turnover	15.72	10.48	6.41	...	11.70	6.42
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.27	2.10	1.32	...	1.68	1.55
Debt to equity	0.54	0.67	1.67	...	0.70	0.93
Liabilities to assets	0.44	0.70	0.96	0.77	0.67	0.74
Interest coverage	15.11	6.33	1.97	...	6.33	3.17
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	86		14			
Pretax profit	81		19			
Net profit	81		19			
Percentage of firms with zero or negative equity(2)			14			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 58 - Fabricated structural metal products industries

**SICE Grouping** 302

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.1	2.6
Accounts receivable	30.9	38.8
Inventory	11.7	27.3
Capital assets	29.9	21.2
Other assets	4.8	2.4
<b>Total operating assets</b>	<b>85.4</b>	<b>92.2</b>
Investments and accounts with affiliates	9.8	3.3
Portfolio investments and loans with non-affiliates	4.8	4.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.2	30.1
Borrowing:		
Banks	7.9	12.8
Short term paper	0.1	0.3
Mortgages	11.3	1.2
Bonds	3.0	3.7
Other loans	4.6	3.2
Amount owing to affiliates	20.5	10.5
Other liabilities	3.1	2.2
Deferred income tax	0.3	1.1
<b>Total liabilities</b>	<b>72.0</b>	<b>65.0</b>
<b>Shareholders' equity</b>		
Share capital	9.2	10.3
Retained earnings	15.3	21.6
Other surplus	3.5	3.1
<b>Total shareholders' equity</b>	<b>28.0</b>	<b>35.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>58.8</b>	<b>70.2</b>
<b>Current liabilities - % of total assets</b>	<b>38.8</b>	<b>50.9</b>

Industry 59 - Ornamental and architectural metal products industries

SICE Grouping 303

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	587					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.8	1.4	-1.7	-0.2	2.1	2.1
Pretax profit margin	5.8	1.7	-1.6	0.0	2.5	2.6
Operating profit margin	7.5	2.6	-3.0	-1.9	3.6	2.4
Gross profit margin	34.4	24.3	17.7	28.7	23.2	21.3
Operating revenue to net operating assets	373.2	277.4	163.4	272.4	291.7	300.2
Return on net operating assets	13.5	2.3	-6.8	-6.0	11.3	11.3
Pretax profit to assets	11.7	3.3	-3.2	-0.1	5.5	5.5
Return on capital employed	15.6	9.1	-0.1	2.3	9.5	9.1
Return on equity (2)	22.7	9.0	-2.5	3.1	12.0	13.5
<u>Efficiency (ratios)</u>						
Receivable turnover	10.56	7.01	5.06	7.16	6.71	4.97
Inventory turnover	13.28	8.53	5.20	7.24	9.19	5.97
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.05	2.44	1.24	2.45	2.03	1.41
Debt to equity	0.05	0.23	0.41	...	0.20	1.12
Liabilities to assets	0.40	0.66	0.94	0.68	0.65	0.72
Interest coverage	7.35	2.57	-2.69	...	5.89	2.38
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 59 - Ornamental and architectural metal products industries

SICE Grouping 303

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.9	7.5
Accounts receivable	29.1	35.2
Inventory	25.7	25.9
Capital assets	23.5	21.5
Other assets	4.1	2.0
<b>Total operating assets</b>	<b>92.3</b>	<b>92.1</b>
Investments and accounts with affiliates	6.2	4.8
Portfolio investments and loans with non-affiliates	1.5	3.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.7	22.6
Borrowing:		
Banks	10.5	18.1
Short term paper	0.1	0.3
Mortgages	4.1	3.8
Bonds	0.8	3.7
Other loans	4.9	3.1
Amount owing to affiliates	22.3	16.7
Other liabilities	1.5	3.3
Deferred income tax	0.4	2.6
<b>Total liabilities</b>	<b>67.5</b>	<b>74.2</b>
<b>Shareholders' equity</b>		
Share capital	10.3	5.0
Retained earnings	21.4	20.2
Other surplus	0.8	0.6
<b>Total shareholders' equity</b>	<b>32.5</b>	<b>25.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>67.6</b>	<b>72.3</b>
<b>Current liabilities - % of total assets</b>	<b>38.7</b>	<b>50.9</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 128

Industry 60 - Stamped, pressed and coated metal products industries

SICE Grouping 304

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	719					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.0	3.4	-0.2	1.8	4.0	2.6
Pretax profit margin	9.8	4.2	0.1	1.9	5.1	3.3
Operating profit margin	7.6	2.5	-0.6	0.1	4.1	5.8
Gross profit margin	44.7	32.2	22.3	38.7	29.7	19.9
Operating revenue to net operating assets	403.4	263.2	191.7	306.1	250.2	296.8
Return on net operating assets	19.6	7.4	-0.7	1.2	9.7	16.9
Pretax profit to assets	19.0	7.9	0.2	3.7	9.6	7.4
Return on capital employed	18.0	8.6	1.1	...	8.8	14.0
Return on equity (2)	34.8	14.1	2.4	10.1	16.1	14.1
<u>Efficiency (ratios)</u>						
Receivable turnover	7.72	5.74	4.94	5.45	5.79	7.21
Inventory turnover	16.14	10.60	5.47	...	6.80	10.85
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.65	1.46	1.29	1.31	1.97	1.37
Debt to equity	0.19	0.69	1.15	...	0.36	0.73
Liabilities to assets	0.35	0.60	0.84	0.66	0.58	0.64
Interest coverage	11.65	1.72	0.61	...	2.83	4.97
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	71		29			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	15					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 60 - Stamped, pressed and coated metal products industries

**SICE Grouping** 304

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.4	5.2
Accounts receivable	27.8	24.3
Inventory	19.3	20.2
Capital assets	31.6	29.6
Other assets	2.9	5.7
<b>Total operating assets</b>	<b>88.0</b>	<b>84.9</b>
Investments and accounts with affiliates	9.1	6.6
Portfolio investments and loans with non-affiliates	2.9	8.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.5	20.3
Borrowing:		
Banks	13.3	14.7
Short term paper	0.4	0.2
Mortgages	3.0	0.4
Bonds	4.6	2.4
Other loans	3.5	4.6
Amount owing to affiliates	11.8	17.2
Other liabilities	4.0	2.0
Deferred income tax	0.9	2.5
<b>Total liabilities</b>	<b>62.0</b>	<b>64.4</b>
<b>Shareholders' equity</b>		
Share capital	5.0	5.4
Retained earnings	31.1	29.2
Other surplus	1.9	1.1
<b>Total shareholders' equity</b>	<b>38.0</b>	<b>35.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>60.0</b>	<b>58.6</b>
<b>Current liabilities - % of total assets</b>	<b>35.9</b>	<b>44.9</b>

Industry 61 - Wire and wire products industries

SICE Grouping 305

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	183					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.9	3.9	0.4	4.7	3.7	2.4
Pretax profit margin	10.0	5.0	0.8	5.5	4.4	3.2
Operating profit margin	8.0	4.6	1.5	...	4.6	2.5
Gross profit margin	40.1	30.2	22.0	41.8	28.8	22.1
Operating revenue to net operating assets	315.4	209.0	162.6	...	209.0	261.6
Return on net operating assets	23.4	9.3	4.6	...	11.2	9.7
Pretax profit to assets	16.9	8.2	1.1	6.2	9.0	6.4
Return on capital employed	17.6	8.5	3.7	...	11.5	7.7
Return on equity (2)	35.5	17.5	3.8	17.5	17.5	15.9
<u>Efficiency (ratios)</u>						
Receivable turnover	11.44	7.61	5.72	...	7.16	5.11
Inventory turnover	8.38	5.39	2.50	...	5.39	4.86
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.83	1.89	1.36	...	2.33	1.66
Debt to equity	0.51	1.72	2.94	...	1.72	0.49
Liabilities to assets	0.38	0.61	0.85	0.62	0.61	0.63
Interest coverage	4.31	2.68	2.65	...	2.65	6.42
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	81		19			
Pretax profit	81		19			
Net profit	81		19			
Percentage of firms with zero or negative equity(2)	15					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 61 - Wire and wire products industries

**SICE Grouping** 305

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.3	3.9
Accounts receivable	23.0	32.7
Inventory	20.3	31.4
Capital assets	32.3	21.8
Other assets	3.8	2.9
<b>Total operating assets</b>	<b>83.7</b>	<b>92.7</b>
Investments and accounts with affiliates	14.8	4.5
Portfolio investments and loans with non-affiliates	1.5	2.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.7	25.3
Borrowing:		
Banks	14.8	9.4
Short term paper	0.2	0.0
Mortgages	2.5	0.0
Bonds	2.1	0.0
Other loans	6.5	3.5
Amount owing to affiliates	21.4	12.6
Other liabilities	5.7	0.5
Deferred income tax	1.5	1.7
<b>Total liabilities</b>	<b>71.5</b>	<b>53.2</b>
<b>Shareholders' equity</b>		
Share capital	2.6	8.0
Retained earnings	23.3	37.0
Other surplus	2.6	1.8
<b>Total shareholders' equity</b>	<b>28.5</b>	<b>46.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>61.6</b>	<b>69.9</b>
<b>Current liabilities - % of total assets</b>	<b>35.0</b>	<b>41.4</b>

Industry 62 - Hardware, tool and cutlery industries

SICE Grouping 306

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	906					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.7	5.0	0.4	3.2	5.4	2.9
Pretax profit margin	13.4	5.9	0.6	4.0	7.0	3.4
Operating profit margin	18.3	9.4	3.8	10.2	8.6	4.4
Gross profit margin	48.0	34.5	24.5	45.9	31.6	24.9
Operating revenue to net operating assets	260.9	153.9	113.1	146.7	187.8	194.1
Return on net operating assets	30.2	16.5	5.9	16.5	15.2	11.7
Pretax profit to assets	19.8	9.5	1.0	5.0	11.2	5.8
Return on capital employed	27.8	13.5	5.8	13.9	11.7	11.2
Return on equity (2)	34.3	19.3	5.6	11.8	21.2	15.4
<u>Efficiency (ratios)</u>						
Receivable turnover	8.84	6.07	3.47	5.64	6.07	6.37
Inventory turnover	13.11	8.82	4.07	...	9.18	3.98
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.74	2.23	1.21	5.00	1.60	1.64
Debt to equity	0.06	0.37	1.67	...	0.67	1.04
Liabilities to assets	0.37	0.61	0.85	0.67	0.60	0.69
Interest coverage	15.43	4.07	1.46	2.55	4.89	3.47
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	86		14			
Pretax profit	80		20			
Net profit	80		20			
Percentage of firms with zero or negative equity(2)			10			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 133

**Industry** 62 - Hardware, tool and cutlery industries**SICE Grouping** 306

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.1	4.1
Accounts receivable	22.8	27.9
Inventory	12.2	27.6
Capital assets	43.8	31.7
Other assets	3.0	3.3
<b>Total operating assets</b>	<b>89.8</b>	<b>94.7</b>
Investments and accounts with affiliates	5.6	4.1
Portfolio investments and loans with non-affiliates	4.6	1.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.8	30.7
Borrowing:		
Banks	11.8	19.6
Short term paper	0.1	0.3
Mortgages	3.7	1.6
Bonds	0.6	2.9
Other loans	5.2	7.2
Amount owing to affiliates	16.6	16.3
Other liabilities	6.1	5.2
Deferred income tax	1.7	3.6
<b>Total liabilities</b>	<b>64.6</b>	<b>87.4</b>
<b>Shareholders' equity</b>		
Share capital	3.0	3.4
Retained earnings	31.4	9.0
Other surplus	0.9	0.1
<b>Total shareholders' equity</b>	<b>35.4</b>	<b>12.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>50.1</b>	<b>64.8</b>
<b>Current liabilities - % of total assets</b>	<b>33.1</b>	<b>61.4</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 134

Industry 63 - Heating equipment industry

SICE Grouping 307

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	105					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.1	1.8	-1.6	0.6	2.1	2.7
Pretax profit margin	10.7	2.6	-1.6	1.3	3.1	2.9
Operating profit margin	...	4.7	...	...	3.5	4.7
Gross profit margin	39.3	29.9	20.0	29.5	30.0	25.2
Operating revenue to net operating assets	...	291.0	...	...	259.8	225.8
Return on net operating assets	...	12.1	...	...	16.6	7.3
Pretax profit to assets	19.4	4.7	-2.5	1.4	5.7	5.7
Return on capital employed	...	13.4	...	...	16.6	8.0
Return on equity (2)	36.6	16.3	-1.0	2.5	22.1	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	7.44	...	...	7.13	5.88
Inventory turnover	...	4.95	...	...	8.35	3.58
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.30	...	...	1.39	1.46
Debt to equity	...	0.45	...	...	0.57	0.44
Liabilities to assets	0.37	0.72	0.93	0.80	0.60	0.58
Interest coverage	...	2.08	...	...	2.67	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 135

Industry 63 - Heating equipment industry

SICE Grouping 307

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.1	12.5
Accounts receivable	27.2	26.0
Inventory	17.9	34.6
Capital assets	28.0	21.4
Other assets	7.3	3.4
<b>Total operating assets</b>	<b>92.6</b>	<b>97.8</b>
Investments and accounts with affiliates	3.9	2.0
Portfolio investments and loans with non-affiliates	3.5	0.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	25.1	21.4
Borrowing:		
Banks	6.5	25.0
Short term paper	0.0	0.0
Mortgages	2.7	1.0
Bonds	-	0.4
Other loans	1.3	5.0
Amount owing to affiliates	18.2	3.9
Other liabilities	3.0	1.7
Deferred income tax	1.3	1.6
<b>Total liabilities</b>	<b>58.2</b>	<b>60.1</b>
<b>Shareholders' equity</b>		
Share capital	22.0	8.8
Retained earnings	19.8	31.1
Other surplus	0.0	0.1
<b>Total shareholders' equity</b>	<b>41.8</b>	<b>39.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>58.7</b>	<b>76.8</b>
<b>Current liabilities - % of total assets</b>	<b>32.6</b>	<b>48.0</b>

Industry 64 - Machine shop industry

SICE Grouping 308

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,945					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.5	4.2	0.3	3.0	5.2	3.1
Pretax profit margin	11.7	5.1	0.4	3.6	6.4	3.5
Operating profit margin	10.8	6.7	1.4	3.0	7.3	4.9
Gross profit margin	52.2	36.5	25.0	44.5	31.6	26.1
Operating revenue to net operating assets	358.5	249.3	183.8	252.6	240.9	235.7
Return on net operating assets	25.1	15.4	4.5	13.6	16.0	17.2
Pretax profit to assets	19.5	8.6	0.7	6.1	11.5	7.1
Return on capital employed	21.5	13.4	6.1	12.8	14.3	13.4
Return on equity (2)	37.3	19.3	5.6	15.4	21.7	19.3
<u>Efficiency (ratios)</u>						
Receivable turnover	8.90	6.53	5.24	6.59	6.42	6.71
Inventory turnover	15.68	11.38	5.94	11.62	10.14	6.62
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.56	1.62	1.20	1.41	1.75	1.37
Debt to equity	0.23	0.67	1.61	0.55	0.70	0.96
Liabilities to assets	0.39	0.64	0.88	0.68	0.61	0.70
Interest coverage	8.10	2.72	1.39	2.42	3.10	5.15
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	86		14			
Pretax profit	82		18			
Net profit	82		18			
Percentage of firms with zero or negative equity(2)	9					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 137

Industry 64 - Machine shop industry

SICE Grouping 308

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.9	7.3
Accounts receivable	25.6	30.4
Inventory	14.5	20.5
Capital assets	40.4	33.6
Other assets	2.8	1.4
<b>Total operating assets</b>	<b>92.1</b>	<b>93.2</b>
Investments and accounts with affiliates	7.1	3.2
Portfolio investments and loans with non-affiliates	0.8	3.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.1	28.6
Borrowing:		
Banks	17.8	16.4
Short term paper	0.1	0.1
Mortgages	6.0	4.0
Bonds	1.7	1.5
Other loans	9.3	9.3
Amount owing to affiliates	13.2	7.2
Other liabilities	2.2	2.4
Deferred income tax	1.3	2.0
<b>Total liabilities</b>	<b>68.6</b>	<b>71.4</b>
<b>Shareholders' equity</b>		
Share capital	6.0	1.9
Retained earnings	23.7	26.6
Other surplus	1.6	0.1
<b>Total shareholders' equity</b>	<b>31.4</b>	<b>28.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>52.6</b>	<b>62.4</b>
<b>Current liabilities - % of total assets</b>	<b>32.3</b>	<b>44.4</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 138

Industry 65 - Other metal fabricating industries  
SICE Grouping 309

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	669					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.9	3.4	-0.2	1.6	3.9	2.5
Pretax profit margin	9.8	4.3	0.2	2.1	4.7	3.5
Operating profit margin	7.5	4.1	-1.7	-1.5	6.2	4.6
Gross profit margin	41.6	30.0	21.5	39.0	27.7	23.4
Operating revenue to net operating assets	346.3	191.4	111.1	213.2	183.8	287.1
Return on net operating assets	16.0	8.1	-3.3	2.6	11.5	16.9
Pretax profit to assets	17.0	7.8	0.3	3.7	9.6	7.1
Return on capital employed	14.7	8.5	0.3	7.6	9.4	15.5
Return on equity (2)	34.7	15.8	3.9	8.6	18.5	16.4
<u>Efficiency (ratios)</u>						
Receivable turnover	9.46	6.22	4.61	5.71	6.28	7.13
Inventory turnover	15.84	7.58	4.69	7.14	9.10	8.74
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.24	1.29	1.06	1.14	1.30	1.16
Debt to equity	0.17	0.47	1.51	1.30	0.33	1.39
Liabilities to assets	0.39	0.63	0.86	0.67	0.61	0.66
Interest coverage	4.49	1.53	-0.12	1.40	1.53	2.83
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	67		33			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 139

Industry 65 - Other metal fabricating industries

SICE Grouping 309

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.6	3.5
Accounts receivable	24.3	24.4
Inventory	13.9	19.8
Capital assets	39.3	33.3
Other assets	3.6	3.9
<b>Total operating assets</b>	<b>89.7</b>	<b>84.9</b>
Investments and accounts with affiliates	9.2	6.3
Portfolio investments and loans with non-affiliates	1.1	8.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.5	19.1
Borrowing:		
Banks	15.8	19.0
Short term paper	0.1	0.3
Mortgages	4.7	2.0
Bonds	2.3	4.3
Other loans	7.2	9.3
Amount owing to affiliates	8.2	9.9
Other liabilities	3.7	3.5
Deferred income tax	1.0	1.8
<b>Total liabilities</b>	<b>61.5</b>	<b>69.1</b>
<b>Shareholders' equity</b>		
Share capital	3.1	4.4
Retained earnings	35.2	22.2
Other surplus	0.2	4.4
<b>Total shareholders' equity</b>	<b>38.5</b>	<b>30.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>50.4</b>	<b>51.0</b>
<b>Current liabilities - % of total assets</b>	<b>33.2</b>	<b>42.6</b>

Industry 66 - Agricultural implement industry

SICE Grouping 311

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	185					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.5	2.4	-1.0	1.6	3.3	2.5
Pretax profit margin	9.3	3.0	-0.8	1.7	4.3	3.0
Operating profit margin	8.8	4.3	-0.6	...	7.2	3.9
Gross profit margin	39.9	30.1	19.6	33.8	28.3	23.6
Operating revenue to net operating assets	...	28.8	...	...	211.6	212.0
Return on net operating assets	3.4	-4.2	-14.5	...	9.0	11.4
Pretax profit to assets	13.8	4.4	-1.7	2.3	6.6	7.2
Return on capital employed	14.8	6.8	1.0	...	12.6	10.4
Return on equity (2)	28.8	11.4	0.7	5.5	13.7	15.8
<u>Efficiency (ratios)</u>						
Receivable turnover	...	8.22	...	...	8.06	5.67
Inventory turnover	...	4.82	...	...	4.70	3.11
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.20	...	...	1.71	1.52
Debt to equity	...	0.40	...	...	0.40	0.42
Liabilities to assets	0.36	0.65	0.88	0.62	0.65	0.61
Interest coverage	...	0.51	...	...	0.63	5.06
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			23			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 141

Industry 66 - Agricultural implement industry

SICE Grouping 311

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.3	4.0
Accounts receivable	13.4	19.5
Inventory	24.0	41.9
Capital assets	43.9	19.9
Other assets	2.3	6.9
<b>Total operating assets</b>	<b>86.8</b>	<b>92.3</b>
Investments and accounts with affiliates	10.5	6.3
Portfolio investments and loans with non-affiliates	2.7	1.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	9.9	24.7
Borrowing:		
Banks	13.0	21.1
Short term paper	0.1	0.0
Mortgages	1.1	1.2
Bonds	1.7	1.0
Other loans	8.8	7.5
Amount owing to affiliates	29.0	5.4
Other liabilities	1.0	4.0
Deferred income tax	4.1	1.3
<b>Total liabilities</b>	<b>68.7</b>	<b>66.2</b>
<b>Shareholders' equity</b>		
Share capital	15.8	4.2
Retained earnings	13.2	28.6
Other surplus	2.2	1.0
<b>Total shareholders' equity</b>	<b>31.3</b>	<b>33.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>43.8</b>	<b>67.0</b>
<b>Current liabilities - % of total assets</b>	<b>23.5</b>	<b>46.8</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 142

Industry 67 - Other machinery and equipment industries

SICE Grouping 319

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,129					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.5	3.3	-0.4	1.9	3.6	2.7
Pretax profit margin	9.1	4.0	-0.3	2.3	4.5	3.3
Operating profit margin	10.9	5.6	1.4	1.3	5.6	5.6
Gross profit margin	44.3	30.4	22.0	39.6	28.3	24.3
Operating revenue to net operating assets	439.5	280.3	175.0	262.6	289.1	272.5
Return on net operating assets	21.0	7.2	1.4	2.8	12.6	19.0
Pretax profit to assets	16.9	7.6	-0.6	3.3	9.1	6.8
Return on capital employed	20.1	11.0	3.2	3.2	10.8	12.2
Return on equity (2)	34.5	16.3	3.4	10.5	17.6	16.3
<u>Efficiency (ratios)</u>						
Receivable turnover	8.99	7.38	5.08	7.44	6.77	6.97
Inventory turnover	11.66	5.96	3.48	7.51	5.27	3.88
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.38	1.51	1.17	1.23	1.65	1.59
Debt to equity	0.18	0.67	1.60	0.36	0.67	0.98
Liabilities to assets	0.39	0.65	0.88	0.71	0.62	0.69
Interest coverage	5.22	3.01	0.61	0.80	3.51	4.23
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	82		18			
Pretax profit	79		21			
Net profit	76		24			
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 67 - Other machinery and equipment industries

SICE Grouping 319

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.2	6.2
Accounts receivable	24.7	31.6
Inventory	21.1	33.4
Capital assets	23.0	17.3
Other assets	3.8	4.1
<b>Total operating assets</b>	<b>81.8</b>	<b>92.5</b>
Investments and accounts with affiliates	13.8	4.9
Portfolio investments and loans with non-affiliates	4.5	2.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.2	26.9
Borrowing:		
Banks	10.0	8.8
Short term paper	0.2	0.3
Mortgages	2.3	1.7
Bonds	2.5	3.9
Other loans	4.1	4.1
Amount owing to affiliates	13.4	9.6
Other liabilities	6.3	5.9
Deferred income tax	0.4	0.8
<b>Total liabilities</b>	<b>58.5</b>	<b>62.0</b>
<b>Shareholders' equity</b>		
Share capital	11.9	9.7
Retained earnings	28.8	26.7
Other surplus	0.8	1.6
<b>Total shareholders' equity</b>	<b>41.5</b>	<b>38.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>60.7</b>	<b>75.9</b>
<b>Current liabilities - % of total assets</b>	<b>36.1</b>	<b>47.4</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 144

Industry 68 - Aircraft and aircraft parts industry

SICE Grouping 321

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	136					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.6	3.0	-0.6	2.8	3.5	1.6
Pretax profit margin	9.4	4.0	-0.4	2.7	4.5	2.1
Operating profit margin	11.6	4.1	-1.5	...	2.9	...
Gross profit margin	45.6	33.2	22.8	41.3	27.7	20.9
Operating revenue to net operating assets	266.9	78.5	52.2	52.2	141.1	...
Return on net operating assets	24.1	11.3	-8.1	...	9.0	...
Pretax profit to assets	16.1	4.7	-0.9	4.2	6.3	2.8
Return on capital employed	21.0	11.1	-0.8	...	7.1	...
Return on equity (2)	31.4	14.0	1.0	11.6	16.2	14.9
<u>Efficiency (ratios)</u>						
Receivable turnover	6.47	6.15	4.71	...	5.61	...
Inventory turnover	...	1.91	...	...	3.95	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	6.47	2.07	1.31	...	1.58	...
Debt to equity	0.06	0.40	1.29	0.09	2.84	...
Liabilities to assets	0.53	0.76	0.93	0.72	0.76	0.69
Interest coverage	...	1.82	...	...	1.82	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	65		35			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 145

Industry 68 - Aircraft and aircraft parts industry

SICE Grouping 321

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.7	-
Accounts receivable	18.9	-
Inventory	16.4	-
Capital assets	16.8	-
Other assets	5.4	-
<b>Total operating assets</b>	<b>68.2</b>	<b>-</b>
Investments and accounts with affiliates	30.2	-
Portfolio investments and loans with non-affiliates	1.6	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	7.9	-
Borrowing:		
Banks	13.4	-
Short term paper	0.3	-
Mortgages	0.6	-
Bonds	3.5	-
Other loans	9.5	-
Amount owing to affiliates	45.8	-
Other liabilities	1.5	-
Deferred income tax	1.6	-
<b>Total liabilities</b>	<b>84.1</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	9.3	-
Retained earnings	6.5	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>15.9</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>50.7</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>19.6</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 146

Industry 69 - Truck and bus body and trailer industries

SICE Grouping 324

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	188					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.1	1.9	-1.3	0.3	2.6	2.0
Pretax profit margin	5.9	2.3	-1.3	0.4	3.1	2.8
Operating profit margin	23.1	5.6	-0.8	12.4	4.2	2.5
Gross profit margin	35.1	23.9	15.3	31.7	21.4	16.9
Operating revenue to net operating assets	338.3	217.3	99.1	...	298.8	372.2
Return on net operating assets	22.8	12.6	-0.2	...	8.5	12.7
Pretax profit to assets	14.2	4.0	-2.2	0.6	5.6	6.7
Return on capital employed	19.2	9.4	1.4	19.2	9.2	10.5
Return on equity (2)	25.4	11.8	0.8	4.8	13.2	20.5
<u>Efficiency (ratios)</u>						
Receivable turnover	14.57	12.73	6.14	...	9.74	7.67
Inventory turnover	11.45	5.70	3.67	...	5.12	6.69
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.53	1.49	1.31	...	1.42	1.59
Debt to equity	0.09	0.69	2.46	...	0.69	0.54
Liabilities to assets	0.41	0.66	0.91	0.71	0.64	0.68
Interest coverage	10.98	2.68	0.03	...	3.72	4.70
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	12					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 147

Industry 69 - Truck and bus body and trailer industries

SICE Grouping 324

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	22.7	3.3
Accounts receivable	11.4	35.3
Inventory	13.9	35.2
Capital assets	18.9	19.0
Other assets	13.8	3.6
<b>Total operating assets</b>	<b>80.7</b>	<b>96.4</b>
Investments and accounts with affiliates	17.2	1.5
Portfolio investments and loans with non-affiliates	2.1	2.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.1	25.6
Borrowing:		
Banks	7.4	9.8
Short term paper	0.0	0.2
Mortgages	2.7	2.5
Bonds	3.3	1.7
Other loans	1.3	2.8
Amount owing to affiliates	11.2	8.3
Other liabilities	10.3	6.1
Deferred income tax	0.7	0.7
<b>Total liabilities</b>	<b>53.1</b>	<b>57.7</b>
<b>Shareholders' equity</b>		
Share capital	39.3	6.9
Retained earnings	7.6	34.4
Other surplus	0.0	1.0
<b>Total shareholders' equity</b>	<b>46.9</b>	<b>42.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>57.7</b>	<b>75.4</b>
<b>Current liabilities - % of total assets</b>	<b>31.0</b>	<b>44.5</b>

Industry 70 - Motor vehicle parts and accessories industries

SICE Grouping 325

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	242					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.9	2.7	-0.7	1.8	3.6	3.0
Pretax profit margin	8.7	3.6	-0.6	2.1	4.4	3.5
Operating profit margin	8.9	4.0	0.8	1.0	4.0	4.1
Gross profit margin	43.2	28.7	20.1	32.9	27.0	21.7
Operating revenue to net operating assets	391.4	268.6	107.3	132.2	272.4	260.7
Return on net operating assets	9.0	7.4	-2.3	-4.4	8.0	10.3
Pretax profit to assets	15.0	5.8	-1.0	3.3	7.1	7.8
Return on capital employed	10.6	6.1	0.5	0.6	6.7	8.4
Return on equity (2)	27.6	9.4	0.1	5.5	14.2	16.1
<u>Efficiency (ratios)</u>						
Receivable turnover	10.28	8.00	5.22	6.89	9.29	6.26
Inventory turnover	9.56	5.57	3.21	...	5.57	6.72
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.28	2.00	1.46	3.16	1.64	1.32
Debt to equity	0.05	0.39	2.48	...	0.39	1.31
Liabilities to assets	0.36	0.62	0.87	0.56	0.65	0.64
Interest coverage	9.50	7.04	1.11	7.10	3.64	2.07
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				83	17	
Pretax profit				72	28	
Net profit				70	30	
Percentage of firms with zero or negative equity(2)						20

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 70 - Motor vehicle parts and accessories industries

**SICE Grouping** 325

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.5	4.4
Accounts receivable	17.9	25.4
Inventory	25.4	21.2
Capital assets	24.0	29.5
Other assets	3.8	7.3
<b>Total operating assets</b>	<b>82.7</b>	<b>87.8</b>
Investments and accounts with affiliates	15.5	10.2
Portfolio investments and loans with non-affiliates	1.8	2.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	15.6	20.5
Borrowing:		
Banks	10.3	13.2
Short term paper	0.1	0.4
Mortgages	8.8	0.7
Bonds	1.3	4.5
Other loans	4.0	5.5
Amount owing to affiliates	35.3	11.2
Other liabilities	1.7	7.2
Deferred income tax	0.5	1.4
<b>Total liabilities</b>	<b>77.6</b>	<b>64.5</b>
<b>Shareholders' equity</b>		
Share capital	43.4	16.0
Retained earnings	-22.1	18.4
Other surplus	1.1	1.0
<b>Total shareholders' equity</b>	<b>22.4</b>	<b>35.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>58.8</b>	<b>60.5</b>
<b>Current liabilities - % of total assets</b>	<b>26.9</b>	<b>39.4</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 150

Industry 71 - Boatbuilding and repair industry

SICE Grouping 328

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	282					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.9	1.4	-3.5	-0.2	2.2	3.3
Pretax profit margin	5.8	1.5	-3.5	0.0	2.7	6.2
Operating profit margin	5.7	3.8	-2.7	2.9	4.0	...
Gross profit margin	42.7	29.2	18.8	34.5	23.8	15.8
Operating revenue to net operating assets	239.4	202.1	150.7	202.1	198.5	...
Return on net operating assets	13.3	7.5	2.9	8.2	6.3	...
Pretax profit to assets	10.8	3.4	-4.4	0.1	6.0	12.9
Return on capital employed	11.9	6.5	3.4	6.7	6.5	...
Return on equity (2)	28.5	11.7	-2.2	3.8	16.6	18.1
<u>Efficiency (ratios)</u>						
Receivable turnover	10.01	7.68	5.26	...	7.68	...
Inventory turnover	10.50	3.84	2.81	3.15	7.47	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.54	1.75	1.09	2.90	1.32	...
Debt to equity	...	0.51	...	...	0.51	...
Liabilities to assets	0.43	0.74	0.99	0.79	0.70	0.74
Interest coverage	...	1.74	...	...	3.10	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			84	16		
Pretax profit			75	25		
Net profit			71	29		
Percentage of firms with zero or negative equity(2)			20			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 151

Industry 71 - Boatbuilding and repair industry

SICE Grouping 328

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.2	-
Accounts receivable	13.4	-
Inventory	21.3	-
Capital assets	40.8	-
Other assets	3.8	-
<b>Total operating assets</b>	<b>86.5</b>	<b>-</b>
Investments and accounts with affiliates	8.8	-
Portfolio investments and loans with non-affiliates	4.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	15.1	-
Borrowing:		
Banks	20.3	-
Short term paper	0.2	-
Mortgages	0.8	-
Bonds	1.9	-
Other loans	7.1	-
Amount owing to affiliates	13.3	-
Other liabilities	3.2	-
Deferred income tax	0.8	-
<b>Total liabilities</b>	<b>62.7</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	1.9	-
Retained earnings	33.8	-
Other surplus	1.7	-
<b>Total shareholders' equity</b>	<b>37.3</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>46.8</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>32.3</b>	<b>-</b>

Industry 72 - Electric lighting industries

SICE Grouping 333

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	126					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.7	1.3	-2.3	1.1	1.6	1.0
Pretax profit margin	8.3	1.5	-2.2	1.4	1.8	1.4
Operating profit margin	6.2	1.9	-2.5	...	1.4	2.4
Gross profit margin	44.8	31.3	22.9	33.2	29.0	17.2
Operating revenue to net operating assets	...	240.3	...	...	88.4	338.4
Return on net operating assets	2.1	-3.6	-27.6	...	1.9	7.2
Pretax profit to assets	12.8	2.9	-3.4	2.6	3.8	3.3
Return on capital employed	2.1	1.1	-43.1	...	2.4	5.6
Return on equity (2)	29.7	14.5	-0.4	10.0	15.5	6.3
<u>Efficiency (ratios)</u>						
Receivable turnover	10.55	7.03	5.05	...	5.47	5.49
Inventory turnover	...	2.83	...	...	1.99	4.68
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.24	...	...	1.99	1.61
Debt to equity	...	0.24	...	...	...	1.00
Liabilities to assets	0.44	0.71	0.95	0.71	0.71	0.66
Interest coverage	...	2.98	...	...	0.12	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 153

Industry 72 - Electric lighting industries

SICE Grouping 333

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.1	0.8
Accounts receivable	8.2	29.7
Inventory	13.6	32.3
Capital assets	8.7	16.9
Other assets	2.7	8.9
<b>Total operating assets</b>	<b>37.3</b>	<b>88.5</b>
Investments and accounts with affiliates	15.1	9.5
Portfolio investments and loans with non-affiliates	47.6	2.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	7.1	35.0
Borrowing:		
Banks	13.9	16.5
Short term paper	1.2	-
Mortgages	2.8	3.4
Bonds	13.8	-
Other loans	6.6	0.5
Amount owing to affiliates	15.4	11.7
Other liabilities	1.0	0.7
Deferred income tax	0.1	-0.1
<b>Total liabilities</b>	<b>61.8</b>	<b>67.7</b>
<b>Shareholders' equity</b>		
Share capital	28.3	10.3
Retained earnings	9.8	19.4
Other surplus	0.0	2.6
<b>Total shareholders' equity</b>	<b>38.2</b>	<b>32.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>47.1</b>	<b>65.0</b>
<b>Current liabilities - % of total assets</b>	<b>31.9</b>	<b>50.6</b>

Industry 73 - Communication and other electronic equipment industries  
 SICE Grouping 335

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	386					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.7	3.2	-2.0	2.0	4.4	4.0
Pretax profit margin	11.5	4.2	-1.7	2.5	5.4	4.8
Operating profit margin	10.7	6.9	-2.6	1.4	7.5	7.5
Gross profit margin	52.2	35.4	24.3	45.6	31.7	29.2
Operating revenue to net operating assets	449.1	275.1	179.5	258.7	336.4	230.6
Return on net operating assets	34.9	16.4	-6.3	3.2	16.4	12.8
Pretax profit to assets	18.5	7.5	-3.5	3.8	10.0	8.7
Return on capital employed	22.4	11.3	1.2	9.3	13.4	12.9
Return on equity (2)	35.5	16.2	1.9	10.0	18.4	26.4
<u>Efficiency (ratios)</u>						
Receivable turnover	9.81	6.13	4.24	6.15	5.51	6.94
Inventory turnover	10.01	6.82	5.17	...	8.44	3.83
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.17	1.83	1.46	1.60	1.89	1.49
Debt to equity	0.11	0.42	1.24	0.55	0.42	0.87
Liabilities to assets	0.35	0.62	0.89	0.67	0.59	0.65
Interest coverage	15.64	6.26	-0.56	...	6.26	3.26
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	63		37			
Net profit	66		34			
Percentage of firms with zero or negative equity(2)	13					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 155

Industry 73 - Communication and other electronic equipment industries

SICE Grouping 335

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.1	9.7
Accounts receivable	25.3	24.1
Inventory	13.8	25.1
Capital assets	22.7	17.9
Other assets	8.5	8.0
<b>Total operating assets</b>	<b>79.3</b>	<b>84.8</b>
Investments and accounts with affiliates	15.2	12.6
Portfolio investments and loans with non-affiliates	5.5	2.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.2	20.1
Borrowing:		
Banks	10.8	22.5
Short term paper	0.0	0.1
Mortgages	0.5	1.6
Bonds	0.3	4.8
Other loans	4.3	10.8
Amount owing to affiliates	30.3	2.9
Other liabilities	3.2	3.7
Deferred income tax	0.4	1.4
<b>Total liabilities</b>	<b>70.1</b>	<b>67.9</b>
<b>Shareholders' equity</b>		
Share capital	27.3	26.9
Retained earnings	2.0	4.8
Other surplus	0.6	0.4
<b>Total shareholders' equity</b>	<b>29.9</b>	<b>32.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>63.8</b>	<b>64.7</b>
<b>Current liabilities - % of total assets</b>	<b>36.6</b>	<b>42.4</b>

Industry 74 - Office, store and business machine industries

SICE Grouping 336

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	118					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.4	2.1	-2.3	0.4	3.5	2.4
Pretax profit margin	10.2	2.8	-2.1	0.4	3.9	2.7
Operating profit margin	7.6	3.6	0.4	...	2.7	1.2
Gross profit margin	56.4	40.7	27.9	51.7	34.7	25.3
Operating revenue to net operating assets	404.7	397.3	214.4	...	267.6	206.6
Return on net operating assets	11.6	6.6	-15.7	...	6.6	12.5
Pretax profit to assets	17.7	6.1	-4.9	0.9	8.4	6.0
Return on capital employed	19.6	6.2	1.5	...	3.9	3.0
Return on equity (2)	32.7	16.2	1.2	16.3	16.2	19.1
<u>Efficiency (ratios)</u>						
Receivable turnover	7.30	6.02	5.10	...	6.02	3.15
Inventory turnover	13.74	8.25	7.03	...	7.46	8.59
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.95	2.50	1.19	...	2.61	1.31
Debt to equity	...	0.76	...	...	0.45	0.10
Liabilities to assets	0.37	0.61	0.95	0.78	0.53	0.67
Interest coverage	...	2.21	...	...	2.03	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	70		30			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)	5					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

**Financial Performance Indicators for Canadian Business**

Page : 157

Industry 74 - Office, store and business machine industries

SICE Grouping 336

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.3	5.8
Accounts receivable	32.4	43.4
Inventory	18.2	21.9
Capital assets	19.2	9.2
Other assets	9.1	3.0
<b>Total operating assets</b>	<b>89.2</b>	<b>83.4</b>
Investments and accounts with affiliates	8.3	14.4
Portfolio investments and loans with non-affiliates	2.5	2.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	15.7	39.0
Borrowing:		
Banks	5.7	10.2
Short term paper	0.1	-
Mortgages	3.5	2.5
Bonds	1.3	-
Other loans	2.4	7.3
Amount owing to affiliates	15.0	4.4
Other liabilities	5.3	8.7
Deferred income tax	-0.1	0.3
<b>Total liabilities</b>	<b>48.9</b>	<b>72.4</b>
<b>Shareholders' equity</b>		
Share capital	46.6	10.3
Retained earnings	-0.1	17.3
Other surplus	4.6	-
<b>Total shareholders' equity</b>	<b>51.1</b>	<b>27.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>65.7</b>	<b>74.8</b>
<b>Current liabilities - % of total assets</b>	<b>27.1</b>	<b>49.5</b>

Industry 75 - Electrical industrial equipment industries

SICE Grouping 337

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	143					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.4	3.5	0.5	4.0	3.0	1.4
Pretax profit margin	9.9	4.4	0.6	4.4	4.4	2.4
Operating profit margin	5.4	4.5	1.1	...	2.9	2.0
Gross profit margin	41.1	30.8	19.9	35.0	28.4	26.1
Operating revenue to net operating assets	283.6	271.2	246.5	...	257.0	296.0
Return on net operating assets	...	11.0	...	...	4.2	13.3
Pretax profit to assets	16.3	8.0	1.2	10.7	7.0	5.3
Return on capital employed	15.7	9.6	3.0	...	3.8	5.1
Return on equity (2)	30.6	16.4	4.3	12.4	18.2	10.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	6.68	...	...	6.39	6.40
Inventory turnover	...	4.87	...	...	5.62	7.02
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.67	2.07	1.80	...	1.93	1.40
Debt to equity	...	2.49	...	...	1.44	0.93
Liabilities to assets	0.37	0.63	0.84	0.53	0.64	0.67
Interest coverage	...	-0.47	...	...	4.12	1.67
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	83		17			
Pretax profit	83		17			
Net profit	83		17			
Percentage of firms with zero or negative equity(2)	17					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 159

Industry 75 - Electrical industrial equipment industries

SICE Grouping 337

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.3	10.4
Accounts receivable	33.4	24.9
Inventory	18.4	16.1
Capital assets	19.7	15.8
Other assets	2.6	26.3
<b>Total operating assets</b>	<b>83.4</b>	<b>93.5</b>
Investments and accounts with affiliates	6.4	2.3
Portfolio investments and loans with non-affiliates	10.2	4.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.3	19.3
Borrowing:		
Banks	5.7	6.4
Short term paper	-	0.0
Mortgages	1.3	0.1
Bonds	-	0.8
Other loans	1.4	2.9
Amount owing to affiliates	21.7	17.2
Other liabilities	2.2	2.4
Deferred income tax	-0.5	1.6
<b>Total liabilities</b>	<b>56.3</b>	<b>50.9</b>
<b>Shareholders' equity</b>		
Share capital	14.5	37.1
Retained earnings	29.0	8.9
Other surplus	0.2	3.1
<b>Total shareholders' equity</b>	<b>43.7</b>	<b>49.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>67.1</b>	<b>57.3</b>
<b>Current liabilities - % of total assets</b>	<b>40.2</b>	<b>34.2</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 160

Industry 76 - Other electrical products industries

SICE Grouping 339

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	103					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.7	3.7	-1.4	0.6	3.8	2.3
Pretax profit margin	10.3	4.4	-1.3	1.9	4.5	3.0
Operating profit margin	...	5.0	...	...	4.4	5.4
Gross profit margin	46.0	34.3	25.6	36.0	31.4	23.8
Operating revenue to net operating assets	...	240.9	...	...	262.5	222.1
Return on net operating assets	...	10.3	...	...	19.0	15.5
Pretax profit to assets	20.1	8.5	-1.5	1.8	9.1	5.7
Return on capital employed	13.6	7.9	6.3	...	9.7	14.3
Return on equity (2)	33.4	16.8	4.0	7.5	19.7	13.2
<u>Efficiency (ratios)</u>						
Receivable turnover	10.48	6.74	4.87	...	6.74	6.78
Inventory turnover	...	6.00	...	...	6.00	4.81
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.75	2.36	1.66	...	2.23	1.40
Debt to equity	...	0.56	...	...	0.57	...
Liabilities to assets	0.27	0.56	0.76	0.41	0.59	0.68
Interest coverage	...	12.22	...	...	4.26	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 161

Industry 76 - Other electrical products industries

SICE Grouping 339

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.6	6.1
Accounts receivable	30.8	37.2
Inventory	18.8	27.9
Capital assets	18.6	20.8
Other assets	4.8	5.6
<b>Total operating assets</b>	<b>86.5</b>	<b>97.5</b>
Investments and accounts with affiliates	12.0	1.3
Portfolio investments and loans with non-affiliates	1.4	1.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.1	28.2
Borrowing:		
Banks	13.5	9.2
Short term paper	0.2	0.1
Mortgages	0.4	0.1
Bonds	3.9	0.8
Other loans	5.9	0.4
Amount owing to affiliates	10.8	11.9
Other liabilities	3.9	9.9
Deferred income tax	0.6	0.5
<b>Total liabilities</b>	<b>60.4</b>	<b>61.2</b>
<b>Shareholders' equity</b>		
Share capital	7.0	34.0
Retained earnings	32.6	4.3
Other surplus	-	0.5
<b>Total shareholders' equity</b>	<b>39.6</b>	<b>38.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	67.3	72.0
Current liabilities - % of total assets	39.6	49.6

Industry 77 - Clay products industries

SICE Grouping 351

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	91					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.2	1.6	-4.9	1.5	1.8	3.1
Pretax profit margin	8.3	1.6	-5.7	1.0	1.8	4.4
Operating profit margin	...	4.2	...	...	...	-1.4
Gross profit margin	61.6	42.1	29.5	48.1	35.1	22.0
Operating revenue to net operating assets	...	441.5	...	...	...	120.2
Return on net operating assets	...	0.9	...	...	...	3.9
Pretax profit to assets	13.3	2.8	-6.9	3.4	2.0	7.4
Return on capital employed	...	4.5	...	...	...	6.5
Return on equity (2)	33.7	5.4	-9.9	7.0	4.5	11.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	6.75	...	...	...	6.28
Inventory turnover	...	3.59	...	...	...	2.25
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.19	...	...	...	1.90
Debt to equity	...	...	...	...	...	0.26
Liabilities to assets	0.49	0.74	1.05	0.79	0.71	0.46
Interest coverage	...	...	...	...	...	-4.49
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 77 - Clay products industries  
SICE Grouping 351

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	1.8	3.2
Accounts receivable	17.5	10.7
Inventory	33.8	15.6
Capital assets	38.4	40.8
Other assets	3.4	3.8
<b>Total operating assets</b>	<b>94.9</b>	<b>74.0</b>
Investments and accounts with affiliates	4.0	17.6
Portfolio investments and loans with non-affiliates	1.0	8.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	15.3	11.2
Borrowing:		
Banks	17.5	26.1
Short term paper	-	0.0
Mortgages	16.9	3.8
Bonds	-	0.3
Other loans	8.4	5.0
Amount owing to affiliates	30.0	4.4
Other liabilities	4.9	5.1
Deferred income tax	0.3	2.7
<b>Total liabilities</b>	<b>93.3</b>	<b>58.5</b>
<b>Shareholders' equity</b>		
Share capital	11.4	19.6
Retained earnings	-4.7	21.9
Other surplus	-	0.0
<b>Total shareholders' equity</b>	<b>6.7</b>	<b>41.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	57.0	33.2
Current liabilities - % of total assets	33.9	22.5

Industry 78 - Concrete products industries

SICE Grouping 354

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	256					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.7	1.5	-2.9	0.8	2.0	2.5
Pretax profit margin	7.1	2.1	-2.6	1.3	2.6	3.0
Operating profit margin	6.7	1.8	-13.0	...	5.5	5.8
Gross profit margin	46.8	31.7	21.7	42.1	28.1	26.6
Operating revenue to net operating assets	191.7	122.4	71.8	...	85.4	368.9
Return on net operating assets	9.7	1.5	-17.2	...	8.6	15.4
Pretax profit to assets	9.1	3.0	-3.7	1.5	3.8	5.0
Return on capital employed	7.2	2.7	-13.3	...	5.6	11.8
Return on equity (2)	18.6	6.6	-0.6	8.4	6.0	5.8
<u>Efficiency (ratios)</u>						
Receivable turnover	12.02	5.73	3.72	...	5.73	10.00
Inventory turnover	6.71	3.99	2.57	...	3.99	6.13
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.69	1.47	0.97	...	1.91	1.30
Debt to equity	0.07	0.71	4.37	...	0.33	0.85
Liabilities to assets	0.34	0.62	0.89	0.71	0.56	0.71
Interest coverage	3.66	0.38	-8.18	...	2.31	4.58
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	78		22			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 165

**Industry** 78 - Concrete products industries**SICE Grouping** 354

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.2	4.9
Accounts receivable	10.6	21.1
Inventory	16.3	18.6
Capital assets	42.7	38.6
Other assets	2.4	2.6
<b>Total operating assets</b>	<b>78.1</b>	<b>85.9</b>
Investments and accounts with affiliates	19.8	10.4
Portfolio investments and loans with non-affiliates	2.1	3.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	12.3	19.4
Borrowing:		
Banks	13.6	16.4
Short term paper	0.1	0.3
Mortgages	0.2	2.0
Bonds	1.4	3.7
Other loans	7.1	6.3
Amount owing to affiliates	11.0	14.6
Other liabilities	3.3	3.2
Deferred income tax	1.3	2.2
<b>Total liabilities</b>	<b>50.3</b>	<b>68.2</b>
<b>Shareholders' equity</b>		
Share capital	16.9	8.6
Retained earnings	23.9	20.8
Other surplus	9.0	2.4
<b>Total shareholders' equity</b>	<b>49.7</b>	<b>31.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>34.3</b>	<b>51.1</b>
<b>Current liabilities - % of total assets</b>	<b>22.2</b>	<b>42.3</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 166

Industry 79 - Ready-mix concrete industry  
SICE Grouping 355

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	341					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.5	2.2	-1.7	0.7	2.6	2.3
Pretax profit margin	8.2	2.9	-1.5	1.3	3.3	3.3
Operating profit margin	12.1	3.9	1.3	4.6	3.9	2.3
Gross profit margin	52.8	32.8	18.7	44.2	29.2	18.5
Operating revenue to net operating assets	243.8	222.0	118.1	229.7	181.8	217.6
Return on net operating assets	13.4	7.4	-2.0	7.4	6.7	6.5
Pretax profit to assets	11.8	4.0	-2.5	2.0	4.7	5.2
Return on capital employed	13.7	7.2	3.3	7.9	6.6	6.7
Return on equity (2)	20.3	9.3	-0.9	4.6	9.5	8.4
<u>Efficiency (ratios)</u>						
Receivable turnover	11.69	7.81	6.06	11.40	7.17	6.76
Inventory turnover	19.01	11.33	8.77	8.07	13.33	17.41
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.82	1.40	1.00	1.48	1.17	1.09
Debt to equity	0.26	0.50	0.82	...	0.56	0.41
Liabilities to assets	0.28	0.58	0.83	0.65	0.54	0.54
Interest coverage	5.92	2.31	1.72	2.32	2.10	3.42
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	80		20			
Pretax profit	78		22			
Net profit	80		20			
Percentage of firms with zero or negative equity(2)	27					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 167

**Industry** 79 - Ready-mix concrete industry**SICE Grouping** 355

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.1	9.9
Accounts receivable	15.7	28.9
Inventory	7.9	10.0
Capital assets	47.3	44.4
Other assets	2.8	3.7
<b>Total operating assets</b>	<b>82.8</b>	<b>96.9</b>
Investments and accounts with affiliates	13.5	2.1
Portfolio investments and loans with non-affiliates	3.7	1.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.3	17.3
Borrowing:		
Banks	19.4	12.9
Short term paper	0.4	0.3
Mortgages	2.0	1.1
Bonds	4.5	3.2
Other loans	8.5	7.8
Amount owing to affiliates	17.8	9.4
Other liabilities	2.2	1.5
Deferred income tax	1.5	3.7
<b>Total liabilities</b>	<b>69.5</b>	<b>57.2</b>
<b>Shareholders' equity</b>		
Share capital	2.9	10.6
Retained earnings	25.2	29.6
Other surplus	2.4	2.7
<b>Total shareholders' equity</b>	<b>30.5</b>	<b>42.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>37.0</b>	<b>50.1</b>
<b>Current liabilities - % of total assets</b>	<b>36.5</b>	<b>36.8</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 168

Industry 80 - Glass and glass products industries

SICE Grouping 356

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million Median	
Number of firms in the group	168					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.0	1.7	-3.1	1.0	2.1	3.8
Pretax profit margin	7.2	2.0	-2.9	1.0	2.4	4.4
Operating profit margin	...	5.8	...	...	...	4.6
Gross profit margin	50.8	33.5	22.4	46.4	25.7	27.3
Operating revenue to net operating assets	...	227.6	...	...	...	264.2
Return on net operating assets	...	-6.9	...	...	...	14.6
Pretax profit to assets	14.4	3.4	-5.5	1.9	5.8	10.4
Return on capital employed	...	7.7	...	...	...	5.9
Return on equity (2)	32.8	10.7	-3.0	6.3	15.0	22.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	9.77	...	...	...	7.60
Inventory turnover	...	9.77	...	...	...	8.36
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.32	...	...	...	1.37
Debt to equity	...	...	...	...	...	...
Liabilities to assets	0.44	0.79	1.02	0.83	0.73	0.67
Interest coverage	...	-0.40	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 169

Industry 80 - Glass and glass products industries

SICE Grouping 356

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.0	6.1
Accounts receivable	18.5	22.7
Inventory	17.6	17.2
Capital assets	44.3	48.0
Other assets	3.0	2.0
<b>Total operating assets</b>	<b>91.4</b>	<b>96.0</b>
Investments and accounts with affiliates	8.5	0.5
Portfolio investments and loans with non-affiliates	0.1	3.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.9	13.8
Borrowing:		
Banks	3.7	22.5
Short term paper	0.1	0.1
Mortgages	10.9	17.5
Bonds	0.9	2.2
Other loans	0.7	9.1
Amount owing to affiliates	19.3	9.1
Other liabilities	6.1	3.1
Deferred income tax	-0.7	1.5
<b>Total liabilities</b>	<b>65.8</b>	<b>78.9</b>
<b>Shareholders' equity</b>		
Share capital	3.1	11.8
Retained earnings	30.9	9.3
Other surplus	0.2	-
<b>Total shareholders' equity</b>	<b>34.2</b>	<b>21.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>47.2</b>	<b>48.0</b>
<b>Current liabilities - % of total assets</b>	<b>31.6</b>	<b>28.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 170

Industry 81 - Other non-metallic mineral products industries

SICE Grouping 359

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	219					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.0	1.1	-2.8	0.2	1.5	2.3
Pretax profit margin	5.9	1.4	-2.7	0.4	2.1	2.6
Operating profit margin	10.8	3.0	-6.5	-1.1	4.2	0.2
Gross profit margin	47.9	31.5	21.2	43.3	27.6	24.1
Operating revenue to net operating assets	184.1	136.9	94.3	103.8	184.1	184.4
Return on net operating assets	14.9	5.3	-7.8	4.9	8.9	3.1
Pretax profit to assets	11.0	2.2	-5.0	0.3	2.9	5.0
Return on capital employed	14.2	5.4	-0.2	5.4	8.3	2.6
Return on equity (2)	21.6	6.6	-2.5	3.1	8.5	12.9
<u>Efficiency (ratios)</u>						
Receivable turnover	14.44	6.86	5.95	7.57	5.53	5.64
Inventory turnover	4.63	3.57	2.32	2.43	4.37	4.24
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.81	1.71	1.21	1.28	2.51	1.38
Debt to equity	0.10	0.41	1.68	...	0.32	0.21
Liabilities to assets	0.35	0.64	0.91	0.72	0.61	0.69
Interest coverage	1.70	0.40	-0.83	...	1.40	0.82
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	73		27			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 171

Industry 81 - Other non-metallic mineral products industries

SICE Grouping 359

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.6	5.7
Accounts receivable	14.3	21.9
Inventory	18.2	20.2
Capital assets	37.7	45.5
Other assets	6.9	4.3
<b>Total operating assets</b>	<b>84.7</b>	<b>97.7</b>
Investments and accounts with affiliates	8.5	2.1
Portfolio investments and loans with non-affiliates	6.9	0.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	10.5	12.4
Borrowing:		
Banks	19.0	18.4
Short term paper	0.2	-
Mortgages	2.9	0.3
Bonds	2.2	2.9
Other loans	14.5	8.7
Amount owing to affiliates	14.0	15.1
Other liabilities	7.2	3.7
Deferred income tax	0.4	2.5
<b>Total liabilities</b>	<b>70.9</b>	<b>63.9</b>
<b>Shareholders' equity</b>		
Share capital	13.4	56.7
Retained earnings	15.4	-21.2
Other surplus	0.3	0.6
<b>Total shareholders' equity</b>	<b>29.1</b>	<b>36.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>47.9</b>	<b>49.0</b>
<b>Current liabilities - % of total assets</b>	<b>26.6</b>	<b>31.7</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 172

Industry 82 - Refined petroleum products industries  
SICE Grouping 361

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	49					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.5	2.4	-5.4	1.5	2.7	3.6
Pretax profit margin	11.0	2.8	-5.4	1.5	3.4	7.3
Operating profit margin	11.0	4.3	-1.1	4.3	4.0	...
Gross profit margin	59.8	41.3	16.6	41.3	41.0	25.4
Operating revenue to net operating assets	360.1	165.3	43.1	58.4	270.2	...
Return on net operating assets	17.1	8.9	-1.1	3.4	13.4	...
Pretax profit to assets	17.4	4.4	-4.3	0.9	6.4	13.5
Return on capital employed	17.4	8.4	1.3	5.9	14.5	...
Return on equity (2)	35.0	9.0	-0.6	1.8	16.8	16.5
<u>Efficiency (ratios)</u>						
Receivable turnover	6.63	4.96	3.55	4.96	3.98	...
Inventory turnover	19.18	9.86	6.68	...	17.25	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.19	1.66	1.07	2.15	1.47	...
Debt to equity	0.11	0.69	1.88	0.13	1.69	...
Liabilities to assets	0.20	0.55	0.97	0.34	0.74	0.62
Interest coverage	7.17	4.13	1.06	...	2.48	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	80		20			
Net profit	80		20			
Percentage of firms with zero or negative equity(2)	17					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 82 - Refined petroleum products industries  
 SICE Grouping 361

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.1	-
Accounts receivable	25.3	-
Inventory	10.2	-
Capital assets	31.4	-
Other assets	9.0	-
<b>Total operating assets</b>	<b>85.9</b>	<b>-</b>
Investments and accounts with affiliates	5.3	-
Portfolio investments and loans with non-affiliates	8.8	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	16.9	-
Borrowing:		
Banks	16.2	-
Short term paper	0.3	-
Mortgages	0.6	-
Bonds	3.2	-
Other loans	12.3	-
Amount owing to affiliates	9.8	-
Other liabilities	2.8	-
Deferred income tax	0.6	-
<b>Total liabilities</b>	<b>62.6</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	21.7	-
Retained earnings	15.7	-
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>37.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>55.1</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>29.6</b>	<b>-</b>

Industry 83 - Other petroleum and coal products industries

SICE Grouping 369

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	32					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.7	3.0	-0.6	-1.2	3.2	5.6
Pretax profit margin	11.9	3.1	-0.6	-1.2	3.2	6.1
Operating profit margin	10.7	1.6	-1.1	...	1.4	5.4
Gross profit margin	43.7	20.9	16.5	...	20.4	...
Operating revenue to net operating assets	314.2	236.4	136.1	...	217.7	348.1
Return on net operating assets	18.5	3.1	-2.7	...	3.6	14.3
Pretax profit to assets	13.9	5.7	-0.7	-1.0	5.7	9.6
Return on capital employed	11.6	2.6	-3.9	-8.4	4.1	7.1
Return on equity (2)	28.0	6.3	-7.9	...	7.8	15.1
<u>Efficiency (ratios)</u>						
Receivable turnover	9.00	4.67	3.63	...	4.47	...
Inventory turnover	22.76	11.49	8.47	...	13.27	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.35	1.39	1.20	...	1.38	1.18
Debt to equity	0.35	1.00	2.23	...	1.04	...
Liabilities to assets	0.30	0.61	0.86	0.69	0.60	0.49
Interest coverage	4.60	2.29	-0.11	...	1.71	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	73		27			
Pretax profit	64		36			
Net profit	64		36			
Percentage of firms with zero or negative equity(2)	9					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 83 - Other petroleum and coal products industries

**SICE Grouping** 369

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.4	9.7
Accounts receivable	20.4	16.7
Inventory	10.0	18.3
Capital assets	37.5	30.0
Other assets	3.2	1.2
<b>Total operating assets</b>	<b>82.4</b>	<b>75.9</b>
Investments and accounts with affiliates	13.3	12.3
Portfolio investments and loans with non-affiliates	4.2	11.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	12.6	23.5
Borrowing:		
Banks	9.2	7.2
Short term paper	0.3	0.5
Mortgages	1.0	0.9
Bonds	3.3	5.3
Other loans	5.4	2.5
Amount owing to affiliates	21.4	16.2
Other liabilities	1.1	0.4
Deferred income tax	1.3	4.0
<b>Total liabilities</b>	<b>55.5</b>	<b>60.6</b>
<b>Shareholders' equity</b>		
Share capital	12.4	1.2
Retained earnings	29.6	38.2
Other surplus	2.5	-
<b>Total shareholders' equity</b>	<b>44.5</b>	<b>39.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>49.9</b>	<b>63.7</b>
<b>Current liabilities - % of total assets</b>	<b>27.9</b>	<b>41.7</b>

Industry 84 - Industrial chemicals industries n.e.c.

SICE Grouping 371

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	53					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.8	2.2	-2.6	2.8	2.0	5.1
Pretax profit margin	12.9	2.9	-2.6	2.8	3.0	7.2
Operating profit margin	...	5.1	...	...	3.6	2.4
Gross profit margin	59.4	44.5	25.0	49.1	40.8	27.7
Operating revenue to net operating assets	...	86.4	...	...	77.1	274.2
Return on net operating assets	...	29.0	...	...	11.9	9.6
Pretax profit to assets	17.2	4.2	-4.3	3.9	5.0	9.2
Return on capital employed	...	7.7	...	...	7.1	8.6
Return on equity (2)	34.3	10.7	0.4	10.7	11.2	11.9
<u>Efficiency (ratios)</u>						
Receivable turnover	...	3.24	...	...	7.53	9.30
Inventory turnover	...	8.09	...	...	8.09	7.87
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	8.49	...	...	0.94	1.51
Debt to equity	...	0.41	...	...	...	3.71
Liabilities to assets	0.24	0.58	0.79	0.43	0.67	0.41
Interest coverage	...	...	...	...	...	0.69
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 84 - Industrial chemicals industries n.e.c.

**SICE Grouping** 371

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.9	8.5
Accounts receivable	14.2	19.1
Inventory	5.6	12.0
Capital assets	26.6	43.0
Other assets	6.4	2.7
<b>Total operating assets</b>	<b>58.6</b>	<b>85.2</b>
Investments and accounts with affiliates	41.2	13.1
Portfolio investments and loans with non-affiliates	0.2	1.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	5.7	11.7
Borrowing:		
Banks	16.5	13.2
Short term paper	0.4	0.5
Mortgages	0.8	10.1
Bonds	4.6	6.0
Other loans	11.5	7.6
Amount owing to affiliates	9.0	6.7
Other liabilities	2.7	0.7
Deferred income tax	2.3	1.8
<b>Total liabilities</b>	<b>53.5</b>	<b>58.4</b>
<b>Shareholders' equity</b>		
Share capital	19.9	14.9
Retained earnings	25.4	20.1
Other surplus	1.1	6.6
<b>Total shareholders' equity</b>	<b>46.5</b>	<b>41.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>27.3</b>	<b>42.8</b>
<b>Current liabilities - % of total assets</b>	<b>21.0</b>	<b>25.8</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 178

Industry 85 - Agricultural chemical industries

SICE Grouping 372

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	41					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.2	3.1	0.9	1.3	3.1	2.6
Pretax profit margin	6.1	4.0	0.9	1.3	4.2	3.6
Operating profit margin	...	1.9	...	...	1.9	3.0
Gross profit margin	38.3	22.1	17.5	37.5	20.7	20.4
Operating revenue to net operating assets	...	154.6	...	...	214.7	386.4
Return on net operating assets	...	7.8	...	...	7.8	9.9
Pretax profit to assets	10.2	6.1	1.1	0.5	7.3	7.3
Return on capital employed	...	9.0	...	...	9.0	9.1
Return on equity (2)	32.3	13.6	7.4	12.1	18.9	21.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	12.92	...	...	6.75	5.40
Inventory turnover	...	3.51	...	...	8.55	5.50
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.76	...	...	1.46	1.50
Debt to equity	...	1.05	...	...	1.05	0.99
Liabilities to assets	0.41	0.65	0.84	0.59	0.65	0.68
Interest coverage	...	...	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 85 - Agricultural chemical industries

**SICE Grouping** 372

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.2	5.2
Accounts receivable	26.6	34.3
Inventory	26.3	17.6
Capital assets	32.8	25.1
Other assets	2.4	2.8
<b>Total operating assets</b>	<b>91.1</b>	<b>85.1</b>
Investments and accounts with affiliates	8.1	4.6
Portfolio investments and loans with non-affiliates	0.8	10.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	10.8	25.0
Borrowing:		
Banks	23.4	10.4
Short term paper	-	0.2
Mortgages	-	2.5
Bonds	-	2.4
Other loans	15.0	3.5
Amount owing to affiliates	5.6	22.5
Other liabilities	0.7	10.1
Deferred income tax	0.7	0.8
<b>Total liabilities</b>	<b>56.3</b>	<b>77.3</b>
<b>Shareholders' equity</b>		
Share capital	2.4	8.0
Retained earnings	41.3	14.7
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>43.7</b>	<b>22.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>59.3</b>	<b>62.8</b>
<b>Current liabilities - % of total assets</b>	<b>31.9</b>	<b>48.8</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 180

Industry 86 - Pharmaceutical and medicine industry

SICE Grouping 374

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	79					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	17.4	6.0	-1.2	5.6	6.0	4.1
Pretax profit margin	20.9	7.3	-1.2	7.2	7.3	5.2
Operating profit margin	...	6.5	...	...	...	2.7
Gross profit margin	55.0	41.2	34.0	47.9	38.8	25.6
Operating revenue to net operating assets	...	214.7	...	...	...	126.7
Return on net operating assets	...	8.3	...	...	...	6.3
Pretax profit to assets	27.4	8.6	-1.1	9.6	6.9	6.7
Return on capital employed	...	6.6	...	...	...	7.0
Return on equity (2)	47.3	17.9	5.7	28.6	15.4	20.0
<u>Efficiency (ratios)</u>						
Receivable turnover	...	4.73	...	...	...	6.04
Inventory turnover	...	2.15	...	...	...	4.02
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.64	...	...	...	1.14
Debt to equity	...	...	...	...	...	0.73
Liabilities to assets	0.27	0.51	0.93	0.72	0.51	0.64
Interest coverage	...	...	...	...	...	0.86
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 181

Industry 86 - Pharmaceutical and medicine industry

SICE Grouping 374

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	2.6	7.7
Accounts receivable	9.3	17.5
Inventory	13.2	17.0
Capital assets	24.9	38.0
Other assets	4.5	10.1
<i>Total operating assets</i>	<i>54.6</i>	<i>90.2</i>
Investments and accounts with affiliates	44.0	9.8
Portfolio investments and loans with non-affiliates	1.4	0.0
<i>Total assets</i>	<i>100.0</i>	<i>100.0</i>
<b>Liabilities</b>		
Accounts payable	8.6	17.2
Borrowing:		
Banks	4.7	13.9
Short term paper	-	0.2
Mortgages	15.8	3.0
Bonds	-	1.8
Other loans	0.3	6.5
Amount owing to affiliates	5.0	29.2
Other liabilities	4.9	16.8
Deferred income tax	0.4	-1.0
<i>Total liabilities</i>	<i>39.7</i>	<i>87.6</i>
<b>Shareholders' equity</b>		
Share capital	13.3	24.1
Retained earnings	44.9	-16.5
Other surplus	2.2	4.8
<i>Total shareholders' equity</i>	<i>60.3</i>	<i>12.4</i>
<i>Total liabilities and shareholders' equity</i>	<i>100.0</i>	<i>100.0</i>
<b>Current assets - % of total assets</b>	<b>29.5</b>	<b>47.5</b>
<b>Current liabilities - % of total assets</b>	<b>14.0</b>	<b>41.4</b>

Industry 87 - Paint and varnish industry

SICE Grouping 375

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	70					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.6	2.1	-2.3	-1.0	2.7	1.7
Pretax profit margin	7.5	2.5	-2.3	-1.0	3.5	2.5
Operating profit margin	...	5.7	...	...	5.7	-0.1
Gross profit margin	45.9	35.8	28.0	39.9	34.3	30.8
Operating revenue to net operating assets	...	214.0	...	...	274.9	326.5
Return on net operating assets	...	21.0	...	...	18.0	1.6
Pretax profit to assets	14.9	3.5	-4.2	-1.3	7.4	6.4
Return on capital employed	...	15.8	...	...	15.8	4.3
Return on equity (2)	24.3	10.2	-2.4	1.3	14.0	8.8
<u>Efficiency (ratios)</u>						
Receivable turnover	...	7.28	...	...	7.28	6.29
Inventory turnover	...	4.39	...	...	4.39	5.18
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.50	...	...	1.34	2.70
Debt to equity	...	...	...	...	...	...
Liabilities to assets	0.34	0.60	0.91	0.64	0.55	0.49
Interest coverage	...	2.60	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 87 - Paint and varnish industry  
 SICE Grouping 375

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.5	4.7
Accounts receivable	28.1	33.4
Inventory	29.2	33.4
Capital assets	14.6	23.1
Other assets	3.2	3.3
<b>Total operating assets</b>	<b>87.7</b>	<b>97.9</b>
Investments and accounts with affiliates	11.6	2.1
Portfolio investments and loans with non-affiliates	0.7	-
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	25.2	16.8
Borrowing:		
Banks	7.3	5.9
Short term paper	0.1	-
Mortgages	1.5	4.2
Bonds	0.9	-
Other loans	2.8	3.4
Amount owing to affiliates	15.5	6.3
Other liabilities	2.0	10.6
Deferred income tax	0.1	0.3
<b>Total liabilities</b>	<b>55.4</b>	<b>47.6</b>
<b>Shareholders' equity</b>		
Share capital	7.6	3.5
Retained earnings	37.1	48.9
Other surplus	-	0.0
<b>Total shareholders' equity</b>	<b>44.6</b>	<b>52.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>78.5</b>	<b>73.0</b>
<b>Current liabilities - % of total assets</b>	<b>39.9</b>	<b>25.1</b>

Industry 88 - Soap and cleaning compounds industry

SICE Grouping 376

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	82					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.8	2.2	-0.8	2.6	2.2	0.1
Pretax profit margin	6.9	2.7	-0.6	3.1	2.4	0.2
Operating profit margin	...	3.3	...	...	...	...
Gross profit margin	49.5	36.1	29.4	41.0	34.3	27.1
Operating revenue to net operating assets	...	187.0	...	...	...	...
Return on net operating assets	...	1.4	...	...	...	...
Pretax profit to assets	12.2	4.5	-0.8	3.4	6.5	1.9
Return on capital employed	...	2.9	...	...	...	...
Return on equity (2)	24.0	7.9	-1.1	5.3	11.3	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	8.75	...	...	...	...
Inventory turnover	...	6.23	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.09	...	...	...	...
Debt to equity	...	0.60	...	...	...	...
Liabilities to assets	0.33	0.64	0.81	0.60	0.64	0.75
Interest coverage	...	3.14	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 88 - Soap and cleaning compounds industry

**SICE Grouping** 376

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	18.0	-
Accounts receivable	22.8	-
Inventory	16.3	-
Capital assets	25.7	-
Other assets	3.4	-
<b>Total operating assets</b>	<b>86.3</b>	<b>-</b>
Investments and accounts with affiliates	8.3	-
Portfolio investments and loans with non-affiliates	5.4	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	27.5	-
Borrowing:		
Banks	9.1	-
Short term paper	-	-
Mortgages	4.9	-
Bonds	-	-
Other loans	1.4	-
Amount owing to affiliates	2.9	-
Other liabilities	2.8	-
Deferred income tax	-0.2	-
<b>Total liabilities</b>	<b>48.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	13.3	-
Retained earnings	37.8	-
Other surplus	0.5	-
<b>Total shareholders' equity</b>	<b>51.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>63.6</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>38.8</b>	<b>-</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 186

Industry 89 - Toilet preparations industry

SICE Grouping 377

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	61					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.4	0.7	-5.3	-1.1	3.1	3.4
Pretax profit margin	7.7	0.8	-4.2	0.0	3.5	4.4
Operating profit margin	...	3.2	...	...	9.1	...
Gross profit margin	49.7	35.5	24.0	49.7	32.1	55.7
Operating revenue to net operating assets	...	145.6	...	...	122.1	...
Return on net operating assets	...	3.9	...	...	10.6	...
Pretax profit to assets	10.6	1.6	-10.2	-2.0	4.6	7.7
Return on capital employed	...	2.9	...	...	13.2	...
Return on equity (2)	23.1	8.5	-5.8	3.0	13.7	10.8
<u>Efficiency (ratios)</u>						
Receivable turnover	...	4.83	...	...	4.20	...
Inventory turnover	...	1.98	...	...	1.49	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	3.76	...	...	3.76	...
Debt to equity	...	0.69	...	...	1.12	...
Liabilities to assets	0.55	0.78	0.99	0.81	0.75	0.60
Interest coverage	...	4.06	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 187

**Industry** 89 - Toilet preparations industry**SICE Grouping** 377

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	2.6	-
Accounts receivable	17.9	-
Inventory	38.9	-
Capital assets	14.5	-
Other assets	19.2	-
<i>Total operating assets</i>	<b>93.1</b>	-
Investments and accounts with affiliates	5.4	-
Portfolio investments and loans with non-affiliates	1.5	-
<i>Total assets</i>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	17.1	-
Borrowing:		
Banks	12.3	-
Short term paper	0.0	-
Mortgages	0.1	-
Bonds	0.4	-
Other loans	3.8	-
Amount owing to affiliates	45.6	-
Other liabilities	1.5	-
Deferred income tax	0.3	-
<i>Total liabilities</i>	<b>81.1</b>	-
<b>Shareholders' equity</b>		
Share capital	9.7	-
Retained earnings	0.6	-
Other surplus	8.5	-
<i>Total shareholders' equity</i>	<b>18.9</b>	-
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	-
<b>Current assets - % of total assets</b>	<b>63.9</b>	-
<b>Current liabilities - % of total assets</b>	<b>29.7</b>	-

Industry 90 - Other chemical products industries

SICE Grouping 379

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	204					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.5	2.6	-0.6	0.5	3.5	1.6
Pretax profit margin	8.1	3.4	-0.5	0.9	4.1	2.0
Operating profit margin	7.1	2.6	0.1	...	6.1	3.3
Gross profit margin	49.3	37.5	25.7	44.3	34.1	29.0
Operating revenue to net operating assets	367.3	301.9	117.0	...	339.7	254.5
Return on net operating assets	20.3	12.8	9.1	...	19.6	6.4
Pretax profit to assets	16.2	6.6	-0.8	0.8	9.4	4.3
Return on capital employed	16.4	13.2	10.1	...	13.6	7.3
Return on equity (2)	31.7	13.1	2.6	7.0	14.3	9.9
<u>Efficiency (ratios)</u>						
Receivable turnover	13.82	9.33	6.12	...	7.74	6.96
Inventory turnover	5.50	5.03	2.89	...	4.89	4.92
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.73	1.37	0.75	...	1.65	1.89
Debt to equity	0.43	0.50	1.06	...	0.56	0.53
Liabilities to assets	0.35	0.61	0.90	0.76	0.56	0.60
Interest coverage	6.40	1.10	0.96	...	6.40	3.21
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	62		38			
Net profit	62		38			
Percentage of firms with zero or negative equity(2)	19					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Financial Performance Indicators for Canadian Business**Revenue under \$25 million, Reference Year 1995*

Page : 189

**Industry** 90 - Other chemical products industries**SICE Grouping** 379

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.6	5.4
Accounts receivable	23.6	21.5
Inventory	27.4	20.9
Capital assets	26.0	27.6
Other assets	5.7	7.2
<b>Total operating assets</b>	<b>88.3</b>	<b>82.6</b>
Investments and accounts with affiliates	10.2	15.7
Portfolio investments and loans with non-affiliates	1.6	1.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.3	16.3
Borrowing:		
Banks	18.9	13.7
Short term paper	0.7	0.0
Mortgages	3.9	2.3
Bonds	8.3	0.2
Other loans	10.0	1.4
Amount owing to affiliates	16.9	8.1
Other liabilities	1.5	1.7
Deferred income tax	0.5	1.0
<b>Total liabilities</b>	<b>82.9</b>	<b>44.8</b>
<b>Shareholders' equity</b>		
Share capital	7.2	20.3
Retained earnings	8.6	6.9
Other surplus	1.3	28.0
<b>Total shareholders' equity</b>	<b>17.1</b>	<b>55.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>63.6</b>	<b>53.5</b>
<b>Current liabilities - % of total assets</b>	<b>39.5</b>	<b>28.4</b>

Industry 91 - Scientific and professional equipment industries

SICE Grouping 391

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	562					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.7	3.3	-2.7	2.7	4.0	2.3
Pretax profit margin	10.3	4.2	-2.4	3.3	4.9	2.7
Operating profit margin	8.1	4.3	-3.3	2.2	5.4	4.0
Gross profit margin	54.6	39.7	27.9	47.1	34.5	35.0
Operating revenue to net operating assets	479.1	290.7	197.4	291.2	249.8	259.8
Return on net operating assets	15.9	6.7	-16.1	5.4	11.1	10.5
Pretax profit to assets	19.3	7.2	-3.4	4.6	9.6	5.9
Return on capital employed	13.7	8.5	-10.1	7.9	11.8	9.7
Return on equity (2)	33.7	14.3	0.9	8.3	18.6	11.4
<u>Efficiency (ratios)</u>						
Receivable turnover	10.04	9.26	6.18	...	7.84	6.35
Inventory turnover	10.25	4.52	2.55	...	4.98	4.43
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.52	1.53	1.01	1.06	1.92	1.36
Debt to equity	0.26	0.97	1.77	1.15	0.67	0.75
Liabilities to assets	0.31	0.58	0.89	0.56	0.59	0.59
Interest coverage	8.00	2.81	0.93	2.64	4.90	2.19
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	74		26			
Net profit	72		28			
Percentage of firms with zero or negative equity(2)	13					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 91 - Scientific and professional equipment industries

SICE Grouping 391

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.8	4.3
Accounts receivable	25.3	28.7
Inventory	24.7	26.3
Capital assets	18.1	18.9
Other assets	3.6	9.6
<b>Total operating assets</b>	<b>81.6</b>	<b>87.8</b>
Investments and accounts with affiliates	12.0	9.3
Portfolio investments and loans with non-affiliates	6.5	2.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.7	21.9
Borrowing:		
Banks	16.1	11.2
Short term paper	0.0	0.1
Mortgages	0.3	2.8
Bonds	0.3	1.0
Other loans	5.7	3.9
Amount owing to affiliates	15.4	15.4
Other liabilities	3.5	3.9
Deferred income tax	0.7	0.6
<b>Total liabilities</b>	<b>61.7</b>	<b>60.7</b>
<b>Shareholders' equity</b>		
Share capital	12.3	18.8
Retained earnings	25.4	17.6
Other surplus	0.6	2.9
<b>Total shareholders' equity</b>	<b>38.3</b>	<b>39.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>73.1</b>	<b>66.1</b>
<b>Current liabilities - % of total assets</b>	<b>43.2</b>	<b>43.5</b>

Industry 92 - Jewellery and precious metal industries

SICE Grouping 392

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	349					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.5	1.0	-3.7	0.7	2.3	1.5
Pretax profit margin	6.5	1.3	-3.7	0.8	2.5	2.0
Operating profit margin	2.8	1.5	-7.9	1.5	-6.2	2.6
Gross profit margin	52.3	37.4	23.0	43.7	27.3	24.1
Operating revenue to net operating assets	336.7	160.6	62.4	53.9	336.7	244.9
Return on net operating assets	14.3	8.3	3.5	...	3.5	7.5
Pretax profit to assets	9.9	2.1	-6.2	1.2	4.8	3.2
Return on capital employed	14.5	5.7	-0.7	...	-2.0	8.6
Return on equity (2)	22.7	5.1	-5.5	3.4	8.8	8.7
<u>Efficiency (ratios)</u>						
Receivable turnover	...	2.85	...	...	7.85	5.94
Inventory turnover	5.84	3.04	2.35	3.06	2.35	2.87
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.72	1.84	0.99	0.99	2.72	1.70
Debt to equity	0.15	0.42	2.54	...	0.15	1.66
Liabilities to assets	0.39	0.70	0.97	0.75	0.66	0.70
Interest coverage	...	-0.97	...	...	3.22	1.75
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			78	22		
Pretax profit			62	38		
Net profit			62	38		
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 92 - Jewellery and precious metal industries

SICE Grouping 392

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.4	4.5
Accounts receivable	12.6	27.6
Inventory	44.2	44.4
Capital assets	20.1	12.0
Other assets	2.6	3.1
<b>Total operating assets</b>	<b>86.9</b>	<b>91.5</b>
Investments and accounts with affiliates	9.1	0.9
Portfolio investments and loans with non-affiliates	3.9	7.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.0	21.6
Borrowing:		
Banks	18.0	16.6
Short term paper	0.0	0.1
Mortgages	4.7	0.4
Bonds	0.2	1.3
Other loans	5.8	6.9
Amount owing to affiliates	15.2	19.8
Other liabilities	0.5	1.0
Deferred income tax	0.4	0.7
<b>Total liabilities</b>	<b>63.7</b>	<b>68.3</b>
<b>Shareholders' equity</b>		
Share capital	2.3	6.2
Retained earnings	31.0	25.5
Other surplus	3.0	-0.1
<b>Total shareholders' equity</b>	<b>36.3</b>	<b>31.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	72.6	85.7
Current liabilities - % of total assets	37.4	48.2

Industry 93 - Sporting goods and toy industries

SICE Grouping 393

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	250					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.8	2.1	-2.3	1.1	2.9	2.0
Pretax profit margin	8.0	2.6	-2.3	1.4	3.8	2.6
Operating profit margin	6.3	3.1	-9.7	...	4.9	3.2
Gross profit margin	46.7	33.8	23.9	37.1	28.6	26.5
Operating revenue to net operating assets	320.1	172.5	107.3	...	320.1	222.6
Return on net operating assets	22.2	8.3	-7.5	...	10.9	11.4
Pretax profit to assets	13.8	4.2	-3.0	1.7	6.9	5.7
Return on capital employed	17.2	7.7	-12.0	-17.1	7.7	10.3
Return on equity (2)	31.2	10.3	1.1	7.8	15.5	11.9
<u>Efficiency (ratios)</u>						
Receivable turnover	8.80	5.87	4.12	...	7.30	6.27
Inventory turnover	2.63	2.48	2.06	...	2.16	2.32
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.12	2.05	1.52	2.40	2.05	1.35
Debt to equity	...	0.79	...	...	0.41	1.05
Liabilities to assets	0.49	0.78	1.02	0.88	0.67	0.67
Interest coverage	2.30	1.66	-12.20	...	1.66	2.22
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				74	26	
Pretax profit				69	31	
Net profit				64	36	
Percentage of firms with zero or negative equity(2)						26

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 195

Industry 93 - Sporting goods and toy industries

SICE Grouping 393

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	17.9	3.6
Accounts receivable	15.1	22.5
Inventory	34.4	35.7
Capital assets	14.7	14.0
Other assets	3.4	5.6
<b>Total operating assets</b>	<b>85.6</b>	<b>81.4</b>
Investments and accounts with affiliates	9.3	13.6
Portfolio investments and loans with non-affiliates	5.0	5.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.2	21.2
Borrowing:		
Banks	16.2	12.4
Short term paper	0.4	0.3
Mortgages	1.3	5.1
Bonds	4.4	2.9
Other loans	4.5	3.6
Amount owing to affiliates	33.8	21.8
Other liabilities	0.8	2.5
Deferred income tax	0.8	0.6
<b>Total liabilities</b>	<b>79.4</b>	<b>70.4</b>
<b>Shareholders' equity</b>		
Share capital	2.5	10.6
Retained earnings	18.2	16.0
Other surplus	0.0	3.0
<b>Total shareholders' equity</b>	<b>20.6</b>	<b>29.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>82.0</b>	<b>71.7</b>
<b>Current liabilities - % of total assets</b>	<b>58.3</b>	<b>46.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 196

Industry 94 - Sign and display industry

SICE Grouping 397

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	699					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.6	1.6	-2.2	1.1	2.1	3.1
Pretax profit margin	6.5	1.8	-2.1	1.1	2.7	3.5
Operating profit margin	9.3	5.5	0.6	5.5	4.7	4.0
Gross profit margin	60.8	41.2	28.4	47.4	33.8	29.8
Operating revenue to net operating assets	332.0	233.6	121.2	147.4	279.2	275.3
Return on net operating assets	30.4	12.1	0.8	12.2	12.1	12.3
Pretax profit to assets	14.2	3.4	-4.5	2.2	5.6	7.5
Return on capital employed	23.6	12.0	1.5	11.2	12.3	11.5
Return on equity (2)	33.3	12.1	-2.2	9.1	15.2	13.2
<u>Efficiency (ratios)</u>						
Receivable turnover	10.65	7.41	5.72	7.66	6.33	5.39
Inventory turnover	8.06	3.14	1.15	5.03	2.58	4.30
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.30	1.27	1.09	1.46	1.21	1.32
Debt to equity	0.94	1.30	2.69	1.13	1.33	0.38
Liabilities to assets	0.49	0.77	0.99	0.85	0.68	0.68
Interest coverage	4.93	2.03	0.45	1.54	2.03	5.45
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	83		17			
Pretax profit	73		27			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)			17			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 197

Industry 94 - Sign and display industry

SICE Grouping 397

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.5	4.5
Accounts receivable	25.1	31.9
Inventory	19.4	13.3
Capital assets	33.2	23.8
Other assets	3.2	5.5
<b>Total operating assets</b>	<b>86.4</b>	<b>79.0</b>
Investments and accounts with affiliates	9.4	19.5
Portfolio investments and loans with non-affiliates	4.2	1.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.3	20.0
Borrowing:		
Banks	15.2	13.1
Short term paper	0.2	0.0
Mortgages	6.5	3.2
Bonds	2.8	0.1
Other loans	4.5	2.4
Amount owing to affiliates	12.8	12.0
Other liabilities	2.6	3.7
Deferred income tax	-0.3	2.4
<b>Total liabilities</b>	<b>64.6</b>	<b>56.9</b>
<b>Shareholders' equity</b>		
Share capital	8.0	17.1
Retained earnings	25.5	26.0
Other surplus	1.9	-
<b>Total shareholders' equity</b>	<b>35.4</b>	<b>43.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>55.0</b>	<b>51.6</b>
<b>Current liabilities - % of total assets</b>	<b>37.6</b>	<b>42.9</b>

Industry 95 - Other manufactured products industries

SICE Grouping 399

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,924					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.7	3.2	-1.1	3.0	3.4	1.8
Pretax profit margin	10.6	3.8	-1.0	3.5	4.2	2.6
Operating profit margin	11.1	6.7	2.9	7.8	5.7	6.8
Gross profit margin	57.0	39.3	26.2	46.3	32.1	26.8
Operating revenue to net operating assets	389.5	251.0	179.5	208.0	278.1	269.5
Return on net operating assets	22.5	11.7	5.1	10.5	14.0	12.8
Pretax profit to assets	20.3	7.2	-2.3	5.8	8.4	5.4
Return on capital employed	21.0	11.1	2.7	7.0	13.8	11.5
Return on equity (2)	30.6	13.2	0.8	10.9	15.6	13.3
<u>Efficiency (ratios)</u>						
Receivable turnover	9.84	7.47	5.39	8.69	7.15	5.74
Inventory turnover	12.00	5.22	2.98	6.04	4.69	4.28
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.20	1.59	1.19	1.70	1.49	1.78
Debt to equity	0.19	0.72	2.13	0.75	0.59	0.96
Liabilities to assets	0.30	0.60	0.91	0.59	0.61	0.66
Interest coverage	7.65	2.36	1.04	1.79	3.25	4.81
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	84		16			
Pretax profit	80		20			
Net profit	80		20			
Percentage of firms with zero or negative equity(2)	13					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 199

Industry 95 - Other manufactured products industries

SICE Grouping 399

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.4	7.6
Accounts receivable	27.0	27.8
Inventory	20.3	26.8
Capital assets	25.7	23.4
Other assets	4.0	6.9
<b>Total operating assets</b>	<b>86.3</b>	<b>92.4</b>
Investments and accounts with affiliates	9.8	5.5
Portfolio investments and loans with non-affiliates	3.9	2.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.0	20.9
Borrowing:		
Banks	17.2	18.4
Short term paper	0.1	0.6
Mortgages	5.0	1.4
Bonds	1.0	1.6
Other loans	5.8	6.9
Amount owing to affiliates	10.4	11.6
Other liabilities	6.1	1.9
Deferred income tax	0.3	1.1
<b>Total liabilities</b>	<b>66.8</b>	<b>64.4</b>
<b>Shareholders' equity</b>		
Share capital	5.5	8.4
Retained earnings	23.8	23.6
Other surplus	3.9	3.5
<b>Total shareholders' equity</b>	<b>33.2</b>	<b>35.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>60.5</b>	<b>67.8</b>
<b>Current liabilities - % of total assets</b>	<b>41.6</b>	<b>38.2</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 200

Industry 96 - Residential building and development

SICE Grouping 401

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	16,321					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.3	0.8	-4.5	0.4	1.2	1.1
Pretax profit margin	6.4	1.0	-4.2	0.6	1.5	1.4
Operating profit margin	7.9	2.7	-3.3	1.9	3.4	1.2
Gross profit margin	33.7	19.1	10.8	25.2	13.6	9.5
Operating revenue to net operating assets	427.0	228.0	72.1	200.5	297.1	374.0
Return on net operating assets	20.7	9.6	-5.6	8.6	9.8	9.1
Pretax profit to assets	12.7	1.7	-8.0	0.5	3.4	3.8
Return on capital employed	16.9	6.4	-4.0	5.9	9.3	11.8
Return on equity (2)	26.7	7.5	-6.7	4.8	11.6	14.8
<u>Efficiency (ratios)</u>						
Receivable turnover	10.51	7.28	4.24	7.18	7.28	7.83
Inventory turnover	10.85	4.21	1.27	3.17	4.95	8.27
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.03	1.47	1.06	1.58	1.31	1.34
Debt to equity	0.23	0.82	1.75	0.73	1.07	1.08
Liabilities to assets	0.45	0.76	0.99	0.75	0.76	0.82
Interest coverage	5.88	1.30	-1.00	1.00	1.93	3.64
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 201

Industry 96 - Residential building and development

SICE Grouping 401

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.9	6.5
Accounts receivable	14.1	26.1
Inventory	23.2	26.3
Capital assets	26.3	19.4
Other assets	2.7	2.0
<b>Total operating assets</b>	<b>73.3</b>	<b>80.2</b>
Investments and accounts with affiliates	17.4	13.4
Portfolio investments and loans with non-affiliates	9.3	6.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.2	28.6
Borrowing:		
Banks	13.4	14.9
Short term paper	0.5	0.6
Mortgages	12.1	11.8
Bonds	6.0	4.3
Other loans	6.4	5.4
Amount owing to affiliates	23.8	17.3
Other liabilities	5.5	6.6
Deferred income tax	0.8	2.0
<b>Total liabilities</b>	<b>85.7</b>	<b>91.4</b>
<b>Shareholders' equity</b>		
Share capital	4.4	2.1
Retained earnings	9.0	6.2
Other surplus	0.9	0.3
<b>Total shareholders' equity</b>	<b>14.3</b>	<b>8.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	52.6	57.9
Current liabilities - % of total assets	38.6	47.1

Industry 97 - Non-residential building and development

SICE Grouping 402

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	850					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.6	1.4	-3.2	0.9	1.6	0.9
Pretax profit margin	6.8	1.8	-2.8	1.0	2.3	1.3
Operating profit margin	6.2	1.3	-7.6	-4.8	1.5	0.1
Gross profit margin	28.3	18.2	11.7	26.6	14.9	8.5
Operating revenue to net operating assets	313.9	126.2	123.4	126.2	222.0	...
Return on net operating assets	12.7	2.1	-7.4	...	10.5	0.8
Pretax profit to assets	11.5	2.9	-4.4	1.1	4.8	3.1
Return on capital employed	11.1	4.0	-1.3	-1.3	8.9	4.8
Return on equity (2)	22.3	7.1	-2.6	4.2	10.2	12.3
<u>Efficiency (ratios)</u>						
Receivable turnover	8.72	7.80	3.44	3.44	7.90	5.05
Inventory turnover	...	2.48	...	...	7.63	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.27	1.43	1.04	1.55	1.36	1.18
Debt to equity	0.12	0.20	1.80	0.19	0.72	...
Liabilities to assets	0.37	0.67	0.95	0.70	0.65	0.82
Interest coverage	1.31	0.70	-21.58	...	0.62	1.08
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	69		31			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	29					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 97 - Non-residential building and development

SICE Grouping 402

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.0	3.0
Accounts receivable	20.0	56.4
Inventory	7.9	4.5
Capital assets	36.9	19.9
Other assets	1.4	4.1
<b>Total operating assets</b>	<b>73.3</b>	<b>87.9</b>
Investments and accounts with affiliates	20.3	4.7
Portfolio investments and loans with non-affiliates	6.4	7.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.3	51.3
Borrowing:		
Banks	17.5	4.2
Short term paper	0.4	0.3
Mortgages	4.1	6.5
Bonds	5.8	3.3
Other loans	11.3	1.9
Amount owing to affiliates	19.6	9.2
Other liabilities	2.2	7.0
Deferred income tax	0.9	0.8
<b>Total liabilities</b>	<b>82.0</b>	<b>84.4</b>
<b>Shareholders' equity</b>		
Share capital	7.4	1.4
Retained earnings	9.8	14.1
Other surplus	0.8	0.1
<b>Total shareholders' equity</b>	<b>18.0</b>	<b>15.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>38.9</b>	<b>72.6</b>
<b>Current liabilities - % of total assets</b>	<b>39.6</b>	<b>62.7</b>

Industry 98 - Industrial construction (other than buildings)

SICE Grouping 411

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	291					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.4	2.7	-1.3	3.4	2.7	0.9
Pretax profit margin	10.3	3.5	-1.1	4.2	3.3	1.6
Operating profit margin	...	6.8	...	...	1.9	0.6
Gross profit margin	37.6	25.0	13.5	36.9	20.5	13.7
Operating revenue to net operating assets	...	311.8	...	...	311.8	...
Return on net operating assets	...	16.1	...	...	6.1	...
Pretax profit to assets	15.9	5.5	-1.6	5.2	6.3	4.5
Return on capital employed	...	8.6	...	...	7.8	4.3
Return on equity (2)	30.9	10.4	-1.8	9.3	10.9	9.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	4.35	...	...	...	7.24
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.93	...	...	1.07	1.21
Debt to equity	...	0.50	...	...	...	...
Liabilities to assets	0.32	0.60	0.83	0.55	0.64	0.76
Interest coverage	...	2.57	...	...	2.57	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Financial Performance Indicators for Canadian Business**Revenue under \$25 million, Reference Year 1995*

Page : 205

**Industry** 98 - Industrial construction (other than buildings)**SICE Grouping** 411

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.2	7.8
Accounts receivable	18.7	46.1
Inventory	2.5	3.2
Capital assets	48.0	27.2
Other assets	4.7	12.1
<b>Total operating assets</b>	<b>81.1</b>	<b>96.4</b>
Investments and accounts with affiliates	5.2	2.2
Portfolio investments and loans with non-affiliates	13.7	1.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.5	29.5
Borrowing:		
Banks	8.6	14.2
Short term paper	0.1	0.5
Mortgages	0.8	0.9
Bonds	0.9	5.1
Other loans	4.0	9.1
Amount owing to affiliates	21.5	26.5
Other liabilities	4.4	0.8
Deferred income tax	1.2	2.9
<b>Total liabilities</b>	<b>61.9</b>	<b>89.4</b>
<b>Shareholders' equity</b>		
Share capital	0.1	0.2
Retained earnings	38.0	10.4
Other surplus	0.0	-
<b>Total shareholders' equity</b>	<b>38.1</b>	<b>10.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>44.6</b>	<b>60.6</b>
<b>Current liabilities - % of total assets</b>	<b>31.5</b>	<b>50.9</b>

Industry 99 - Highway and heavy construction

SICE Grouping 412

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,815					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.1	1.6	-3.7	0.8	2.5	1.5
Pretax profit margin	9.0	2.2	-3.4	1.0	3.2	1.9
Operating profit margin	7.5	1.4	-6.4	-1.6	3.9	2.2
Gross profit margin	43.0	26.2	15.6	37.0	22.5	13.5
Operating revenue to net operating assets	339.2	203.0	96.2	139.9	227.6	343.7
Return on net operating assets	17.1	5.8	-8.1	2.8	10.7	10.2
Pretax profit to assets	12.9	3.3	-5.1	1.4	5.6	4.1
Return on capital employed	17.2	8.3	0.3	5.1	9.5	9.4
Return on equity (2)	24.8	8.0	-4.1	5.1	10.2	9.7
<u>Efficiency (ratios)</u>						
Receivable turnover	12.68	9.15	5.91	8.47	9.17	6.16
Inventory turnover	20.30	9.28	3.22	18.40	5.61	10.89
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.05	1.77	1.19	1.83	1.66	1.08
Debt to equity	0.24	0.58	1.80	0.45	0.63	1.63
Liabilities to assets	0.36	0.63	0.90	0.68	0.60	0.71
Interest coverage	5.92	2.43	-0.66	2.09	2.48	3.59
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			60	40		
Pretax profit			69	31		
Net profit			68	32		
Percentage of firms with zero or negative equity(2)				18		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 207

**Industry** 99 - Highway and heavy construction**SICE Grouping** 412

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.0	8.8
Accounts receivable	12.5	32.5
Inventory	7.3	7.5
Capital assets	42.8	36.1
Other assets	3.0	3.8
<b>Total operating assets</b>	<b>78.4</b>	<b>88.7</b>
Investments and accounts with affiliates	14.2	8.6
Portfolio investments and loans with non-affiliates	7.4	2.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	10.8	26.3
Borrowing:		
Banks	19.8	14.7
Short term paper	0.1	0.4
Mortgages	2.5	0.8
Bonds	1.1	4.1
Other loans	14.2	5.0
Amount owing to affiliates	18.7	12.5
Other liabilities	2.6	4.2
Deferred income tax	1.2	6.2
<b>Total liabilities</b>	<b>70.9</b>	<b>74.2</b>
<b>Shareholders' equity</b>		
Share capital	5.4	3.2
Retained earnings	22.5	22.0
Other surplus	1.2	0.6
<b>Total shareholders' equity</b>	<b>29.1</b>	<b>25.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	36.7	54.1
Current liabilities - % of total assets	28.4	45.8

Industry 100 - Site work

SICE Grouping 421

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	7,777					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.6	1.3	-4.3	0.7	2.5	1.8
Pretax profit margin	7.8	1.6	-4.1	0.9	3.1	2.3
Operating profit margin	9.0	3.4	-2.9	2.3	3.6	0.2
Gross profit margin	53.3	32.4	19.4	39.8	24.2	13.7
Operating revenue to net operating assets	321.0	213.0	127.4	198.1	265.7	254.0
Return on net operating assets	18.4	7.0	-7.9	3.5	10.4	-0.2
Pretax profit to assets	12.7	2.8	-6.7	1.3	5.4	5.0
Return on capital employed	16.2	7.7	-2.7	4.8	10.4	4.5
Return on equity (2)	26.0	8.4	-6.7	6.4	11.7	14.7
<u>Efficiency (ratios)</u>						
Receivable turnover	12.66	8.92	5.77	10.83	6.30	8.02
Inventory turnover	19.11	7.37	3.58	9.97	6.69	16.80
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.94	1.48	1.05	1.59	1.42	1.05
Debt to equity	0.34	0.99	1.99	0.99	0.99	3.23
Liabilities to assets	0.43	0.71	0.95	0.75	0.64	0.69
Interest coverage	3.72	1.47	-0.68	1.30	1.78	1.83
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	69		31			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)			13			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 209

Industry 100 - Site work

SICE Grouping 421

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.4	1.9
Accounts receivable	23.0	30.7
Inventory	3.9	16.3
Capital assets	49.8	36.5
Other assets	2.9	2.4
<b>Total operating assets</b>	<b>87.1</b>	<b>87.8</b>
Investments and accounts with affiliates	11.0	10.6
Portfolio investments and loans with non-affiliates	1.9	1.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.2	23.0
Borrowing:		
Banks	17.6	20.3
Short term paper	0.3	0.7
Mortgages	2.9	1.6
Bonds	3.4	6.8
Other loans	9.6	11.6
Amount owing to affiliates	12.4	22.0
Other liabilities	2.0	6.2
Deferred income tax	1.7	3.2
<b>Total liabilities</b>	<b>66.1</b>	<b>95.5</b>
<b>Shareholders' equity</b>		
Share capital	3.3	1.5
Retained earnings	29.2	2.3
Other surplus	1.3	0.7
<b>Total shareholders' equity</b>	<b>33.9</b>	<b>4.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>39.2</b>	<b>48.1</b>
<b>Current liabilities - % of total assets</b>	<b>35.7</b>	<b>49.8</b>

Industry 101 - Structural and related work

SICE Grouping 422

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,371					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.6	1.1	-4.0	0.3	2.3	1.6
Pretax profit margin	6.7	1.4	-3.7	0.6	2.6	1.9
Operating profit margin	6.6	1.5	-4.1	0.4	4.7	1.3
Gross profit margin	42.0	27.1	16.6	31.7	21.4	12.9
Operating revenue to net operating assets	354.3	235.5	137.3	256.9	170.5	342.4
Return on net operating assets	23.5	7.8	-8.7	5.8	7.8	10.8
Pretax profit to assets	15.2	2.8	-9.6	0.7	7.1	6.3
Return on capital employed	22.2	9.3	-4.4	8.7	12.8	10.0
Return on equity (2)	29.4	8.9	-7.2	5.9	14.9	13.3
<u>Efficiency (ratios)</u>						
Receivable turnover	9.27	7.33	4.49	7.84	5.48	3.83
Inventory turnover	21.71	10.38	7.40	9.14	11.63	11.80
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.02	1.25	0.97	1.07	1.36	1.58
Debt to equity	0.50	1.38	2.74	1.54	1.00	0.50
Liabilities to assets	0.41	0.70	0.96	0.72	0.67	0.71
Interest coverage	3.64	1.00	-2.79	1.00	2.92	0.36
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	65		35			
Pretax profit	63		37			
Net profit	63		37			
Percentage of firms with zero or negative equity(2)	27					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

**Financial Performance Indicators for Canadian Business**

Page : 211

Industry 101 - Structural and related work  
 SICE Grouping 422

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.3	7.0
Accounts receivable	26.4	45.2
Inventory	5.4	9.3
Capital assets	38.9	12.7
Other assets	2.5	3.6
<b>Total operating assets</b>	<b>85.5</b>	<b>77.8</b>
Investments and accounts with affiliates	10.3	11.0
Portfolio investments and loans with non-affiliates	4.2	11.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.3	26.5
Borrowing:		
Banks	15.2	4.0
Short term paper	0.2	1.6
Mortgages	5.2	3.4
Bonds	2.2	3.0
Other loans	7.4	2.5
Amount owing to affiliates	13.2	9.0
Other liabilities	4.1	2.3
Deferred income tax	1.0	6.3
<b>Total liabilities</b>	<b>65.8</b>	<b>58.6</b>
<b>Shareholders' equity</b>		
Share capital	2.6	15.1
Retained earnings	31.0	25.3
Other surplus	0.6	1.1
<b>Total shareholders' equity</b>	<b>34.2</b>	<b>41.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>50.2</b>	<b>71.4</b>
<b>Current liabilities - % of total assets</b>	<b>34.4</b>	<b>36.4</b>

Industry 102 - Exterior close-in work

SICE Grouping 423

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,697					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.2	0.6	-3.6	-0.3	1.4	1.3
Pretax profit margin	5.0	0.8	-3.4	0.2	1.7	1.5
Operating profit margin	7.3	3.0	-2.2	3.1	2.0	...
Gross profit margin	43.0	27.3	17.6	33.2	21.5	16.0
Operating revenue to net operating assets	388.9	244.4	153.2	232.6	273.9	...
Return on net operating assets	22.6	8.5	-5.0	7.3	11.3	...
Pretax profit to assets	14.1	1.9	-10.3	-0.4	4.6	4.5
Return on capital employed	25.3	8.3	-1.1	8.3	7.5	...
Return on equity (2)	27.6	8.0	-8.3	5.0	12.5	12.2
<u>Efficiency (ratios)</u>						
Receivable turnover	10.96	8.88	5.54	9.35	6.85	...
Inventory turnover	20.52	9.86	5.70	8.11	12.27	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.48	1.46	1.08	1.41	1.76	...
Debt to equity	0.21	0.74	2.25	0.61	0.99	...
Liabilities to assets	0.42	0.71	0.98	0.72	0.69	0.72
Interest coverage	5.65	1.20	-2.06	1.06	3.00	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			67	33		
Pretax profit			63	37		
Net profit			62	38		
Percentage of firms with zero or negative equity(2)				20		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 213

Industry 102 - Exterior close-in work

SICE Grouping 423

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.2	-
Accounts receivable	28.8	-
Inventory	10.6	-
Capital assets	27.8	-
Other assets	2.0	-
<i>Total operating assets</i>	<b>85.5</b>	-
Investments and accounts with affiliates	7.8	-
Portfolio investments and loans with non-affiliates	6.7	-
<i>Total assets</i>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	22.6	-
Borrowing:		
Banks	10.8	-
Short term paper	0.1	-
Mortgages	5.0	-
Bonds	1.5	-
Other loans	2.6	-
Amount owing to affiliates	15.1	-
Other liabilities	1.9	-
Deferred income tax	0.5	-
<i>Total liabilities</i>	<b>60.2</b>	-
<b>Shareholders' equity</b>		
Share capital	8.6	-
Retained earnings	30.2	-
Other surplus	1.1	-
<i>Total shareholders' equity</i>	<b>39.8</b>	-
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	-
Current assets - % of total assets	65.9	-
Current liabilities - % of total assets	41.0	-

Industry 103 - Plumbing, heating and air conditioning, mechanical work

SICE Grouping 424

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	6,173					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.0	1.3	-2.3	0.9	1.8	1.4
Pretax profit margin	6.0	1.5	-2.2	1.1	2.2	1.7
Operating profit margin	6.8	3.2	-0.8	3.8	2.6	2.5
Gross profit margin	45.5	30.4	19.7	36.9	23.7	14.3
Operating revenue to net operating assets	485.5	342.3	230.2	288.1	384.8	345.6
Return on net operating assets	28.2	11.9	2.5	11.9	11.2	13.7
Pretax profit to assets	16.0	4.1	-6.1	2.5	6.2	5.6
Return on capital employed	23.0	9.7	3.1	9.7	9.0	11.7
Return on equity (2)	30.3	11.2	-3.8	8.8	14.6	18.0
<u>Efficiency (ratios)</u>						
Receivable turnover	10.56	7.58	4.99	7.14	8.44	4.79
Inventory turnover	19.34	13.97	6.81	14.50	12.38	20.66
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.22	1.45	1.10	1.35	1.49	1.27
Debt to equity	0.27	0.85	2.53	1.10	0.66	0.94
Liabilities to assets	0.43	0.71	0.96	0.72	0.68	0.76
Interest coverage	8.67	3.47	1.00	3.47	3.50	3.48
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	71		29			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 215

Industry 103 - Plumbing, heating and air conditioning, mechanical work

SICE Grouping 424

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.0	3.1
Accounts receivable	42.3	53.9
Inventory	12.0	7.2
Capital assets	19.3	11.3
Other assets	3.7	3.3
<b>Total operating assets</b>	<b>88.2</b>	<b>78.8</b>
Investments and accounts with affiliates	7.2	17.2
Portfolio investments and loans with non-affiliates	4.6	4.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	34.1	31.6
Borrowing:		
Banks	11.5	9.3
Short term paper	0.2	0.3
Mortgages	2.7	1.3
Bonds	2.7	2.9
Other loans	4.4	3.6
Amount owing to affiliates	11.2	14.1
Other liabilities	2.9	3.3
Deferred income tax	0.8	2.4
<b>Total liabilities</b>	<b>70.5</b>	<b>68.8</b>
<b>Shareholders' equity</b>		
Share capital	3.3	20.2
Retained earnings	25.9	10.9
Other surplus	0.3	0.1
<b>Total shareholders' equity</b>	<b>29.5</b>	<b>31.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	73.4	67.9
Current liabilities - % of total assets	50.9	53.4

Industry 104 - Mechanical specialty work

SICE Grouping 425

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	900					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.6	1.9	-1.5	1.4	2.4	1.5
Pretax profit margin	8.0	2.4	-1.3	1.9	3.1	1.9
Operating profit margin	7.1	3.7	-3.1	2.0	4.0	...
Gross profit margin	49.5	30.6	21.1	42.0	24.7	18.8
Operating revenue to net operating assets	289.7	122.7	100.4	100.4	334.9	...
Return on net operating assets	19.9	6.7	-7.5	5.5	15.4	...
Pretax profit to assets	17.8	5.4	-4.7	3.7	7.9	5.1
Return on capital employed	14.8	4.4	-6.5	2.3	13.3	...
Return on equity (2)	34.5	13.0	0.1	11.5	15.1	14.6
<u>Efficiency (ratios)</u>						
Receivable turnover	9.49	6.44	4.25	6.46	5.31	...
Inventory turnover	...	15.82	...	...	11.21	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.06	1.31	0.93	1.13	1.31	...
Debt to equity	0.21	0.57	2.81	...	1.54	...
Liabilities to assets	0.38	0.66	0.93	0.69	0.65	0.71
Interest coverage	7.67	2.45	0.53	...	4.15	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	61		39			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	10					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 217

Industry 104 - Mechanical specialty work

SICE Grouping 425

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	14.4	-
Accounts receivable	40.0	-
Inventory	10.8	-
Capital assets	18.8	-
Other assets	5.4	-
<b>Total operating assets</b>	<b>89.3</b>	<b>-</b>
Investments and accounts with affiliates	4.9	-
Portfolio investments and loans with non-affiliates	5.8	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	22.8	-
Borrowing:		
Banks	14.0	-
Short term paper	0.2	-
Mortgages	2.1	-
Bonds	2.4	-
Other loans	8.1	-
Amount owing to affiliates	8.4	-
Other liabilities	4.5	-
Deferred income tax	0.1	-
<b>Total liabilities</b>	<b>62.6</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	9.1	-
Retained earnings	25.7	-
Other surplus	2.6	-
<b>Total shareholders' equity</b>	<b>37.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>72.0</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>44.2</b>	<b>-</b>

Industry 105 - Electrical work

SICE Grouping 426

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	6,651					
Financial ratios						
<i>Profitability (percentages)</i>						
Net profit margin	5.9	1.6	-2.3	1.2	2.5	1.6
Pretax profit margin	7.2	1.9	-2.1	1.4	3.1	2.0
Operating profit margin	9.7	2.6	-0.7	2.7	2.4	2.7
Gross profit margin	49.7	32.5	20.8	38.2	23.5	14.2
Operating revenue to net operating assets	413.7	321.8	246.2	301.3	410.6	415.2
Return on net operating assets	20.0	5.7	-3.2	5.1	6.6	14.3
Pretax profit to assets	17.2	4.7	-5.7	3.4	7.8	5.0
Return on capital employed	22.3	8.3	0.4	5.6	8.8	13.1
Return on equity (2)	30.9	11.6	-3.3	9.6	15.7	12.6
<i>Efficiency (ratios)</i>						
Receivable turnover	11.61	6.71	5.40	8.04	5.91	4.49
Inventory turnover	19.45	9.61	5.64	7.78	12.28	11.21
<i>Liquidity/Solvency (ratios)</i>						
Working capital	2.55	1.69	1.27	1.70	1.57	1.41
Debt to equity	0.07	0.47	1.14	0.53	0.37	0.36
Liabilities to assets	0.38	0.65	0.92	0.67	0.62	0.75
Interest coverage	6.18	2.11	0.31	2.00	2.15	4.64
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				75	25	
Pretax profit				74	26	
Net profit				74	26	
Percentage of firms with zero or negative equity(2)				20		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

*Financial Performance Indicators for Canadian Business*

Page : 219

Industry 105 - Electrical work

SICE Grouping 426

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.6	3.8
Accounts receivable	39.9	58.2
Inventory	15.6	8.7
Capital assets	15.4	14.7
Other assets	2.9	2.4
<b>Total operating assets</b>	<b>85.5</b>	<b>87.9</b>
Investments and accounts with affiliates	7.8	5.1
Portfolio investments and loans with non-affiliates	6.7	7.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	26.9	38.5
Borrowing:		
Banks	11.5	5.7
Short term paper	0.3	0.3
Mortgages	1.1	1.2
Bonds	3.0	2.9
Other loans	2.7	1.4
Amount owing to affiliates	14.5	9.2
Other liabilities	5.5	8.3
Deferred income tax	0.5	5.3
<b>Total liabilities</b>	<b>66.1</b>	<b>72.7</b>
<b>Shareholders' equity</b>		
Share capital	1.7	0.9
Retained earnings	31.7	26.4
Other surplus	0.5	-
<b>Total shareholders' equity</b>	<b>33.9</b>	<b>27.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>72.8</b>	<b>79.4</b>
<b>Current liabilities - % of total assets</b>	<b>46.8</b>	<b>52.7</b>

Industry 106 - Interior and finishing work

SICE Grouping 427

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	6,339					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.0	0.9	-3.5	0.7	1.3	1.7
Pretax profit margin	6.0	1.1	-3.2	0.9	1.6	2.2
Operating profit margin	10.8	1.8	-2.4	1.8	1.8	3.4
Gross profit margin	45.7	28.7	18.0	34.1	21.0	16.2
Operating revenue to net operating assets	433.0	278.8	157.1	265.1	332.3	...
Return on net operating assets	22.5	6.3	-5.2	6.0	8.3	19.3
Pretax profit to assets	16.7	2.7	-10.8	1.8	4.5	6.7
Return on capital employed	22.5	6.7	-3.7	6.2	8.2	16.7
Return on equity (2)	30.7	9.1	-7.7	8.7	10.8	13.8
<u>Efficiency (ratios)</u>						
Receivable turnover	11.07	7.84	4.78	7.84	7.15	4.65
Inventory turnover	17.56	9.67	6.66	9.67	9.45	17.28
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.94	1.61	1.00	1.61	1.63	1.35
Debt to equity	0.18	0.72	1.95	0.83	0.55	0.80
Liabilities to assets	0.41	0.71	1.00	0.72	0.70	0.73
Interest coverage	6.96	1.23	-1.43	1.14	1.68	8.52
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	66		34			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			28			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 221

Industry 106 - Interior and finishing work

SICE Grouping 427

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.8	6.1
Accounts receivable	30.5	52.1
Inventory	7.4	9.7
Capital assets	28.9	14.3
Other assets	2.6	1.7
<b>Total operating assets</b>	<b>81.2</b>	<b>83.8</b>
Investments and accounts with affiliates	11.7	6.0
Portfolio investments and loans with non-affiliates	7.1	10.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.8	39.4
Borrowing:		
Banks	14.0	7.0
Short term paper	0.0	0.1
Mortgages	5.0	0.4
Bonds	0.6	1.4
Other loans	5.3	1.3
Amount owing to affiliates	17.5	11.6
Other liabilities	2.4	2.8
Deferred income tax	0.3	2.9
<b>Total liabilities</b>	<b>65.9</b>	<b>66.9</b>
<b>Shareholders' equity</b>		
Share capital	1.9	8.1
Retained earnings	31.6	25.0
Other surplus	0.5	-
<b>Total shareholders' equity</b>	<b>34.1</b>	<b>33.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>58.5</b>	<b>81.1</b>
<b>Current liabilities - % of total assets</b>	<b>39.9</b>	<b>52.5</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 222

Industry 107 - Other trade work

SICE Grouping 429

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,812					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.9	1.6	-2.0	1.2	2.2	1.4
Pretax profit margin	8.6	2.1	-1.7	1.6	2.6	1.8
Operating profit margin	5.4	1.8	-7.7	0.6	2.5	-3.5
Gross profit margin	47.9	32.0	21.3	39.4	26.6	16.4
Operating revenue to net operating assets	367.1	288.2	147.9	213.1	364.4	...
Return on net operating assets	18.2	4.9	-7.2	-1.8	9.3	-1.7
Pretax profit to assets	20.0	5.0	-5.0	3.1	7.4	5.7
Return on capital employed	14.7	5.4	-5.7	-3.5	10.9	-1.0
Return on equity (2)	33.3	13.0	-2.8	10.7	15.4	14.4
<u>Efficiency (ratios)</u>						
Receivable turnover	10.19	8.08	5.15	8.15	7.75	7.22
Inventory turnover	15.58	8.20	5.33	7.66	8.22	8.61
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.23	1.66	1.06	1.85	1.34	1.37
Debt to equity	0.08	0.59	2.10	0.35	0.63	...
Liabilities to assets	0.40	0.69	0.95	0.72	0.66	0.67
Interest coverage	8.25	1.94	0.38	1.21	2.66	5.42
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	63		37			
Net profit	63		37			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

*Financial Performance Indicators for Canadian Business*

Page : 223

Industry 107 - Other trade work

SICE Grouping 429

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.0	3.4
Accounts receivable	30.5	56.1
Inventory	17.2	17.1
Capital assets	25.7	10.9
Other assets	5.2	5.2
<b>Total operating assets</b>	<b>85.6</b>	<b>92.6</b>
Investments and accounts with affiliates	10.2	7.4
Portfolio investments and loans with non-affiliates	4.2	-
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.8	23.6
Borrowing:		
Banks	15.3	26.1
Short term paper	0.2	0.3
Mortgages	1.5	1.0
Bonds	1.8	3.3
Other loans	7.1	6.8
Amount owing to affiliates	11.7	15.6
Other liabilities	2.2	3.8
Deferred income tax	0.5	0.1
<b>Total liabilities</b>	<b>63.2</b>	<b>80.5</b>
<b>Shareholders' equity</b>		
Share capital	4.7	5.3
Retained earnings	28.7	14.2
Other surplus	3.5	-
<b>Total shareholders' equity</b>	<b>36.8</b>	<b>19.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>62.3</b>	<b>80.1</b>
<b>Current liabilities - % of total assets</b>	<b>43.8</b>	<b>65.7</b>

Industry 108 - Project management, construction

SICE Grouping 441

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,000					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	14.0	2.8	-2.0	2.6	3.1	0.7
Pretax profit margin	17.9	3.8	-1.7	3.8	3.8	1.0
Operating profit margin	14.9	6.7	0.3	8.3	2.1	0.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	341.6	253.3	125.7	216.6	323.4	...
Return on net operating assets	24.1	12.5	0.1	15.8	10.6	1.3
Pretax profit to assets	25.7	7.0	-3.5	5.9	8.2	2.6
Return on capital employed	21.7	9.0	2.1	12.1	5.1	2.9
Return on equity (2)	38.4	15.6	0.7	12.5	21.0	27.8
<u>Efficiency (ratios)</u>						
Receivable turnover	7.29	3.85	1.77	1.50	5.32	6.22
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.87	2.26	1.02	2.73	1.30	1.10
Debt to equity	0.06	0.28	0.87	0.18	0.75	...
Liabilities to assets	0.31	0.66	0.95	0.63	0.71	0.89
Interest coverage	5.50	4.36	0.02	4.36	2.53	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	69		31			
Pretax profit	65		35			
Net profit	65		35			
Percentage of firms with zero or negative equity(2)	25					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 225

Industry 108 - Project management, construction

SICE Grouping 441

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.8	6.1
Accounts receivable	17.4	28.4
Inventory	5.5	4.5
Capital assets	17.1	34.8
Other assets	5.4	2.5
<b>Total operating assets</b>	<b>59.1</b>	<b>76.3</b>
Investments and accounts with affiliates	32.5	19.5
Portfolio investments and loans with non-affiliates	8.4	4.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	15.8	32.0
Borrowing:		
Banks	10.2	7.6
Short term paper	0.2	0.7
Mortgages	6.2	1.4
Bonds	1.6	8.2
Other loans	6.2	4.3
Amount owing to affiliates	17.6	47.7
Other liabilities	7.6	3.9
Deferred income tax	0.4	0.2
<b>Total liabilities</b>	<b>65.8</b>	<b>106.0</b>
<b>Shareholders' equity</b>		
Share capital	9.8	2.8
Retained earnings	22.7	-8.8
Other surplus	1.8	-
<b>Total shareholders' equity</b>	<b>34.2</b>	<b>-6.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>42.4</b>	<b>54.7</b>
<b>Current liabilities - % of total assets</b>	<b>31.1</b>	<b>50.7</b>

# Small and Medium Firms

Revenue under \$25 million, Reference Year 1995

Financial Performance Indicators for Canadian Business

Page : 226

Industry 109 - Other services incidental to construction

SICE Grouping 449

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,987					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	18.4	2.6	-8.1	3.2	1.5	1.5
Pretax profit margin	23.4	3.5	-7.6	4.2	2.2	2.1
Operating profit margin	39.5	11.4	-0.8	14.7	3.7	4.6
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	186.7	42.8	18.2	31.8	79.0	143.0
Return on net operating assets	12.3	3.0	-4.3	2.5	6.1	7.3
Pretax profit to assets	9.5	1.4	-2.5	1.3	1.6	2.6
Return on capital employed	9.5	4.2	-0.2	3.6	6.2	8.2
Return on equity (2)	23.3	6.0	-2.1	5.2	9.6	10.7
<u>Efficiency (ratios)</u>						
Receivable turnover	11.72	5.08	3.56	4.96	5.94	8.50
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	7.17	2.32	1.39	2.32	2.21	1.17
Debt to equity	0.20	1.24	4.03	1.52	0.73	1.52
Liabilities to assets	0.47	0.83	1.01	0.80	0.87	0.92
Interest coverage	3.11	1.06	-0.22	0.97	1.74	1.88
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			68	32		
Pretax profit			60	40		
Net profit			60	40		
Percentage of firms with zero or negative equity(2)						30

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 227

Industry 109 - Other services incidental to construction

SICE Grouping 449

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.0	2.5
Accounts receivable	3.2	5.5
Inventory	29.9	34.0
Capital assets	34.0	33.9
Other assets	2.8	3.9
<b>Total operating assets</b>	<b>73.8</b>	<b>79.8</b>
Investments and accounts with affiliates	15.8	15.1
Portfolio investments and loans with non-affiliates	10.4	5.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	7.0	9.8
Borrowing:		
Banks	22.6	16.7
Short term paper	0.7	0.6
Mortgages	14.7	17.2
Bonds	7.7	7.4
Other loans	9.3	6.0
Amount owing to affiliates	31.7	23.9
Other liabilities	3.8	2.6
Deferred income tax	0.7	2.5
<b>Total liabilities</b>	<b>98.1</b>	<b>86.6</b>
<b>Shareholders' equity</b>		
Share capital	17.0	7.3
Retained earnings	-17.5	-0.1
Other surplus	2.4	6.2
<b>Total shareholders' equity</b>	<b>1.9</b>	<b>13.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>42.0</b>	<b>30.7</b>
<b>Current liabilities - % of total assets</b>	<b>28.1</b>	<b>17.7</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 228

Industry 110 - Air transport industries

SICE Grouping 451

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	641					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.0	2.3	-6.3	1.3	3.3	1.6
Pretax profit margin	10.7	3.2	-5.2	2.5	3.9	1.9
Operating profit margin	8.8	4.9	-2.7	4.3	5.3	1.8
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	202.1	124.7	110.1	110.7	149.6	278.1
Return on net operating assets	14.1	8.1	-0.9	8.7	6.0	6.4
Pretax profit to assets	15.0	3.4	-6.3	2.2	4.3	3.2
Return on capital employed	12.9	8.0	0.9	8.0	6.3	6.5
Return on equity (2)	32.0	11.5	-4.6	8.4	15.5	9.5
<u>Efficiency (ratios)</u>						
Receivable turnover	9.39	3.78	1.33	1.24	9.39	6.21
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.33	2.00	1.24	2.32	1.40	0.92
Debt to equity	0.44	1.02	1.87	0.78	1.04	2.28
Liabilities to assets	0.50	0.76	1.00	0.80	0.73	0.78
Interest coverage	4.90	3.26	-4.23	3.02	3.42	1.07
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	74		26			
Net profit	76		24			
Percentage of firms with zero or negative equity(2)	13					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 229

Industry 110 - Air transport industries

SICE Grouping 451

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.8	3.6
Accounts receivable	12.6	19.0
Inventory	4.9	6.6
Capital assets	56.5	58.1
Other assets	3.9	3.5
<b>Total operating assets</b>	<b>87.7</b>	<b>90.8</b>
Investments and accounts with affiliates	7.0	7.5
Portfolio investments and loans with non-affiliates	5.3	1.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.4	18.6
Borrowing:		
Banks	17.3	38.1
Short term paper	0.3	0.1
Mortgages	3.3	0.4
Bonds	3.9	2.1
Other loans	10.6	11.6
Amount owing to affiliates	16.7	1.2
Other liabilities	3.0	4.3
Deferred income tax	2.1	3.0
<b>Total liabilities</b>	<b>77.7</b>	<b>79.5</b>
<b>Shareholders' equity</b>		
Share capital	11.0	10.9
Retained earnings	8.3	8.4
Other surplus	2.9	1.2
<b>Total shareholders' equity</b>	<b>22.3</b>	<b>20.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>32.4</b>	<b>33.8</b>
<b>Current liabilities - % of total assets</b>	<b>35.5</b>	<b>38.4</b>

Industry 111 - Service industries incidental to air transport

SICE Grouping 452

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	409					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.5	3.4	-4.0	2.0	4.6	6.3
Pretax profit margin	15.1	4.0	-3.6	2.6	6.2	10.7
Operating profit margin	13.1	6.7	-17.1	-5.2	6.8	7.1
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	212.3	59.8	28.2	29.9	153.0	161.0
Return on net operating assets	18.0	5.1	-5.0	2.5	7.7	17.5
Pretax profit to assets	16.4	3.5	-2.9	2.5	5.5	4.9
Return on capital employed	16.1	7.3	1.6	2.5	7.3	4.6
Return on equity (2)	35.5	18.3	-1.6	16.8	22.6	6.1
<u>Efficiency (ratios)</u>						
Receivable turnover	16.23	13.75	6.22	15.89	7.60	6.25
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.45	1.52	1.04	2.79	0.96	1.64
Debt to equity	0.05	0.90	1.18	0.05	1.10	0.28
Liabilities to assets	0.56	0.83	1.00	0.87	0.73	0.70
Interest coverage	4.65	3.17	0.42	-0.13	3.99	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	67		33			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)	22					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 231

Industry 111 - Service industries incidental to air transport

SICE Grouping 452

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.3	6.8
Accounts receivable	12.5	10.5
Inventory	6.9	8.7
Capital assets	47.0	50.0
Other assets	1.6	14.0
<b>Total operating assets</b>	<b>75.2</b>	<b>90.0</b>
Investments and accounts with affiliates	20.5	8.2
Portfolio investments and loans with non-affiliates	4.3	1.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	10.1	5.0
Borrowing:		
Banks	25.8	11.7
Short term paper	0.0	-
Mortgages	1.6	-
Bonds	0.1	12.5
Other loans	19.4	2.4
Amount owing to affiliates	20.0	23.5
Other liabilities	4.1	11.3
Deferred income tax	1.7	3.0
<b>Total liabilities</b>	<b>82.8</b>	<b>69.6</b>
<b>Shareholders' equity</b>		
Share capital	3.3	8.4
Retained earnings	12.8	19.8
Other surplus	1.2	2.2
<b>Total shareholders' equity</b>	<b>17.2</b>	<b>30.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>31.0</b>	<b>28.3</b>
<b>Current liabilities - % of total assets</b>	<b>29.6</b>	<b>10.2</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 232

Industry 112 - Railway transport and related service industries  
SICE Grouping 453

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	57					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.6	4.9	-0.7	5.0	4.3	3.1
Pretax profit margin	16.7	6.6	-0.7	6.8	6.0	4.5
Operating profit margin	10.3	6.8	-1.8	...	-1.8	9.0
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	443.1	273.1	59.5	...	66.8	...
Return on net operating assets	29.5	15.1	-2.8	...	-2.8	...
Pretax profit to assets	18.0	6.9	-2.2	8.5	6.5	8.4
Return on capital employed	32.5	8.7	-1.3	...	-1.3	10.6
Return on equity (2)	47.0	20.9	2.3	21.6	18.1	23.0
<u>Efficiency (ratios)</u>						
Receivable turnover	11.47	9.43	6.01	...	6.01	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.63	...	...	1.25	...
Debt to equity	...	0.39	...	...	0.39	...
Liabilities to assets	0.34	0.68	0.98	0.82	0.65	0.58
Interest coverage	...	1.88	...	...	1.88	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			17			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 233

**Industry** 112 - Railway transport and related service industries**SICE Grouping** 453

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.5	7.3
Accounts receivable	13.6	11.5
Inventory	0.4	1.7
Capital assets	69.4	45.8
Other assets	8.3	16.0
<b>Total operating assets</b>	<b>95.2</b>	<b>82.4</b>
Investments and accounts with affiliates	3.2	17.6
Portfolio investments and loans with non-affiliates	1.6	0.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	14.2	29.9
Borrowing:		
Banks	4.4	5.0
Short term paper	0.2	-
Mortgages	0.3	-
Bonds	2.0	-
Other loans	3.3	0.9
Amount owing to affiliates	97.7	26.1
Other liabilities	3.2	0.2
Deferred income tax	0.5	2.0
<b>Total liabilities</b>	<b>126.0</b>	<b>64.0</b>
<b>Shareholders' equity</b>		
Share capital	9.6	11.4
Retained earnings	-38.7	12.4
Other surplus	3.1	12.1
<b>Total shareholders' equity</b>	<b>-26.0</b>	<b>36.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>21.6</b>	<b>39.6</b>
<b>Current liabilities - % of total assets</b>	<b>21.2</b>	<b>31.8</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 234

Industry 113 - Water transport industries  
SICE Grouping 454

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	355					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	11.1	3.0	-3.2	2.2	3.3	2.2
Pretax profit margin	13.9	3.6	-2.9	2.8	4.4	2.8
Operating profit margin	15.9	9.2	0.4	9.2	7.3	1.6
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	212.7	170.9	79.0	171.7	112.8	200.7
Return on net operating assets	21.4	7.8	2.4	6.3	7.9	13.2
Pretax profit to assets	16.7	4.3	-3.5	2.9	5.6	7.1
Return on capital employed	20.2	9.3	3.7	9.3	10.6	10.0
Return on equity (2)	36.1	11.5	-3.9	10.9	14.1	17.6
<u>Efficiency (ratios)</u>						
Receivable turnover	8.51	5.88	2.12	4.17	7.33	7.05
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.81	2.07	1.21	3.21	1.27	1.12
Debt to equity	0.28	0.88	3.48	0.88	0.72	1.27
Liabilities to assets	0.44	0.78	1.01	0.82	0.72	0.74
Interest coverage	6.62	1.58	0.52	1.29	1.68	5.22
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	73		27			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)			14			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 235

Industry 113 - Water transport industries

SICE Grouping 454

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.3	9.3
Accounts receivable	12.9	20.9
Inventory	0.6	1.7
Capital assets	51.5	48.3
Other assets	1.8	16.3
<b>Total operating assets</b>	<b>75.0</b>	<b>96.6</b>
Investments and accounts with affiliates	22.5	3.2
Portfolio investments and loans with non-affiliates	2.5	0.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.7	19.2
Borrowing:		
Banks	16.2	19.2
Short term paper	0.2	0.1
Mortgages	1.6	1.3
Bonds	2.7	0.8
Other loans	6.6	7.6
Amount owing to affiliates	21.5	7.9
Other liabilities	3.0	7.3
Deferred income tax	3.5	7.0
<b>Total liabilities</b>	<b>73.9</b>	<b>70.3</b>
<b>Shareholders' equity</b>		
Share capital	6.1	3.3
Retained earnings	16.4	15.9
Other surplus	3.5	10.5
<b>Total shareholders' equity</b>	<b>26.1</b>	<b>29.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>26.2</b>	<b>37.2</b>
<b>Current liabilities - % of total assets</b>	<b>38.9</b>	<b>30.9</b>

Industry 114 - Service industries incidental to water transport

SICE Grouping 455

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	189					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	13.8	2.9	-1.5	2.4	4.1	2.5
Pretax profit margin	17.7	3.9	-1.5	3.0	5.9	3.3
Operating profit margin	16.1	5.3	-0.6	22.8	3.9	3.6
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	382.3	341.4	88.5	257.5	342.1	248.8
Return on net operating assets	22.8	11.2	4.5	...	10.2	10.3
Pretax profit to assets	17.4	4.7	-1.5	3.3	7.7	7.3
Return on capital employed	23.8	9.5	2.2	2.9	15.3	13.8
Return on equity (2)	35.9	11.5	-0.1	7.3	15.7	6.7
<u>Efficiency (ratios)</u>						
Receivable turnover	8.17	5.17	3.88	...	5.41	6.08
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.96	1.31	0.98	0.98	1.79	1.06
Debt to equity	0.18	1.03	1.40	...	0.18	0.22
Liabilities to assets	0.31	0.59	0.90	0.54	0.64	0.70
Interest coverage	20.32	4.54	0.86	2.38	6.28	14.17
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	79		21			
Pretax profit	82		18			
Net profit	82		18			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 237

Industry 114 - Service industries incidental to water transport

SICE Grouping 455

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.3	24.6
Accounts receivable	20.1	20.1
Inventory	0.7	0.1
Capital assets	28.7	34.8
Other assets	5.2	3.1
<b>Total operating assets</b>	<b>70.9</b>	<b>82.7</b>
Investments and accounts with affiliates	23.4	12.4
Portfolio investments and loans with non-affiliates	5.7	4.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.6	27.3
Borrowing:		
Banks	10.5	12.0
Short term paper	0.3	0.0
Mortgages	4.4	0.0
Bonds	3.5	0.1
Other loans	7.7	5.7
Amount owing to affiliates	15.4	11.1
Other liabilities	2.1	13.4
Deferred income tax	0.6	3.2
<b>Total liabilities</b>	<b>64.0</b>	<b>72.8</b>
<b>Shareholders' equity</b>		
Share capital	5.8	6.5
Retained earnings	30.2	19.9
Other surplus	-	0.8
<b>Total shareholders' equity</b>	<b>36.0</b>	<b>27.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>42.6</b>	<b>55.6</b>
<b>Current liabilities - % of total assets</b>	<b>40.6</b>	<b>37.7</b>

Industry 115 - Truck transport industries

SICE Grouping 456

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	13,548					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.3	1.9	-2.8	1.7	2.1	1.4
Pretax profit margin	8.8	2.3	-2.6	2.1	2.6	1.8
Operating profit margin	9.3	3.5	-1.2	2.9	3.6	3.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	321.8	203.5	133.0	193.8	233.1	268.0
Return on net operating assets	18.6	8.7	-2.5	6.3	11.9	11.8
Pretax profit to assets	15.2	4.3	-5.1	3.6	5.5	4.6
Return on capital employed	18.2	9.0	1.1	7.0	12.0	10.3
Return on equity (2)	32.8	13.3	-3.3	12.3	14.3	16.2
<u>Efficiency (ratios)</u>						
Receivable turnover	13.79	9.90	6.94	10.34	9.61	7.95
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.18	1.55	1.00	1.92	1.24	1.02
Debt to equity	0.34	1.00	2.25	0.91	1.04	1.45
Liabilities to assets	0.48	0.76	0.98	0.79	0.70	0.79
Interest coverage	5.86	2.00	0.49	1.77	2.44	2.42
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	15					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

*Financial Performance Indicators for Canadian Business*

Page : 239

Industry 115 - Truck transport industries

SICE Grouping 456

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.2	3.7
Accounts receivable	18.1	27.9
Inventory	1.9	2.3
Capital assets	52.7	47.0
Other assets	4.9	4.0
<b>Total operating assets</b>	<b>86.7</b>	<b>84.8</b>
Investments and accounts with affiliates	9.3	13.2
Portfolio investments and loans with non-affiliates	4.0	2.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	14.3	19.5
Borrowing:		
Banks	20.4	18.9
Short term paper	0.3	0.6
Mortgages	2.3	1.7
Bonds	3.5	6.3
Other loans	11.6	10.5
Amount owing to affiliates	11.6	13.5
Other liabilities	2.2	2.7
Deferred income tax	1.2	2.1
<b>Total liabilities</b>	<b>67.4</b>	<b>75.7</b>
<b>Shareholders' equity</b>		
Share capital	3.5	15.1
Retained earnings	28.3	7.6
Other surplus	0.9	1.7
<b>Total shareholders' equity</b>	<b>32.6</b>	<b>24.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>35.6</b>	<b>40.9</b>
<b>Current liabilities - % of total assets</b>	<b>32.5</b>	<b>45.4</b>

Industry 116 - Public passenger transit systems industries

SICE Grouping 457

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,314					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	9.8	4.2	-0.3	4.5	3.9	1.7
Pretax profit margin	12.4	5.1	0.1	5.6	4.9	1.9
Operating profit margin	14.8	7.7	2.2	3.8	10.2	5.9
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	240.2	143.8	104.6	137.7	151.0	193.9
Return on net operating assets	19.6	10.9	2.7	4.9	16.7	13.7
Pretax profit to assets	14.1	6.2	0.1	6.1	6.5	4.4
Return on capital employed	15.5	9.5	3.4	5.5	12.8	9.0
Return on equity (2)	22.5	11.1	3.1	9.5	12.4	13.1
<u>Efficiency (ratios)</u>						
Receivable turnover	17.11	14.12	10.13	14.52	13.56	15.44
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.20	1.51	1.00	2.18	1.28	0.71
Debt to equity	0.26	0.99	2.58	1.12	0.70	1.65
Liabilities to assets	0.28	0.56	0.83	0.53	0.60	0.78
Interest coverage	5.49	2.43	0.50	0.76	4.05	2.10
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	88		12			
Pretax profit	88		12			
Net profit	88		12			
Percentage of firms with zero or negative equity(2)			4			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 241

**Industry** 116 - Public passenger transit systems industries**SICE Grouping** 457

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.5	3.0
Accounts receivable	6.0	6.7
Inventory	0.9	1.1
Capital assets	61.5	59.0
Other assets	6.3	7.0
<b>Total operating assets</b>	<b>85.1</b>	<b>76.7</b>
Investments and accounts with affiliates	11.3	20.8
Portfolio investments and loans with non-affiliates	3.6	2.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	9.4	10.3
Borrowing:		
Banks	17.6	26.7
Short term paper	0.1	0.5
Mortgages	1.7	1.1
Bonds	1.6	6.3
Other loans	13.4	18.9
Amount owing to affiliates	9.6	11.9
Other liabilities	1.5	1.5
Deferred income tax	2.6	4.2
<b>Total liabilities</b>	<b>57.5</b>	<b>81.5</b>
<b>Shareholders' equity</b>		
Share capital	3.0	6.2
Retained earnings	38.3	10.7
Other surplus	1.2	1.7
<b>Total shareholders' equity</b>	<b>42.5</b>	<b>18.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>24.7</b>	<b>14.8</b>
<b>Current liabilities - % of total assets</b>	<b>23.3</b>	<b>26.0</b>

Industry 117 - Other transportation industries

SICE Grouping 458

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	741					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.3	1.4	-3.9	1.3	1.6	...
Pretax profit margin	7.1	1.5	-3.5	1.4	2.2	...
Operating profit margin	7.0	2.5	-6.0	1.6	5.0	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	292.4	171.1	87.4	148.9	270.2	...
Return on net operating assets	19.0	8.5	-2.7	7.3	21.9	...
Pretax profit to assets	14.6	2.6	-6.2	2.3	3.3	...
Return on capital employed	14.1	7.2	-0.8	5.6	12.4	...
Return on equity (2)	32.3	9.7	-4.2	8.8	11.2	...
<u>Efficiency (ratios)</u>						
Receivable turnover	13.15	9.93	6.90	10.10	8.01	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.76	1.79	1.12	1.80	1.79	...
Debt to equity	0.31	0.58	1.62	0.54	0.59	...
Liabilities to assets	0.44	0.77	1.03	0.80	0.74	...
Interest coverage	5.13	1.64	0.81	1.29	4.83	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	63		37			
Net profit	66		34			
Percentage of firms with zero or negative equity(2)			16			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 243

**Industry** 117 - Other transportation industries**SICE Grouping** 458

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.7	-
Accounts receivable	12.4	-
Inventory	0.7	-
Capital assets	35.9	-
Other assets	19.2	-
<b>Total operating assets</b>	<b>80.9</b>	<b>-</b>
Investments and accounts with affiliates	14.4	-
Portfolio investments and loans with non-affiliates	4.6	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	11.2	-
Borrowing:		
Banks	14.9	-
Short term paper	0.2	-
Mortgages	4.7	-
Bonds	1.8	-
Other loans	8.1	-
Amount owing to affiliates	20.2	-
Other liabilities	1.9	-
Deferred income tax	0.4	-
<b>Total liabilities</b>	<b>63.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	6.8	-
Retained earnings	28.5	-
Other surplus	1.3	-
<b>Total shareholders' equity</b>	<b>36.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	30.5	-
Current liabilities - % of total assets	29.9	-

Industry 118 - Other service industries incidental to transportation

SICE Grouping 459

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,117					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.0	2.2	-1.0	2.3	2.1	1.4
Pretax profit margin	8.8	2.7	-1.0	2.7	2.7	1.7
Operating profit margin	15.1	6.4	-0.6	6.7	4.4	2.5
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	438.9	229.5	140.1	205.5	233.1	241.5
Return on net operating assets	24.9	13.5	-1.1	6.9	16.7	11.1
Pretax profit to assets	19.0	5.9	-2.2	4.4	7.5	6.8
Return on capital employed	17.5	9.8	0.6	7.7	13.9	10.7
Return on equity (2)	42.2	18.8	3.0	14.9	22.8	25.1
<u>Efficiency (ratios)</u>						
Receivable turnover	12.35	8.04	4.45	8.98	7.54	10.30
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.44	1.23	0.90	1.60	1.20	1.09
Debt to equity	0.09	0.74	1.57	0.84	0.60	1.20
Liabilities to assets	0.51	0.80	1.01	0.81	0.79	0.82
Interest coverage	8.63	3.56	0.09	4.18	2.81	2.97
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	75		25			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)	27					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 245

Industry 118 - Other service industries incidental to transportation

SICE Grouping 459

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.4	8.1
Accounts receivable	33.7	36.1
Inventory	1.4	3.7
Capital assets	28.3	33.9
Other assets	4.0	8.3
<b>Total operating assets</b>	<b>83.9</b>	<b>90.1</b>
Investments and accounts with affiliates	12.2	8.0
Portfolio investments and loans with non-affiliates	3.9	1.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	35.7	30.5
Borrowing:		
Banks	10.9	12.8
Short term paper	0.2	0.2
Mortgages	1.4	2.2
Bonds	3.0	1.3
Other loans	6.5	4.9
Amount owing to affiliates	14.0	22.0
Other liabilities	13.9	6.8
Deferred income tax	-0.3	1.7
<b>Total liabilities</b>	<b>85.2</b>	<b>82.2</b>
<b>Shareholders' equity</b>		
Share capital	7.9	6.4
Retained earnings	6.7	6.8
Other surplus	0.2	4.6
<b>Total shareholders' equity</b>	<b>14.8</b>	<b>17.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	61.2	53.3
Current liabilities - % of total assets	54.0	46.1

Industry 119 - Other storage and warehousing industries

SICE Grouping 479

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	573					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.2	3.0	-2.1	2.7	3.2	0.8
Pretax profit margin	12.9	3.6	-2.1	3.4	4.1	1.3
Operating profit margin	18.6	6.4	1.3	9.6	5.7	1.7
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	305.2	87.4	38.9	65.4	147.6	129.7
Return on net operating assets	18.7	9.0	3.6	7.2	11.9	8.4
Pretax profit to assets	11.5	2.7	-1.4	1.4	5.8	2.2
Return on capital employed	17.5	9.4	3.5	9.0	9.6	7.6
Return on equity (2)	29.0	11.6	0.5	8.5	14.8	9.3
<u>Efficiency (ratios)</u>						
Receivable turnover	12.81	8.92	5.46	8.42	8.92	9.82
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.76	1.54	0.97	1.96	1.34	0.97
Debt to equity	0.30	1.04	3.06	0.84	1.27	1.33
Liabilities to assets	0.52	0.84	1.04	0.89	0.78	0.84
Interest coverage	6.43	1.79	0.95	1.62	1.96	1.81
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	85		15			
Pretax profit	71		29			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	26					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business**Revenue under \$25 million, Reference Year 1995*

Page : 247

**Industry** 119 - Other storage and warehousing industries**SICE Grouping** 479

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.7	3.1
Accounts receivable	20.3	10.5
Inventory	1.1	2.3
Capital assets	55.0	58.3
Other assets	4.6	15.6
<b>Total operating assets</b>	<b>85.6</b>	<b>89.8</b>
Investments and accounts with affiliates	11.6	5.7
Portfolio investments and loans with non-affiliates	2.8	4.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	12.6	11.7
Borrowing:		
Banks	14.7	17.7
Short term paper	0.7	2.3
Mortgages	4.8	17.7
Bonds	7.8	9.9
Other loans	6.4	5.7
Amount owing to affiliates	27.0	8.8
Other liabilities	6.8	3.1
Deferred income tax	0.7	2.4
<b>Total liabilities</b>	<b>81.6</b>	<b>79.3</b>
<b>Shareholders' equity</b>		
Share capital	8.4	13.0
Retained earnings	8.2	6.4
Other surplus	1.8	1.2
<b>Total shareholders' equity</b>	<b>18.4</b>	<b>20.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>32.3</b>	<b>20.8</b>
<b>Current liabilities - % of total assets</b>	<b>37.2</b>	<b>31.8</b>

Industry 120 - Telecommunication broadcasting industries

SICE Grouping 481

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	470					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.9	5.6	0.1	6.5	5.2	5.1
Pretax profit margin	16.2	7.1	0.1	7.8	6.6	6.6
Operating profit margin	19.9	8.2	-0.8	12.0	5.6	7.9
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	278.8	176.5	113.7	140.6	195.2	173.9
Return on net operating assets	24.5	11.9	1.9	15.4	10.5	12.2
Pretax profit to assets	19.0	7.6	0.3	7.5	7.7	5.9
Return on capital employed	17.7	10.0	-0.4	11.4	9.0	10.8
Return on equity (2)	32.7	15.7	4.0	16.7	14.2	18.3
<u>Efficiency (ratios)</u>						
Receivable turnover	12.26	7.51	5.64	9.28	7.47	5.61
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.51	1.88	1.08	1.90	1.65	1.29
Debt to equity	0.20	0.46	2.83	0.39	0.51	1.08
Liabilities to assets	0.34	0.63	0.91	0.61	0.65	0.82
Interest coverage	11.40	3.93	1.46	5.42	2.12	1.71
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	79		21			
Net profit	79		21			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 249

Industry 120 - Telecommunication broadcasting industries

SICE Grouping 481

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.6	1.5
Accounts receivable	9.4	9.1
Inventory	0.4	2.3
Capital assets	29.8	39.2
Other assets	14.1	13.2
<b>Total operating assets</b>	<b>59.3</b>	<b>65.2</b>
Investments and accounts with affiliates	27.1	28.4
Portfolio investments and loans with non-affiliates	13.6	6.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.3	7.5
Borrowing:		
Banks	11.4	21.6
Short term paper	0.5	0.3
Mortgages	1.6	0.9
Bonds	8.6	3.8
Other loans	3.6	10.7
Amount owing to affiliates	31.4	23.8
Other liabilities	381.0	4.6
Deferred income tax	0.5	1.2
<b>Total liabilities</b>	<b>451.8</b>	<b>74.4</b>
<b>Shareholders' equity</b>		
Share capital	20.3	12.5
Retained earnings	-376.2	13.0
Other surplus	4.2	0.1
<b>Total shareholders' equity</b>	<b>-351.8</b>	<b>25.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>32.1</b>	<b>16.4</b>
<b>Current liabilities - % of total assets</b>	<b>28.8</b>	<b>26.6</b>

Industry 121 - Telecommunication carriers industry

SICE Grouping 482

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	235					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.9	4.0	-1.5	3.4	4.3	1.4
Pretax profit margin	13.5	5.1	-1.5	3.6	5.6	2.0
Operating profit margin	21.8	1.1	-2.3	-3.2	1.1	-6.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	168.9	100.8	79.7	100.8	113.6	...
Return on net operating assets	14.7	5.7	-3.5	...	5.7	...
Pretax profit to assets	24.7	10.5	-4.5	6.2	11.7	4.1
Return on capital employed	14.8	7.5	2.1	13.3	5.8	-1.5
Return on equity (2)	43.6	17.3	5.8	26.8	13.5	24.1
<u>Efficiency (ratios)</u>						
Receivable turnover	10.16	4.47	1.14	1.02	10.92	7.12
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.52	0.92	0.90	0.91	1.48	1.05
Debt to equity	0.51	0.95	1.46	...	0.72	...
Liabilities to assets	0.49	0.81	1.00	0.85	0.76	0.91
Interest coverage	3.38	-0.20	-5.88	-5.88	0.78	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	66		34			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business**Revenue under \$25 million, Reference Year 1995*

Page : 251

**Industry** 121 - Telecommunication carriers industry**SICE Grouping** 482

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.8	6.3
Accounts receivable	15.9	17.0
Inventory	6.8	2.5
Capital assets	60.6	24.9
Other assets	4.3	2.3
<b>Total operating assets</b>	<b>93.5</b>	<b>52.9</b>
Investments and accounts with affiliates	2.6	45.1
Portfolio investments and loans with non-affiliates	3.9	1.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	33.3	19.9
Borrowing:		
Banks	9.3	1.0
Short term paper	0.2	-
Mortgages	2.5	1.9
Bonds	3.0	-
Other loans	1.7	0.6
Amount owing to affiliates	24.2	23.8
Other liabilities	1.5	10.9
Deferred income tax	0.2	-0.4
<b>Total liabilities</b>	<b>75.9</b>	<b>57.7</b>
<b>Shareholders' equity</b>		
Share capital	9.5	53.7
Retained earnings	14.6	-11.4
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>24.1</b>	<b>42.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	34.0	29.5
Current liabilities - % of total assets	42.3	27.0

Industry 122 - Other telecommunication industries

SICE Grouping 483

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	83					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.6	2.7	-4.7	3.6	1.7	...
Pretax profit margin	10.9	3.3	-5.3	4.1	2.1	...
Operating profit margin	...	8.3	...	...	...	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	191.6	...	...	...	...
Return on net operating assets	...	12.2	...	...	...	...
Pretax profit to assets	18.5	4.2	-11.1	4.4	3.3	...
Return on capital employed	...	11.8	...	...	...	...
Return on equity (2)	34.8	13.6	2.4	14.0	10.1	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.49	...	...	...	...
Debt to equity	...	1.25	...	...	...	...
Liabilities to assets	0.44	0.84	1.12	0.86	0.76	...
Interest coverage	...	0.99	...	...	...	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			60	40		
Pretax profit			60	40		
Net profit			60	40		
Percentage of firms with zero or negative equity(2)						30

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 253

Industry 122 - Other telecommunication industries

SICE Grouping 483

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.6	-
Accounts receivable	20.1	-
Inventory	4.6	-
Capital assets	18.2	-
Other assets	6.8	-
<b>Total operating assets</b>	<b>63.2</b>	<b>-</b>
Investments and accounts with affiliates	36.8	-
Portfolio investments and loans with non-affiliates	0.0	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	12.0	-
Borrowing:		
Banks	12.3	-
Short term paper	0.3	-
Mortgages	0.6	-
Bonds	3.1	-
Other loans	6.9	-
Amount owing to affiliates	30.8	-
Other liabilities	0.7	-
Deferred income tax	0.2	-
<b>Total liabilities</b>	<b>67.0</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	38.4	-
Retained earnings	-5.6	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>33.0</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	42.3	-
Current liabilities - % of total assets	42.1	-

Industry 123 - Postal and courier service industries

SICE Grouping 484

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	957					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.4	1.5	-1.4	1.7	1.4	0.7
Pretax profit margin	6.5	1.8	-1.3	1.8	1.7	0.9
Operating profit margin	10.0	1.8	-0.6	4.6	1.1	2.0
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	241.7	199.4	131.1	172.9	357.9	...
Return on net operating assets	19.7	10.0	-6.2	8.3	10.9	8.4
Pretax profit to assets	22.5	6.7	-5.3	6.2	7.7	4.1
Return on capital employed	31.6	14.5	2.4	5.7	14.7	7.0
Return on equity (2)	42.0	22.2	4.6	22.2	22.0	8.4
<u>Efficiency (ratios)</u>						
Receivable turnover	11.74	8.68	6.97	10.97	8.09	6.98
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.48	1.62	1.06	1.67	1.35	1.18
Debt to equity	0.13	0.70	1.43	0.51	0.93	0.44
Liabilities to assets	0.56	0.83	1.05	0.86	0.80	0.68
Interest coverage	4.92	1.93	-0.25	2.17	1.51	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	69		31			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 255

Industry 123 - Postal and courier service industries

SICE Grouping 484

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.0	2.6
Accounts receivable	37.6	43.2
Inventory	7.2	1.0
Capital assets	27.9	20.5
Other assets	6.7	14.6
<b>Total operating assets</b>	<b>90.4</b>	<b>81.9</b>
Investments and accounts with affiliates	5.0	9.6
Portfolio investments and loans with non-affiliates	4.5	8.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	29.6	32.8
Borrowing:		
Banks	15.6	12.0
Short term paper	0.3	0.2
Mortgages	1.0	0.4
Bonds	4.4	2.0
Other loans	5.2	8.2
Amount owing to affiliates	18.2	9.6
Other liabilities	4.1	2.0
Deferred income tax	0.1	0.9
<b>Total liabilities</b>	<b>78.5</b>	<b>68.0</b>
<b>Shareholders' equity</b>		
Share capital	3.9	9.4
Retained earnings	17.0	22.2
Other surplus	0.6	0.3
<b>Total shareholders' equity</b>	<b>21.5</b>	<b>32.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>63.5</b>	<b>63.8</b>
<b>Current liabilities - % of total assets</b>	<b>55.2</b>	<b>46.6</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 256

Industry 124 - Electric power systems industry

SICE Grouping 491

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	53					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	16.5	3.0	-5.8	7.7	-0.2	12.4
Pretax profit margin	16.7	4.2	-5.0	7.6	0.1	12.7
Operating profit margin	36.7	15.1	9.4	...	11.0	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	111.9	31.8	20.2	...	111.9	...
Return on net operating assets	9.3	8.8	7.8	...	8.9	...
Pretax profit to assets	7.8	1.5	-2.2	3.3	0.0	7.9
Return on capital employed	8.4	7.8	0.5	...	2.2	...
Return on equity (2)	24.8	9.1	1.7	9.1	9.8	11.1
<u>Efficiency (ratios)</u>						
Receivable turnover	...	9.50	...	...	4.15	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	0.95	...	...	1.22	...
Debt to equity	...	1.19	...	...	...	...
Liabilities to assets	0.60	0.74	1.00	0.73	0.75	0.58
Interest coverage	...	2.08	...	...	0.92	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			83	17		
Pretax profit			60	40		
Net profit			60	40		
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 257

Industry 124 - Electric power systems industry

SICE Grouping 491

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.3	-
Accounts receivable	3.8	-
Inventory	0.3	-
Capital assets	80.4	-
Other assets	3.2	-
<b>Total operating assets</b>	<b>91.0</b>	<b>-</b>
Investments and accounts with affiliates	8.5	-
Portfolio investments and loans with non-affiliates	0.5	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	6.1	-
Borrowing:		
Banks	31.8	-
Short term paper	0.4	-
Mortgages	0.7	-
Bonds	4.1	-
Other loans	15.4	-
Amount owing to affiliates	22.8	-
Other liabilities	1.1	-
Deferred income tax	0.6	-
<b>Total liabilities</b>	<b>83.1</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	23.1	-
Retained earnings	-6.1	-
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>16.9</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>9.5</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>21.8</b>	<b>-</b>

Industry 125 - Gas distribution systems industry

SICE Grouping 492

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	96					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	11.7	4.6	1.0	3.6	5.7	...
Pretax profit margin	13.6	5.3	1.5	4.6	6.8	...
Operating profit margin	8.7	1.2	-1.8	...	3.7	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	79.8	30.9	18.6	...	28.1	...
Return on net operating assets	2.1	0.6	-1.1	...	0.6	...
Pretax profit to assets	8.3	2.5	0.7	2.5	2.5	...
Return on capital employed	4.4	2.0	0.8	...	1.8	...
Return on equity (2)	11.4	2.8	0.9	2.8	3.4	...
<u>Efficiency (ratios)</u>						
Receivable turnover	8.63	5.10	3.92	...	4.20	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.58	2.82	2.33	...	2.82	...
Debt to equity	0.05	0.05	3.90	...	0.05	...
Liabilities to assets	0.07	0.14	0.75	0.27	0.12	...
Interest coverage	15.53	7.33	1.58	...	10.24	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	66		34			
Pretax profit	85		15			
Net profit	85		15			
Percentage of firms with zero or negative equity(2)	10					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 259

Industry 125 - Gas distribution systems industry

SICE Grouping 492

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.0	-
Accounts receivable	6.0	-
Inventory	1.4	-
Capital assets	73.5	-
Other assets	3.9	-
<b>Total operating assets</b>	<b>88.7</b>	<b>-</b>
Investments and accounts with affiliates	3.7	-
Portfolio investments and loans with non-affiliates	7.6	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	6.0	-
Borrowing:		
Banks	0.8	-
Short term paper	0.0	-
Mortgages	0.2	-
Bonds	0.5	-
Other loans	0.4	-
Amount owing to affiliates	17.9	-
Other liabilities	3.2	-
Deferred income tax	0.4	-
<b>Total liabilities</b>	<b>29.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	9.2	-
Retained earnings	12.4	-
Other surplus	48.9	-
<b>Total shareholders' equity</b>	<b>70.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>16.7</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>19.8</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 260

Industry 126 - Other utility industries n.e.c.

SICE Grouping 499

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	756					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.5	2.2	-2.9	1.4	3.3	2.2
Pretax profit margin	10.1	2.9	-2.7	1.8	4.4	3.1
Operating profit margin	11.6	3.1	0.1	3.8	3.1	4.1
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	345.5	237.0	168.6	219.1	278.0	237.5
Return on net operating assets	20.9	11.4	5.1	13.5	8.0	20.5
Pretax profit to assets	14.3	4.2	-4.8	3.1	5.7	5.4
Return on capital employed	15.6	9.3	4.7	9.3	8.1	14.6
Return on equity (2)	32.2	11.7	1.9	11.8	11.6	11.6
<u>Efficiency (ratios)</u>						
Receivable turnover	11.62	7.70	5.77	7.57	8.49	5.65
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.98	1.04	0.86	0.97	1.17	1.01
Debt to equity	0.36	1.37	2.72	0.79	1.52	1.83
Liabilities to assets	0.39	0.72	0.98	0.77	0.67	0.70
Interest coverage	5.42	2.22	0.63	2.04	2.25	2.41
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	78		22			
Pretax profit	74		26			
Net profit	74		26			
Percentage of firms with zero or negative equity(2)			25			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 261

Industry 126 - Other utility industries n.e.c.

SICE Grouping 499

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.7	1.7
Accounts receivable	18.1	9.1
Inventory	1.5	0.7
Capital assets	47.5	48.6
Other assets	8.0	11.2
<b>Total operating assets</b>	<b>81.9</b>	<b>71.3</b>
Investments and accounts with affiliates	13.5	25.6
Portfolio investments and loans with non-affiliates	4.6	3.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.7	6.2
Borrowing:		
Banks	12.8	17.0
Short term paper	0.5	2.0
Mortgages	1.5	0.4
Bonds	5.8	2.6
Other loans	6.7	16.1
Amount owing to affiliates	19.2	15.9
Other liabilities	1.2	3.1
Deferred income tax	-0.8	0.7
<b>Total liabilities</b>	<b>63.5</b>	<b>64.0</b>
<b>Shareholders' equity</b>		
Share capital	10.1	12.6
Retained earnings	15.8	7.4
Other surplus	10.6	16.0
<b>Total shareholders' equity</b>	<b>36.5</b>	<b>36.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>36.5</b>	<b>30.3</b>
<b>Current liabilities - % of total assets</b>	<b>36.1</b>	<b>22.5</b>

Industry 127 - Farm products, wholesale

SICE Grouping 501

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	724					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.4	1.4	-1.8	1.7	1.0	0.6
Pretax profit margin	6.3	1.7	-1.6	2.0	1.3	0.8
Operating profit margin	8.5	2.5	-0.1	3.7	2.4	1.0
Gross profit margin	36.9	22.5	10.1	31.2	18.2	9.8
Operating revenue to net operating assets	310.1	178.9	95.3	107.0	251.2	397.5
Return on net operating assets	13.5	7.3	0.3	6.7	7.3	11.2
Pretax profit to assets	12.4	2.8	-3.8	1.8	3.3	4.6
Return on capital employed	13.6	7.3	2.0	7.5	7.1	8.4
Return on equity (2)	25.9	10.5	-2.5	8.4	11.1	12.4
<u>Efficiency (ratios)</u>						
Receivable turnover	13.09	8.67	5.02	6.41	9.36	8.54
Inventory turnover	13.80	5.38	1.62	5.00	5.38	15.79
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.01	1.60	1.05	1.61	1.54	1.32
Debt to equity	0.16	0.75	1.87	0.66	0.84	0.79
Liabilities to assets	0.42	0.72	0.99	0.76	0.70	0.69
Interest coverage	6.92	2.34	0.92	1.54	2.59	3.25
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)	22					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 263

Industry 127 - Farm products, wholesale

SICE Grouping 501

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.6	8.3
Accounts receivable	23.2	34.3
Inventory	26.9	20.3
Capital assets	27.1	22.7
Other assets	3.2	4.2
<b>Total operating assets</b>	<b>87.0</b>	<b>89.8</b>
Investments and accounts with affiliates	6.3	6.7
Portfolio investments and loans with non-affiliates	6.7	3.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.4	21.9
Borrowing:		
Banks	24.9	17.1
Short term paper	0.0	0.1
Mortgages	3.2	2.9
Bonds	0.4	0.6
Other loans	5.1	5.0
Amount owing to affiliates	18.5	12.7
Other liabilities	2.5	6.6
Deferred income tax	1.6	0.7
<b>Total liabilities</b>	<b>69.6</b>	<b>67.8</b>
<b>Shareholders' equity</b>		
Share capital	4.7	6.8
Retained earnings	23.7	23.3
Other surplus	1.9	2.2
<b>Total shareholders' equity</b>	<b>30.4</b>	<b>32.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>62.1</b>	<b>70.4</b>
<b>Current liabilities - % of total assets</b>	<b>48.6</b>	<b>48.4</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 264

Industry 128 - Petroleum products, wholesale

SICE Grouping 511

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,700					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.1	2.1	-1.0	2.5	1.9	0.9
Pretax profit margin	8.7	2.7	-0.8	3.1	2.4	1.2
Operating profit margin	8.8	3.4	-2.5	6.7	2.2	1.1
Gross profit margin	39.1	22.4	12.4	34.2	17.5	12.4
Operating revenue to net operating assets	333.5	187.5	87.3	123.6	278.2	400.1
Return on net operating assets	17.2	6.9	-3.1	4.8	8.6	16.0
Pretax profit to assets	14.7	5.1	-2.0	3.7	5.8	5.4
Return on capital employed	16.0	8.6	-0.3	6.9	10.4	11.2
Return on equity (2)	23.0	10.3	-0.3	7.9	12.1	13.0
<u>Efficiency (ratios)</u>						
Receivable turnover	12.27	8.86	6.61	9.27	8.25	9.87
Inventory turnover	14.08	9.29	4.31	5.23	10.55	27.80
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.31	2.78	1.38	3.86	1.90	1.20
Debt to equity	0.10	0.69	2.17	1.54	0.41	1.14
Liabilities to assets	0.28	0.59	0.88	0.59	0.60	0.69
Interest coverage	5.72	2.32	0.72	1.79	2.32	2.78
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	71		29			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 265

Industry 128 - Petroleum products, wholesale

SICE Grouping 511

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.2	7.9
Accounts receivable	22.4	28.0
Inventory	8.3	10.5
Capital assets	33.7	36.1
Other assets	4.4	4.0
<b>Total operating assets</b>	<b>81.0</b>	<b>86.4</b>
Investments and accounts with affiliates	11.8	11.9
Portfolio investments and loans with non-affiliates	7.2	1.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.5	35.8
Borrowing:		
Banks	15.7	14.9
Short term paper	0.0	0.1
Mortgages	3.1	4.6
Bonds	0.5	2.0
Other loans	8.7	4.8
Amount owing to affiliates	16.7	13.6
Other liabilities	4.3	1.8
Deferred income tax	0.2	0.6
<b>Total liabilities</b>	<b>62.6</b>	<b>78.1</b>
<b>Shareholders' equity</b>		
Share capital	8.7	5.2
Retained earnings	23.0	16.4
Other surplus	5.6	0.3
<b>Total shareholders' equity</b>	<b>37.4</b>	<b>21.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>49.6</b>	<b>48.6</b>
<b>Current liabilities - % of total assets</b>	<b>27.4</b>	<b>55.2</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 266

Industry 129 - Food, wholesale

SICE Grouping 521

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,896					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.3	0.7	-1.5	0.6	0.8	0.9
Pretax profit margin	4.0	0.9	-1.3	0.7	1.0	1.1
Operating profit margin	4.2	1.3	-0.4	2.1	1.2	1.5
Gross profit margin	32.5	20.1	12.3	27.9	17.1	12.6
Operating revenue to net operating assets	484.8	297.1	159.1	231.8	349.8	389.9
Return on net operating assets	15.3	6.5	-2.0	5.5	6.9	12.5
Pretax profit to assets	14.7	3.1	-5.5	1.9	4.1	5.6
Return on capital employed	14.2	6.4	-0.2	5.5	7.1	9.2
Return on equity (2)	31.1	12.6	-0.4	9.7	14.4	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	14.13	10.10	7.24	9.47	10.44	11.09
Inventory turnover	19.81	11.61	5.79	11.80	11.52	13.87
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.74	1.60	1.04	2.37	1.49	1.21
Debt to equity	0.30	1.05	2.63	0.94	1.05	0.94
Liabilities to assets	0.44	0.81	1.03	0.89	0.78	0.75
Interest coverage	4.58	1.46	0.28	1.13	1.67	3.47
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	70		30			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	21					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 129 - Food, wholesale

**SICE Grouping** 521

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.1	7.3
Accounts receivable	24.7	37.8
Inventory	18.4	23.4
Capital assets	25.6	19.3
Other assets	5.2	4.9
<b>Total operating assets</b>	<b>87.0</b>	<b>92.7</b>
Investments and accounts with affiliates	7.0	5.2
Portfolio investments and loans with non-affiliates	6.0	2.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.3	37.1
Borrowing:		
Banks	17.6	16.8
Short term paper	0.1	0.2
Mortgages	3.5	2.4
Bonds	1.2	1.8
Other loans	5.8	5.5
Amount owing to affiliates	19.7	11.6
Other liabilities	1.9	3.3
Deferred income tax	0.2	0.5
<b>Total liabilities</b>	<b>71.4</b>	<b>79.1</b>
<b>Shareholders' equity</b>		
Share capital	4.2	4.6
Retained earnings	22.9	15.7
Other surplus	1.5	0.6
<b>Total shareholders' equity</b>	<b>28.6</b>	<b>20.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>62.5</b>	<b>74.2</b>
<b>Current liabilities - % of total assets</b>	<b>44.3</b>	<b>59.6</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 268

Industry 130 - Beverages, wholesale

SICE Grouping 522

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	317					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.4	1.3	-2.2	1.2	1.5	0.7
Pretax profit margin	8.3	1.6	-1.7	1.4	1.8	1.6
Operating profit margin	4.4	0.9	-0.5	0.1	2.9	-0.1
Gross profit margin	50.5	31.9	18.1	40.7	22.5	15.5
Operating revenue to net operating assets	358.6	192.5	125.8	185.7	318.3	392.0
Return on net operating assets	11.7	5.6	-0.8	1.2	8.5	19.7
Pretax profit to assets	13.3	3.4	-4.4	2.8	5.2	5.5
Return on capital employed	12.4	6.2	-1.0	4.0	8.6	6.5
Return on equity (2)	33.6	12.3	1.7	12.1	12.4	15.9
<u>Efficiency (ratios)</u>						
Receivable turnover	11.58	8.77	6.68	8.18	8.83	14.08
Inventory turnover	24.20	13.74	7.71	15.86	11.82	19.40
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.62	1.71	1.29	1.64	1.75	1.00
Debt to equity	0.51	0.97	2.42	0.97	0.71	0.86
Liabilities to assets	0.45	0.78	1.00	0.83	0.70	0.74
Interest coverage	7.27	0.83	-2.17	0.47	3.30	2.74
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	70		30			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)			18			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 269

**Industry** 130 - Beverages, wholesale**SICE Grouping** 522

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	15.2	8.6
Accounts receivable	22.5	22.4
Inventory	12.6	18.5
Capital assets	23.5	18.6
Other assets	4.0	6.0
<b>Total operating assets</b>	<b>77.8</b>	<b>74.1</b>
Investments and accounts with affiliates	13.4	21.5
Portfolio investments and loans with non-affiliates	8.8	4.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	23.8	30.6
Borrowing:		
Banks	9.7	18.0
Short term paper	-	0.1
Mortgages	3.0	2.8
Bonds	0.6	0.7
Other loans	2.2	1.7
Amount owing to affiliates	21.9	18.6
Other liabilities	1.3	3.7
Deferred income tax	-0.2	0.1
<b>Total liabilities</b>	<b>62.2</b>	<b>76.2</b>
<b>Shareholders' equity</b>		
Share capital	8.9	5.1
Retained earnings	27.9	18.6
Other surplus	0.9	0.1
<b>Total shareholders' equity</b>	<b>37.8</b>	<b>23.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>61.1</b>	<b>59.8</b>
<b>Current liabilities - % of total assets</b>	<b>37.6</b>	<b>67.0</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 270

Industry 131 - Drugs and toilet preparations, wholesale  
SICE Grouping 523

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	604					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.4	1.7	-1.7	1.0	2.2	1.6
Pretax profit margin	8.1	2.2	-1.5	1.2	2.8	2.1
Operating profit margin	8.0	3.5	0.4	3.2	3.6	4.3
Gross profit margin	50.3	39.1	27.4	40.0	38.5	33.3
Operating revenue to net operating assets	406.0	293.2	177.1	214.5	310.7	279.9
Return on net operating assets	19.3	11.0	1.1	6.5	14.9	14.0
Pretax profit to assets	15.8	4.5	-3.0	2.0	6.6	5.7
Return on capital employed	17.6	10.2	1.7	6.9	10.7	10.3
Return on equity (2)	31.9	12.8	2.0	11.4	13.4	12.7
<u>Efficiency (ratios)</u>						
Receivable turnover	11.66	7.45	5.89	7.13	7.66	6.79
Inventory turnover	8.80	4.95	2.80	5.27	4.38	4.72
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.95	2.03	1.23	2.03	1.95	1.62
Debt to equity	0.14	0.74	1.82	0.77	0.50	0.77
Liabilities to assets	0.40	0.73	1.00	0.83	0.68	0.73
Interest coverage	9.86	3.76	0.84	2.94	5.59	2.79
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	80		20			
Pretax profit	80		20			
Net profit	78		22			
Percentage of firms with zero or negative equity(2)	13					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 271

Industry 131 - Drugs and toilet preparations, wholesale

SICE Grouping 523

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.3	7.3
Accounts receivable	23.7	28.4
Inventory	28.9	24.8
Capital assets	12.4	10.8
Other assets	3.8	10.2
<b>Total operating assets</b>	<b>78.1</b>	<b>81.5</b>
Investments and accounts with affiliates	16.6	13.4
Portfolio investments and loans with non-affiliates	5.3	5.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.5	18.7
Borrowing:		
Banks	8.5	7.2
Short term paper	0.0	0.0
Mortgages	2.4	3.0
Bonds	0.9	0.4
Other loans	2.7	1.4
Amount owing to affiliates	12.7	20.8
Other liabilities	3.8	1.9
Deferred income tax	-0.1	0.4
<b>Total liabilities</b>	<b>53.4</b>	<b>53.8</b>
<b>Shareholders' equity</b>		
Share capital	10.5	24.1
Retained earnings	35.1	19.8
Other surplus	1.1	2.3
<b>Total shareholders' equity</b>	<b>46.6</b>	<b>46.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>68.2</b>	<b>66.1</b>
<b>Current liabilities - % of total assets</b>	<b>38.7</b>	<b>41.7</b>

# Small and Medium Firms

Revenue under \$25 million, Reference Year 1995

Financial Performance Indicators for Canadian Business

Page : 272

Industry 132 - Tobacco products, wholesale

SICE Grouping 524

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	31					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.7	2.9	-1.1	2.2	4.7	0.7
Pretax profit margin	17.1	3.3	-1.1	2.2	6.0	0.8
Operating profit margin	...	2.4	...	...	6.5	1.4
Gross profit margin	56.2	32.2	10.9	28.0	40.7	10.0
Operating revenue to net operating assets	...	279.5	...	...	296.6	619.4
Return on net operating assets	...	9.2	...	...	9.2	8.6
Pretax profit to assets	12.2	4.0	-2.0	3.3	16.8	4.0
Return on capital employed	...	11.8	...	...	18.2	6.3
Return on equity (2)	18.0	3.0	-1.6	2.8	...	10.2
<u>Efficiency (ratios)</u>						
Receivable turnover	...	6.63	...	...	...	17.69
Inventory turnover	...	4.07	...	...	4.07	11.18
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	3.30	...	...	3.65	1.91
Debt to equity	...	0.23	...	...	0.71	0.77
Liabilities to assets	0.11	0.41	0.68	0.51	0.34	0.58
Interest coverage	...	4.54	...	...	7.91	3.40
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				60	40	
Pretax profit				60	40	
Net profit				60	40	
Percentage of firms with zero or negative equity(2)				30		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 273

Industry 132 - Tobacco products, wholesale

SICE Grouping 524

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	14.8	4.5
Accounts receivable	20.4	26.7
Inventory	28.3	45.0
Capital assets	4.3	16.4
Other assets	0.7	4.0
<b>Total operating assets</b>	<b>68.5</b>	<b>96.5</b>
Investments and accounts with affiliates	7.8	1.5
Portfolio investments and loans with non-affiliates	23.6	1.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	14.6	22.5
Borrowing:		
Banks	2.2	18.1
Short term paper	-	-
Mortgages	0.3	3.7
Bonds	-	-
Other loans	1.1	4.0
Amount owing to affiliates	17.7	7.6
Other liabilities	0.6	1.4
Deferred income tax	-0.1	0.4
<b>Total liabilities</b>	<b>36.6</b>	<b>57.7</b>
<b>Shareholders' equity</b>		
Share capital	4.5	1.8
Retained earnings	55.0	40.5
Other surplus	3.9	-
<b>Total shareholders' equity</b>	<b>63.4</b>	<b>42.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>75.6</b>	<b>77.0</b>
<b>Current liabilities - % of total assets</b>	<b>19.5</b>	<b>44.9</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 274

Industry 133 - Apparel, wholesale

SICE Grouping 531

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	982					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.3	1.0	-3.5	0.7	1.2	1.1
Pretax profit margin	6.5	1.2	-3.2	0.9	1.3	1.5
Operating profit margin	6.5	2.6	-2.8	4.1	2.6	3.0
Gross profit margin	40.1	29.5	20.6	33.8	27.1	22.6
Operating revenue to net operating assets	328.0	225.0	175.3	218.0	296.5	318.0
Return on net operating assets	16.1	7.2	-2.8	12.5	6.4	11.2
Pretax profit to assets	11.9	2.3	-6.3	1.7	2.8	3.6
Return on capital employed	13.5	6.7	0.2	10.2	6.2	10.3
Return on equity (2)	27.5	8.3	0.7	8.0	8.5	10.5
<u>Efficiency (ratios)</u>						
Receivable turnover	11.19	6.08	3.81	6.24	5.44	8.40
Inventory turnover	9.01	3.60	1.83	7.63	3.35	5.34
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.11	1.60	1.29	1.73	1.56	1.56
Debt to equity	0.53	1.19	2.22	1.19	1.39	0.87
Liabilities to assets	0.41	0.73	0.99	0.76	0.70	0.74
Interest coverage	2.30	1.33	-2.21	-2.25	1.39	2.49
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	61		39			
Net profit	61		39			
Percentage of firms with zero or negative equity(2)	24					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 275

Industry 133 - Apparel, wholesale

SICE Grouping 531

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.3	6.5
Accounts receivable	29.5	33.1
Inventory	29.6	39.9
Capital assets	8.6	7.8
Other assets	3.9	2.7
<b>Total operating assets</b>	<b>79.9</b>	<b>90.1</b>
Investments and accounts with affiliates	14.9	8.4
Portfolio investments and loans with non-affiliates	5.2	1.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.5	25.0
Borrowing:		
Banks	22.3	22.3
Short term paper	0.1	0.2
Mortgages	2.8	1.4
Bonds	1.5	3.6
Other loans	4.9	5.0
Amount owing to affiliates	21.6	11.7
Other liabilities	1.9	8.1
Deferred income tax	0.4	0.0
<b>Total liabilities</b>	<b>75.0</b>	<b>77.2</b>
<b>Shareholders' equity</b>		
Share capital	15.8	15.1
Retained earnings	3.9	7.5
Other surplus	5.3	0.1
<b>Total shareholders' equity</b>	<b>25.0</b>	<b>22.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>77.1</b>	<b>83.8</b>
<b>Current liabilities - % of total assets</b>	<b>52.6</b>	<b>53.5</b>

Industry 134 - Dry goods, wholesale

SICE Grouping 532

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		Median
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	
Number of firms in the group		483				
<b>Financial ratios</b>						
<u><b>Profitability (percentages)</b></u>						
Net profit margin	5.7	1.5	-1.3	1.2	1.6	1.4
Pretax profit margin	6.9	1.7	-1.1	1.3	2.0	1.8
Operating profit margin	4.9	2.5	-1.3	1.4	2.5	3.3
Gross profit margin	38.9	28.1	18.7	33.3	25.4	19.9
Operating revenue to net operating assets	373.5	236.8	107.7	143.7	289.0	344.2
Return on net operating assets	14.8	4.7	-4.1	5.5	3.7	10.7
Pretax profit to assets	10.2	3.3	-2.3	2.1	4.1	5.1
Return on capital employed	12.1	4.5	1.4	4.5	6.1	10.4
Return on equity (2)	22.7	8.3	0.3	5.9	9.2	11.3
<u><b>Efficiency (ratios)</b></u>						
Receivable turnover	8.64	5.47	3.52	4.83	5.58	5.67
Inventory turnover	4.23	2.96	2.35	2.78	2.96	5.11
<u><b>Liquidity/Solvency (ratios)</b></u>						
Working capital	2.57	1.54	1.21	1.60	1.54	1.60
Debt to equity	0.19	1.24	2.63	0.31	2.00	1.92
Liabilities to assets	0.35	0.67	0.92	0.78	0.63	0.68
Interest coverage	6.47	1.98	-2.32	2.00	1.00	2.31
<b>Distribution of firms by profits/losses</b>						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	65		35			
Net profit	63		37			
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 277

**Industry** 134 - Dry goods, wholesale**SICE Grouping** 532

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.2	5.7
Accounts receivable	24.8	39.4
Inventory	37.2	43.5
Capital assets	8.4	6.6
Other assets	3.4	2.2
<b>Total operating assets</b>	<b>85.0</b>	<b>97.4</b>
Investments and accounts with affiliates	9.3	1.7
Portfolio investments and loans with non-affiliates	5.7	0.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.2	24.8
Borrowing:		
Banks	17.0	18.8
Short term paper	0.0	0.3
Mortgages	1.2	0.6
Bonds	-	3.3
Other loans	3.6	5.5
Amount owing to affiliates	13.6	11.9
Other liabilities	4.7	0.8
Deferred income tax	0.2	0.1
<b>Total liabilities</b>	<b>61.5</b>	<b>65.9</b>
<b>Shareholders' equity</b>		
Share capital	3.1	6.0
Retained earnings	35.3	26.8
Other surplus	0.1	1.3
<b>Total shareholders' equity</b>	<b>38.5</b>	<b>34.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>79.6</b>	<b>91.2</b>
<b>Current liabilities - % of total assets</b>	<b>39.5</b>	<b>49.6</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 278

Industry 135 - Electrical and electronic household appliances and part, wholesale

SICE Grouping 541

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	460					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.9	0.9	-2.5	0.4	1.4	1.4
Pretax profit margin	5.9	1.2	-2.4	0.6	1.8	1.6
Operating profit margin	4.0	1.9	-5.1	1.7	2.5	2.5
Gross profit margin	46.2	31.7	21.9	40.2	28.0	24.6
Operating revenue to net operating assets	394.6	306.7	250.7	309.9	296.9	376.7
Return on net operating assets	9.5	5.6	4.1	5.5	5.7	11.5
Pretax profit to assets	11.7	2.7	-4.3	0.8	4.5	4.5
Return on capital employed	8.6	6.0	0.0	6.0	5.5	10.3
Return on equity (2)	27.3	11.4	-0.7	6.7	13.6	13.2
<u>Efficiency (ratios)</u>						
Receivable turnover	13.29	7.85	6.94	9.44	7.85	7.02
Inventory turnover	14.53	6.08	2.83	6.20	4.00	5.54
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.66	1.68	1.46	1.65	2.07	1.59
Debt to equity	0.44	0.71	1.43	0.71	0.51	0.66
Liabilities to assets	0.46	0.75	0.99	0.75	0.74	0.73
Interest coverage	2.25	1.00	0.87	0.90	1.91	5.11
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	73		27			
Pretax profit	61		39			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 279

Industry 135 - Electrical and electronic household appliances and part, wholesale

SICE Grouping 541

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	14.9	5.2
Accounts receivable	20.4	40.7
Inventory	30.5	36.2
Capital assets	11.3	6.8
Other assets	2.9	3.1
<b>Total operating assets</b>	<b>80.0</b>	<b>92.1</b>
Investments and accounts with affiliates	13.5	5.1
Portfolio investments and loans with non-affiliates	6.5	2.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.3	31.5
Borrowing:		
Banks	10.3	12.3
Short term paper	0.1	0.1
Mortgages	0.5	1.6
Bonds	3.1	1.6
Other loans	3.0	1.6
Amount owing to affiliates	24.8	25.7
Other liabilities	3.5	2.3
Deferred income tax	0.0	0.1
<b>Total liabilities</b>	<b>69.6</b>	<b>76.8</b>
<b>Shareholders' equity</b>		
Share capital	5.1	9.4
Retained earnings	24.5	13.5
Other surplus	0.8	0.3
<b>Total shareholders' equity</b>	<b>30.4</b>	<b>23.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>73.8</b>	<b>84.9</b>
<b>Current liabilities - % of total assets</b>	<b>41.5</b>	<b>66.2</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 280

Industry 136 - Household furniture, wholesale  
SICE Grouping 542

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	258					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.7	1.6	-2.6	2.1	1.4	0.6
Pretax profit margin	8.9	1.8	-3.3	2.1	1.5	0.8
Operating profit margin	9.7	3.8	-3.3	2.9	4.7	...
Gross profit margin	42.2	30.8	21.0	33.8	27.5	22.7
Operating revenue to net operating assets	423.6	224.8	92.1	258.3	212.7	...
Return on net operating assets	12.2	3.3	-10.4	-2.5	10.0	...
Pretax profit to assets	17.4	4.7	-5.6	4.9	4.5	2.8
Return on capital employed	5.1	2.4	-18.6	-9.7	7.9	...
Return on equity (2)	27.5	10.2	-1.7	9.3	12.6	8.8
<u>Efficiency (ratios)</u>						
Receivable turnover	...	7.82	...	7.83	6.96	...
Inventory turnover	...	2.95	...	1.26	2.95	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.00	1.94	1.20	1.94	1.77	...
Debt to equity	...	0.23	...	...	...	...
Liabilities to assets	0.29	0.73	1.03	0.64	0.75	0.78
Interest coverage	7.00	2.40	-1.55	2.19	2.40	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	62		38			
Net profit	62		38			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 281

Industry 136 - Household furniture, wholesale

SICE Grouping 542

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.3	-
Accounts receivable	16.8	-
Inventory	35.8	-
Capital assets	22.4	-
Other assets	2.0	-
<b>Total operating assets</b>	<b>86.4</b>	<b>-</b>
Investments and accounts with affiliates	9.8	-
Portfolio investments and loans with non-affiliates	3.8	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	15.0	-
Borrowing:		
Banks	23.5	-
Short term paper	-	-
Mortgages	7.5	-
Bonds	-	-
Other loans	2.2	-
Amount owing to affiliates	40.3	-
Other liabilities	1.4	-
Deferred income tax	0.0	-
<b>Total liabilities</b>	<b>89.9</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	3.1	-
Retained earnings	7.0	-
Other surplus	0.0	-
<b>Total shareholders' equity</b>	<b>10.1</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>70.6</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>54.0</b>	<b>-</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 282

Industry 137 - Household furnishings, wholesale

SICE Grouping 543

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	535					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.0	0.9	-2.5	0.6	1.1	1.1
Pretax profit margin	5.1	1.1	-2.1	0.8	1.2	1.4
Operating profit margin	4.0	2.1	-1.9	0.8	3.2	3.5
Gross profit margin	42.6	31.8	23.4	36.9	29.0	24.5
Operating revenue to net operating assets	251.1	204.8	154.7	192.3	240.2	235.2
Return on net operating assets	11.3	6.1	-2.3	-1.4	8.0	8.5
Pretax profit to assets	11.2	2.1	-4.5	1.3	2.6	3.1
Return on capital employed	9.8	4.7	-5.4	-2.6	6.6	7.1
Return on equity (2)	23.5	7.3	-1.6	5.3	9.1	7.7
<u>Efficiency (ratios)</u>						
Receivable turnover	9.56	7.82	3.88	5.31	8.03	7.00
Inventory turnover	11.16	4.46	2.55	4.07	4.46	2.54
<u>Liquidity/Solvency (ratios)</u>						
Working capital	10.85	4.08	1.59	8.95	1.59	1.36
Debt to equity	0.12	0.85	1.59	0.12	0.85	1.14
Liabilities to assets	0.48	0.82	1.02	0.91	0.77	0.70
Interest coverage	2.95	1.46	-1.17	-1.17	1.54	2.08
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	63		37			
Pretax profit	61		39			
Net profit	61		39			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 283

Industry 137 - Household furnishings, wholesale

SICE Grouping 543

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.9	3.9
Accounts receivable	24.5	26.7
Inventory	36.7	45.8
Capital assets	12.7	7.6
Other assets	2.4	2.9
<b>Total operating assets</b>	<b>85.1</b>	<b>86.8</b>
Investments and accounts with affiliates	10.4	9.2
Portfolio investments and loans with non-affiliates	4.5	4.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.9	25.1
Borrowing:		
Banks	11.0	20.8
Short term paper	0.1	0.3
Mortgages	3.3	3.6
Bonds	1.6	2.7
Other loans	1.9	1.8
Amount owing to affiliates	22.4	18.5
Other liabilities	2.0	3.9
Deferred income tax	0.0	0.1
<b>Total liabilities</b>	<b>64.3</b>	<b>76.7</b>
<b>Shareholders' equity</b>		
Share capital	4.8	9.5
Retained earnings	30.9	13.0
Other surplus	0.0	0.8
<b>Total shareholders' equity</b>	<b>35.7</b>	<b>23.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>76.7</b>	<b>82.1</b>
<b>Current liabilities - % of total assets</b>	<b>40.5</b>	<b>60.8</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 284

Industry 138 - Motor vehicles, wholesale

SICE Grouping 551

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	918					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.7	1.2	-0.9	1.0	1.2	0.8
Pretax profit margin	5.7	1.5	-0.7	1.3	1.6	1.0
Operating profit margin	7.1	2.4	-0.7	-1.3	3.6	1.4
Gross profit margin	37.2	23.3	11.8	34.2	18.7	13.3
Operating revenue to net operating assets	268.5	173.0	128.9	128.9	207.9	308.4
Return on net operating assets	15.5	9.0	-0.1	-3.4	10.2	7.3
Pretax profit to assets	14.4	4.4	-2.5	2.5	5.2	3.9
Return on capital employed	15.7	8.6	-0.1	-0.5	9.4	7.0
Return on equity (2)	34.3	15.0	2.3	10.3	16.3	16.1
<u>Efficiency (ratios)</u>						
Receivable turnover	9.85	6.36	5.78	6.55	6.12	12.58
Inventory turnover	11.26	4.24	1.43	1.80	4.97	5.42
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.48	1.95	1.12	2.78	1.71	1.15
Debt to equity	0.36	0.89	2.29	1.39	0.59	2.85
Liabilities to assets	0.51	0.78	0.99	0.84	0.75	0.81
Interest coverage	5.35	1.77	-0.51	-0.95	1.89	1.86
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	68		32			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	21					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995***Financial Performance Indicators for Canadian Business**

Page : 285

**Industry** 138 - Motor vehicles, wholesale**SICE Grouping** 551

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.2	4.6
Accounts receivable	21.4	17.2
Inventory	33.4	39.7
Capital assets	18.3	30.7
Other assets	2.7	2.9
<b>Total operating assets</b>	<b>88.0</b>	<b>95.1</b>
Investments and accounts with affiliates	10.3	3.9
Portfolio investments and loans with non-affiliates	1.7	0.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.4	16.7
Borrowing:		
Banks	16.8	24.4
Short term paper	0.1	1.3
Mortgages	2.4	2.7
Bonds	0.7	8.0
Other loans	8.2	17.0
Amount owing to affiliates	13.3	9.7
Other liabilities	2.3	1.5
Deferred income tax	0.0	1.1
<b>Total liabilities</b>	<b>63.1</b>	<b>82.4</b>
<b>Shareholders' equity</b>		
Share capital	3.2	4.2
Retained earnings	32.9	12.9
Other surplus	0.8	0.5
<b>Total shareholders' equity</b>	<b>36.9</b>	<b>17.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>74.1</b>	<b>64.5</b>
<b>Current liabilities - % of total assets</b>	<b>39.3</b>	<b>54.0</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 286

Industry 139 - Motor vehicle parts and accessories, wholesale

SICE Grouping 552

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,565					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.3	1.5	-0.7	0.9	1.6	1.3
Pretax profit margin	5.2	1.7	-0.6	0.9	2.0	1.9
Operating profit margin	7.1	2.8	-0.2	2.0	3.5	3.1
Gross profit margin	39.6	32.3	25.4	35.8	31.3	25.0
Operating revenue to net operating assets	415.2	291.9	199.4	240.3	309.1	305.9
Return on net operating assets	19.9	8.7	0.6	3.8	11.9	9.8
Pretax profit to assets	11.1	4.0	-1.2	1.7	4.9	4.8
Return on capital employed	18.2	8.9	1.8	4.3	9.9	9.1
Return on equity (2)	23.8	9.4	1.2	5.9	11.0	11.9
<u>Efficiency (ratios)</u>						
Receivable turnover	12.60	9.05	6.80	9.15	8.89	5.80
Inventory turnover	6.45	4.78	3.05	4.56	4.81	3.93
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.91	1.83	1.29	1.77	1.84	1.60
Debt to equity	0.27	0.71	1.88	0.57	0.72	1.00
Liabilities to assets	0.41	0.69	0.93	0.75	0.66	0.73
Interest coverage	5.07	2.15	0.69	1.46	2.50	2.99
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	74		26			
Net profit	74		26			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 287

Industry 139 - Motor vehicle parts and accessories, wholesale

SICE Grouping 552

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.4	7.0
Accounts receivable	23.5	26.9
Inventory	32.7	34.4
Capital assets	20.4	10.6
Other assets	3.4	4.2
<b>Total operating assets</b>	<b>87.3</b>	<b>83.1</b>
Investments and accounts with affiliates	7.5	14.5
Portfolio investments and loans with non-affiliates	5.2	2.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.2	23.3
Borrowing:		
Banks	19.4	13.6
Short term paper	0.0	0.1
Mortgages	4.3	0.9
Bonds	0.3	0.9
Other loans	8.0	3.8
Amount owing to affiliates	16.8	17.6
Other liabilities	2.2	2.2
Deferred income tax	0.2	0.0
<b>Total liabilities</b>	<b>72.4</b>	<b>62.3</b>
<b>Shareholders' equity</b>		
Share capital	4.8	5.7
Retained earnings	22.1	29.4
Other surplus	0.7	2.6
<b>Total shareholders' equity</b>	<b>27.6</b>	<b>37.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>69.4</b>	<b>71.1</b>
<b>Current liabilities - % of total assets</b>	<b>39.1</b>	<b>45.8</b>

Industry 140 - Metal and metal products, wholesale

SICE Grouping 561

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	434					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.7	2.8	0.2	2.5	3.0	1.7
Pretax profit margin	8.6	3.9	0.3	3.1	3.9	2.2
Operating profit margin	13.0	4.5	-18.7	...	4.1	6.8
Gross profit margin	40.5	29.5	19.6	34.6	27.5	18.5
Operating revenue to net operating assets	237.8	172.0	140.0	...	154.6	273.6
Return on net operating assets	18.1	7.1	-0.8	...	6.4	14.9
Pretax profit to assets	20.3	7.8	0.6	5.7	8.6	5.7
Return on capital employed	27.8	9.5	-0.3	...	13.0	14.4
Return on equity (2)	40.3	19.6	3.7	11.7	21.4	15.8
<u>Efficiency (ratios)</u>						
Receivable turnover	10.09	7.23	5.26	...	7.90	4.95
Inventory turnover	...	5.29	...	...	5.68	4.38
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.60	1.38	1.19	...	1.38	1.36
Debt to equity	...	0.74	...	...	0.92	0.94
Liabilities to assets	0.42	0.70	0.91	0.72	0.69	0.72
Interest coverage	23.89	8.00	-3.53	...	7.95	5.87
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)			25			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 289

Industry 140 - Metal and metal products, wholesale

SICE Grouping 561

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.1	3.0
Accounts receivable	19.9	37.6
Inventory	30.0	32.4
Capital assets	28.7	17.6
Other assets	4.7	3.7
<b>Total operating assets</b>	<b>89.5</b>	<b>94.4</b>
Investments and accounts with affiliates	5.8	4.8
Portfolio investments and loans with non-affiliates	4.8	0.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.8	34.1
Borrowing:		
Banks	14.8	21.6
Short term paper	0.1	0.4
Mortgages	0.8	2.9
Bonds	1.2	4.8
Other loans	3.2	2.4
Amount owing to affiliates	33.1	12.0
Other liabilities	4.0	2.2
Deferred income tax	0.4	0.3
<b>Total liabilities</b>	<b>74.5</b>	<b>80.7</b>
<b>Shareholders' equity</b>		
Share capital	2.4	8.5
Retained earnings	21.7	8.8
Other surplus	1.4	2.0
<b>Total shareholders' equity</b>	<b>25.5</b>	<b>19.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>64.3</b>	<b>74.3</b>
<b>Current liabilities - % of total assets</b>	<b>56.7</b>	<b>69.7</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 290

Industry 141 - Hardware and plumbing, heating and air conditioning equipment and supplies, wholesale  
SICE Grouping 562

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,554					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.9	1.8	-1.0	1.2	2.0	1.6
Pretax profit margin	6.1	2.1	-0.8	1.5	2.6	2.0
Operating profit margin	5.4	2.6	0.1	2.5	2.9	3.1
Gross profit margin	39.0	30.3	23.2	33.2	28.6	25.9
Operating revenue to net operating assets	421.5	309.3	221.9	263.4	361.9	306.2
Return on net operating assets	15.8	5.9	0.7	5.9	5.8	8.5
Pretax profit to assets	14.2	4.6	-1.8	2.5	5.7	4.8
Return on capital employed	16.7	7.6	1.7	1.9	4.3	7.3
Return on equity (2)	29.9	11.7	1.5	7.1	13.2	10.5
<u>Efficiency (ratios)</u>						
Receivable turnover	11.33	7.93	6.28	8.82	7.01	6.90
Inventory turnover	10.37	5.70	3.32	5.31	5.70	3.94
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.93	1.93	1.27	2.36	1.65	1.53
Debt to equity	0.21	0.65	1.42	0.70	0.63	0.86
Liabilities to assets	0.44	0.70	0.95	0.75	0.66	0.66
Interest coverage	10.47	4.73	1.80	...	4.73	2.38
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	72		28			
Net profit	72		28			
Percentage of firms with zero or negative equity(2)			16			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 141 - Hardware and plumbing, heating and air conditioning equipment and supplies, wholesale  
**SICE Grouping** 562

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.3	5.9
Accounts receivable	31.6	27.1
Inventory	33.5	43.4
Capital assets	12.4	12.2
Other assets	1.5	3.2
<b>Total operating assets</b>	<b>87.3</b>	<b>91.7</b>
Investments and accounts with affiliates	9.4	4.8
Portfolio investments and loans with non-affiliates	3.2	3.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	28.1	23.6
Borrowing:		
Banks	14.1	15.6
Short term paper	0.1	1.4
Mortgages	0.8	1.1
Bonds	1.4	3.0
Other loans	6.8	6.1
Amount owing to affiliates	11.1	12.2
Other liabilities	1.5	1.9
Deferred income tax	0.2	0.5
<b>Total liabilities</b>	<b>64.0</b>	<b>65.3</b>
<b>Shareholders' equity</b>		
Share capital	6.7	8.9
Retained earnings	28.7	22.9
Other surplus	0.6	2.8
<b>Total shareholders' equity</b>	<b>36.0</b>	<b>34.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>79.4</b>	<b>78.5</b>
<b>Current liabilities - % of total assets</b>	<b>49.8</b>	<b>46.9</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 292

Industry 142 - Lumber and building materials, wholesale

SICE Grouping 563

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,421					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.9	0.9	-2.3	0.3	1.1	1.2
Pretax profit margin	4.7	1.2	-2.2	0.4	1.4	1.5
Operating profit margin	5.2	1.9	-2.8	-1.7	2.0	2.7
Gross profit margin	33.3	25.3	19.0	31.0	24.0	20.6
Operating revenue to net operating assets	362.0	261.3	168.3	171.5	280.7	352.1
Return on net operating assets	13.5	6.2	-1.5	0.7	7.6	11.0
Pretax profit to assets	9.5	2.3	-4.5	0.3	3.0	4.4
Return on capital employed	10.3	5.8	0.0	3.8	7.4	9.9
Return on equity (2)	21.1	6.8	-2.6	4.1	7.9	10.4
<u>Efficiency (ratios)</u>						
Receivable turnover	10.08	7.75	5.60	4.38	8.34	7.84
Inventory turnover	6.54	4.36	3.13	6.57	4.32	5.25
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.49	1.65	1.05	1.14	1.68	1.40
Debt to equity	0.23	0.92	2.92	0.73	0.99	0.83
Liabilities to assets	0.41	0.70	0.94	0.78	0.67	0.68
Interest coverage	3.96	1.27	-0.25	-0.68	1.77	2.37
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	69		31			
Pretax profit	66		34			
Net profit	65		35			
Percentage of firms with zero or negative equity(2)	20					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 142 - Lumber and building materials, wholesale

SICE Grouping 563

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.4	4.2
Accounts receivable	20.8	31.3
Inventory	31.5	37.5
Capital assets	24.2	16.8
Other assets	2.8	2.4
<b>Total operating assets</b>	<b>85.7</b>	<b>92.3</b>
Investments and accounts with affiliates	10.5	5.6
Portfolio investments and loans with non-affiliates	3.8	2.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.8	23.9
Borrowing:		
Banks	16.9	15.2
Short term paper	0.3	0.7
Mortgages	3.2	4.4
Bonds	3.1	4.7
Other loans	5.0	3.7
Amount owing to affiliates	15.7	14.8
Other liabilities	10.1	1.4
Deferred income tax	0.4	0.2
<b>Total liabilities</b>	<b>71.4</b>	<b>68.8</b>
<b>Shareholders' equity</b>		
Share capital	11.6	4.1
Retained earnings	14.9	25.2
Other surplus	2.1	1.9
<b>Total shareholders' equity</b>	<b>28.6</b>	<b>31.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>63.6</b>	<b>75.9</b>
<b>Current liabilities - % of total assets</b>	<b>37.4</b>	<b>53.0</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 294

Industry 143 - Farm machinery, equipment and supplies, wholesale

SICE Grouping 571

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,436					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.2	1.4	-0.8	1.0	1.5	1.2
Pretax profit margin	5.2	1.8	-0.7	1.2	1.8	1.6
Operating profit margin	5.6	2.3	0.0	1.3	2.4	2.3
Gross profit margin	31.5	22.1	15.3	30.0	19.4	12.9
Operating revenue to net operating assets	314.5	211.0	136.1	133.5	249.8	312.6
Return on net operating assets	12.6	6.6	-1.5	-0.2	7.5	7.4
Pretax profit to assets	9.6	3.4	-1.1	1.9	4.1	4.0
Return on capital employed	12.4	6.4	0.3	2.3	7.1	7.0
Return on equity (2)	20.8	8.4	1.0	5.3	9.5	12.9
<u>Efficiency (ratios)</u>						
Receivable turnover	15.25	10.71	8.23	10.87	10.57	13.12
Inventory turnover	6.18	2.77	1.63	3.26	2.60	2.38
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.80	1.50	1.24	2.69	1.41	1.25
Debt to equity	0.37	0.78	1.76	0.34	0.91	2.29
Liabilities to assets	0.40	0.69	0.87	0.67	0.70	0.77
Interest coverage	3.96	1.72	0.21	0.40	2.11	2.44
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	71		29			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	13					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 295

Industry 143 - Farm machinery, equipment and supplies, wholesale

SICE Grouping 571

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.3	2.7
Accounts receivable	13.3	12.8
Inventory	56.6	66.4
Capital assets	18.6	11.5
Other assets	1.8	2.1
<b>Total operating assets</b>	<b>94.7</b>	<b>95.6</b>
Investments and accounts with affiliates	3.0	3.4
Portfolio investments and loans with non-affiliates	2.3	1.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.0	21.2
Borrowing:		
Banks	21.3	24.6
Short term paper	0.1	0.5
Mortgages	1.7	1.3
Bonds	1.4	5.6
Other loans	10.4	19.6
Amount owing to affiliates	10.0	8.5
Other liabilities	1.3	1.7
Deferred income tax	0.3	0.3
<b>Total liabilities</b>	<b>70.6</b>	<b>83.4</b>
<b>Shareholders' equity</b>		
Share capital	2.9	2.5
Retained earnings	25.8	13.8
Other surplus	0.8	0.3
<b>Total shareholders' equity</b>	<b>29.4</b>	<b>16.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>74.7</b>	<b>81.8</b>
<b>Current liabilities - % of total assets</b>	<b>49.3</b>	<b>67.0</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 296

Industry 144 - Construction, forestry and mining machinery, equipment and supplies

SICE Grouping 572

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	809					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.0	2.8	-0.6	3.5	2.6	1.4
Pretax profit margin	9.7	3.7	-0.5	4.4	3.4	1.8
Operating profit margin	8.4	4.7	0.7	1.6	4.9	3.2
Gross profit margin	42.7	29.6	19.6	37.5	27.1	21.0
Operating revenue to net operating assets	359.6	257.6	129.2	172.7	294.3	212.5
Return on net operating assets	20.5	12.0	6.2	8.0	14.0	11.4
Pretax profit to assets	17.5	7.1	-1.0	6.1	7.8	5.2
Return on capital employed	19.5	10.3	4.2	9.4	12.2	7.6
Return on equity (2)	32.0	14.6	2.8	12.2	15.6	16.4
<u>Efficiency (ratios)</u>						
Receivable turnover	9.61	7.53	4.93	8.36	6.52	5.70
Inventory turnover	6.23	4.03	1.74	1.64	4.45	2.68
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.51	1.65	1.10	1.26	1.92	1.52
Debt to equity	0.25	0.59	1.68	0.43	0.63	2.34
Liabilities to assets	0.42	0.67	0.90	0.71	0.65	0.78
Interest coverage	8.60	2.84	1.00	2.13	3.58	1.54
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	79		21			
Pretax profit	82		18			
Net profit	81		19			
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 144 - Construction, forestry and mining machinery, equipment and supplies

SICE Grouping 572

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.0	5.8
Accounts receivable	26.2	22.8
Inventory	29.0	35.4
Capital assets	27.3	27.5
Other assets	2.3	4.5
<b>Total operating assets</b>	<b>90.8</b>	<b>96.0</b>
Investments and accounts with affiliates	8.0	3.8
Portfolio investments and loans with non-affiliates	1.2	0.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.5	22.5
Borrowing:		
Banks	19.8	17.9
Short term paper	0.1	0.4
Mortgages	0.8	2.7
Bonds	1.2	4.8
Other loans	7.4	6.5
Amount owing to affiliates	15.9	19.4
Other liabilities	3.1	4.3
Deferred income tax	0.8	1.4
<b>Total liabilities</b>	<b>67.6</b>	<b>80.0</b>
<b>Shareholders' equity</b>		
Share capital	13.0	8.3
Retained earnings	17.7	10.6
Other surplus	1.7	1.0
<b>Total shareholders' equity</b>	<b>32.4</b>	<b>20.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	64.0	65.5
Current liabilities - % of total assets	44.7	39.8

**Small and Medium Firms**
**Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 298

Industry 145 - Industrial machinery, equipment and supplies, wholesale

SICE Grouping 573

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,083					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.9	2.4	-0.1	2.2	2.5	1.9
Pretax profit margin	7.3	3.0	0.1	2.8	3.1	2.6
Operating profit margin	6.6	1.7	-0.7	0.9	2.6	2.8
Gross profit margin	41.1	31.2	23.6	38.0	29.3	25.0
Operating revenue to net operating assets	403.3	298.5	165.1	224.5	322.1	384.0
Return on net operating assets	19.9	7.4	0.0	1.7	14.2	14.1
Pretax profit to assets	16.8	6.7	-0.1	5.1	7.4	6.3
Return on capital employed	15.2	6.7	1.0	1.7	11.3	10.6
Return on equity (2)	34.1	16.2	4.2	13.8	17.3	14.6
<u>Efficiency (ratios)</u>						
Receivable turnover	9.88	7.24	5.83	8.35	7.05	6.85
Inventory turnover	9.21	5.48	2.87	2.98	6.09	4.74
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.65	1.65	1.19	1.45	1.65	1.50
Debt to equity	0.25	0.71	1.34	0.64	0.75	0.94
Liabilities to assets	0.42	0.68	0.91	0.71	0.67	0.70
Interest coverage	8.75	2.73	0.29	0.89	3.88	4.35
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	69		31			
Pretax profit	64		36			
Net profit	65		35			
Percentage of firms with zero or negative equity(2)	20					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 145 - Industrial machinery, equipment and supplies, wholesale

**SICE Grouping** 573

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.4	3.9
Accounts receivable	29.2	33.2
Inventory	29.6	36.4
Capital assets	14.7	12.6
Other assets	5.0	3.8
<b>Total operating assets</b>	<b>87.0</b>	<b>89.7</b>
Investments and accounts with affiliates	8.5	9.2
Portfolio investments and loans with non-affiliates	4.5	1.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	23.6	28.0
Borrowing:		
Banks	16.4	12.1
Short term paper	0.2	0.2
Mortgages	1.6	1.3
Bonds	1.4	2.6
Other loans	7.9	1.7
Amount owing to affiliates	14.3	16.5
Other liabilities	3.5	4.5
Deferred income tax	0.1	0.5
<b>Total liabilities</b>	<b>69.0</b>	<b>67.3</b>
<b>Shareholders' equity</b>		
Share capital	6.7	8.6
Retained earnings	24.1	23.5
Other surplus	0.3	0.7
<b>Total shareholders' equity</b>	<b>31.0</b>	<b>32.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>75.5</b>	<b>74.7</b>
<b>Current liabilities - % of total assets</b>	<b>46.7</b>	<b>55.4</b>

Industry 146 - Electrical and electronic machinery, equipment and supplies, wholesale

SICE Grouping 574

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,115					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.2	1.4	-1.4	1.0	1.6	1.2
Pretax profit margin	6.4	1.7	-1.2	1.2	1.9	1.7
Operating profit margin	6.3	2.2	-1.3	1.4	3.0	2.1
Gross profit margin	43.8	28.3	18.1	36.2	24.3	18.7
Operating revenue to net operating assets	385.1	277.5	196.3	225.3	336.8	352.1
Return on net operating assets	19.9	8.1	1.9	5.3	10.5	14.1
Pretax profit to assets	17.1	4.9	-3.9	2.7	6.4	6.2
Return on capital employed	17.4	7.0	1.7	5.0	10.8	12.1
Return on equity (2)	40.8	18.4	3.3	14.5	20.5	18.0
<u>Efficiency (ratios)</u>						
Receivable turnover	12.39	8.27	5.74	7.54	8.43	6.69
Inventory turnover	12.14	5.90	3.14	5.54	6.89	8.39
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.39	1.71	1.14	2.18	1.41	1.44
Debt to equity	0.28	1.00	2.33	1.04	0.76	0.89
Liabilities to assets	0.53	0.80	1.02	0.86	0.77	0.77
Interest coverage	4.64	1.72	0.32	0.65	2.25	3.16
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	69		31			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)			26			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 301

Industry 146 - Electrical and electronic machinery, equipment and supplies, wholesale

SICE Grouping 574

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.8	8.8
Accounts receivable	31.4	39.6
Inventory	23.3	21.8
Capital assets	12.6	10.6
Other assets	5.5	7.3
<b>Total operating assets</b>	<b>82.6</b>	<b>88.1</b>
Investments and accounts with affiliates	9.1	9.2
Portfolio investments and loans with non-affiliates	8.2	2.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.0	29.9
Borrowing:		
Banks	13.8	14.3
Short term paper	0.1	0.3
Mortgages	1.1	0.9
Bonds	0.9	1.2
Other loans	4.6	5.9
Amount owing to affiliates	35.2	13.5
Other liabilities	5.0	6.0
Deferred income tax	0.3	0.0
<b>Total liabilities</b>	<b>85.0</b>	<b>72.1</b>
<b>Shareholders' equity</b>		
Share capital	15.1	23.7
Retained earnings	-1.6	2.5
Other surplus	1.5	1.8
<b>Total shareholders' equity</b>	<b>15.0</b>	<b>27.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	77.3	76.1
Current liabilities - % of total assets	50.1	54.0

Industry 147 - Other machinery, equipment and supplies, wholesale

SICE Grouping 579

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,437					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.2	1.7	-1.2	1.4	1.9	1.6
Pretax profit margin	6.4	2.1	-1.1	1.6	2.4	2.1
Operating profit margin	7.3	3.4	-0.2	3.2	3.7	2.9
Gross profit margin	46.1	33.7	24.0	39.8	30.3	26.3
Operating revenue to net operating assets	394.5	280.0	170.3	226.2	322.3	306.9
Return on net operating assets	22.1	10.0	0.4	7.4	11.3	11.7
Pretax profit to assets	14.4	4.7	-2.6	2.8	6.0	5.3
Return on capital employed	18.6	8.0	0.7	7.0	8.5	8.8
Return on equity (2)	29.9	13.2	0.9	10.3	14.3	14.7
<u>Efficiency (ratios)</u>						
Receivable turnover	11.28	8.36	5.90	8.99	8.06	6.68
Inventory turnover	9.38	5.04	3.14	5.61	4.60	4.70
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.92	1.78	1.22	1.73	1.80	1.56
Debt to equity	0.20	0.79	2.19	0.91	0.79	0.82
Liabilities to assets	0.44	0.73	0.96	0.77	0.70	0.72
Interest coverage	7.00	1.93	0.55	1.50	2.40	3.00
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	70		30			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 303

Industry 147 - Other machinery, equipment and supplies, wholesale

SICE Grouping 579

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.9	7.2
Accounts receivable	26.8	33.0
Inventory	27.1	30.8
Capital assets	21.4	10.4
Other assets	3.5	5.6
<b>Total operating assets</b>	<b>87.6</b>	<b>87.1</b>
Investments and accounts with affiliates	8.7	9.1
Portfolio investments and loans with non-affiliates	3.7	3.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.4	28.1
Borrowing:		
Banks	16.6	12.8
Short term paper	0.1	0.3
Mortgages	3.2	1.1
Bonds	0.6	3.2
Other loans	5.8	3.7
Amount owing to affiliates	14.6	20.1
Other liabilities	3.6	2.7
Deferred income tax	0.2	0.3
<b>Total liabilities</b>	<b>67.0</b>	<b>72.4</b>
<b>Shareholders' equity</b>		
Share capital	4.9	12.0
Retained earnings	27.1	15.1
Other surplus	1.1	0.5
<b>Total shareholders' equity</b>	<b>33.0</b>	<b>27.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	67.0	78.8
Current liabilities - % of total assets	41.8	53.1

Industry 148 - Waste materials, wholesale

SICE Grouping 591

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,192					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.7	2.9	-0.5	2.2	3.3	1.6
Pretax profit margin	9.5	3.5	-0.4	2.5	4.2	2.3
Operating profit margin	9.2	4.6	1.4	4.3	4.6	3.1
Gross profit margin	57.2	39.3	24.9	46.6	35.5	19.2
Operating revenue to net operating assets	504.0	197.7	135.1	135.1	254.0	393.6
Return on net operating assets	29.2	14.6	5.6	20.6	7.5	15.3
Pretax profit to assets	19.3	7.0	-0.9	3.7	10.0	7.2
Return on capital employed	30.2	12.7	4.4	13.5	10.2	10.6
Return on equity (2)	38.2	16.8	2.4	10.0	19.4	17.2
<u>Efficiency (ratios)</u>						
Receivable turnover	12.68	10.88	5.89	11.29	9.17	8.69
Inventory turnover	17.34	7.42	2.69	2.21	8.17	16.54
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.04	2.47	1.06	3.33	1.56	1.12
Debt to equity	0.22	0.62	1.76	0.65	0.50	1.09
Liabilities to assets	0.40	0.69	0.95	0.78	0.64	0.73
Interest coverage	7.92	4.01	1.93	3.07	4.08	2.50
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				81	19	
Pretax profit				81	19	
Net profit				81	19	
Percentage of firms with zero or negative equity(2)				14		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 148 - Waste materials, wholesale  
SICE Grouping 591

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.4	2.5
Accounts receivable	15.3	30.2
Inventory	16.4	18.4
Capital assets	31.0	31.2
Other assets	4.1	1.3
<b>Total operating assets</b>	<b>75.2</b>	<b>83.7</b>
Investments and accounts with affiliates	16.0	10.1
Portfolio investments and loans with non-affiliates	8.8	6.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.1	30.9
Borrowing:		
Banks	17.3	15.1
Short term paper	-	0.2
Mortgages	1.3	0.5
Bonds	-	6.2
Other loans	7.1	7.9
Amount owing to affiliates	15.6	7.8
Other liabilities	2.1	1.9
Deferred income tax	0.3	0.4
<b>Total liabilities</b>	<b>60.8</b>	<b>71.0</b>
<b>Shareholders' equity</b>		
Share capital	1.7	7.9
Retained earnings	36.4	19.5
Other surplus	1.1	1.7
<b>Total shareholders' equity</b>	<b>39.2</b>	<b>29.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>47.0</b>	<b>59.5</b>
<b>Current liabilities - % of total assets</b>	<b>36.9</b>	<b>52.4</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 306

Industry 149 - Paper and paper products, wholesale  
SICE Grouping 592

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	529					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.0	1.6	-0.8	1.1	2.1	1.3
Pretax profit margin	6.1	2.0	-0.8	1.3	2.5	1.6
Operating profit margin	11.1	1.9	0.2	1.7	2.4	2.0
Gross profit margin	41.8	31.2	23.6	36.5	29.3	24.7
Operating revenue to net operating assets	403.9	279.2	186.0	227.1	337.5	274.1
Return on net operating assets	22.9	4.7	-4.3	3.5	5.0	10.0
Pretax profit to assets	14.4	5.1	-2.0	2.7	6.7	4.9
Return on capital employed	7.3	3.3	-11.6	-0.4	6.7	10.2
Return on equity (2)	33.9	13.4	0.5	6.9	16.0	15.1
<u>Efficiency (ratios)</u>						
Receivable turnover	10.78	7.39	4.30	4.44	8.61	6.21
Inventory turnover	14.78	6.20	3.32	4.24	6.50	4.93
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.36	1.44	0.99	1.31	2.57	1.24
Debt to equity	0.11	0.52	7.54	0.60	0.31	1.32
Liabilities to assets	0.43	0.75	0.98	0.76	0.72	0.75
Interest coverage	5.84	1.69	-0.25	0.75	4.27	1.61
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	64		36			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	27					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 307

Industry 149 - Paper and paper products, wholesale

SICE Grouping 592

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.6	5.1
Accounts receivable	37.0	36.3
Inventory	19.8	34.1
Capital assets	13.4	11.2
Other assets	3.2	6.5
<b>Total operating assets</b>	<b>82.0</b>	<b>93.2</b>
Investments and accounts with affiliates	7.1	3.0
Portfolio investments and loans with non-affiliates	10.9	3.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	25.6	28.4
Borrowing:		
Banks	12.9	22.3
Short term paper	0.0	0.2
Mortgages	2.9	0.7
Bonds	0.6	2.3
Other loans	4.6	6.5
Amount owing to affiliates	12.1	11.3
Other liabilities	2.3	6.5
Deferred income tax	0.5	0.0
<b>Total liabilities</b>	<b>61.5</b>	<b>78.1</b>
<b>Shareholders' equity</b>		
Share capital	2.5	2.0
Retained earnings	35.6	18.8
Other surplus	0.4	1.2
<b>Total shareholders' equity</b>	<b>38.5</b>	<b>21.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>72.8</b>	<b>78.1</b>
<b>Current liabilities - % of total assets</b>	<b>47.7</b>	<b>56.3</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 308

Industry 150 - Agricultural supplies, wholesale  
SICE Grouping 593

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	694					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.6	1.6	-0.5	1.6	1.7	1.5
Pretax profit margin	5.7	2.2	-0.4	1.9	2.2	1.9
Operating profit margin	6.4	1.5	-1.4	0.3	2.1	2.2
Gross profit margin	32.0	21.0	14.1	28.5	19.4	17.7
Operating revenue to net operating assets	454.1	280.5	136.9	144.3	321.8	287.3
Return on net operating assets	13.9	4.4	-3.3	1.1	11.4	9.1
Pretax profit to assets	12.5	4.9	-1.0	2.1	6.0	4.6
Return on capital employed	13.4	5.1	0.4	1.2	8.9	8.1
Return on equity (2)	27.4	12.8	2.8	6.4	14.0	12.9
<u>Efficiency (ratios)</u>						
Receivable turnover	11.16	8.47	4.03	7.05	8.47	7.66
Inventory turnover	13.66	6.60	4.54	8.47	6.02	7.36
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.78	1.60	1.15	1.75	1.40	1.33
Debt to equity	0.34	1.13	1.96	1.32	0.66	1.20
Liabilities to assets	0.41	0.71	0.94	0.74	0.70	0.74
Interest coverage	3.01	0.96	-0.35	0.23	2.04	2.66
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	70		30			
Pretax profit	65		35			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	15					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 309

**Industry** 150 - Agricultural supplies, wholesale**SICE Grouping** 593

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.3	2.8
Accounts receivable	22.8	25.9
Inventory	19.2	22.6
Capital assets	33.8	17.5
Other assets	3.0	2.1
<b>Total operating assets</b>	<b>87.1</b>	<b>71.0</b>
Investments and accounts with affiliates	7.0	9.2
Portfolio investments and loans with non-affiliates	5.8	19.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.8	20.0
Borrowing:		
Banks	17.3	22.6
Short term paper	0.5	0.3
Mortgages	4.7	2.2
Bonds	0.6	3.7
Other loans	6.0	3.9
Amount owing to affiliates	7.2	5.1
Other liabilities	2.8	1.1
Deferred income tax	0.4	2.2
<b>Total liabilities</b>	<b>62.5</b>	<b>61.0</b>
<b>Shareholders' equity</b>		
Share capital	6.2	5.5
Retained earnings	31.3	27.0
Other surplus	0.1	6.5
<b>Total shareholders' equity</b>	<b>37.5</b>	<b>39.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>55.7</b>	<b>53.2</b>
<b>Current liabilities - % of total assets</b>	<b>40.3</b>	<b>42.3</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 310

Industry 151 - Toys, amusement and sporting goods, wholesale

SICE Grouping 594

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	674					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.3	1.0	-3.6	0.4	1.3	1.2
Pretax profit margin	6.8	1.4	-3.5	0.5	1.7	1.6
Operating profit margin	6.9	0.5	-5.6	-5.6	1.7	0.6
Gross profit margin	41.0	30.1	22.3	35.2	27.8	26.4
Operating revenue to net operating assets	375.2	202.1	160.6	191.3	266.5	233.9
Return on net operating assets	5.8	-2.3	-24.7	-24.7	5.1	4.8
Pretax profit to assets	13.9	2.4	-6.1	0.7	3.4	4.3
Return on capital employed	11.3	3.6	-0.2	-24.9	4.5	3.8
Return on equity (2)	30.9	11.0	-0.5	10.5	11.1	9.3
<u>Efficiency (ratios)</u>						
Receivable turnover	9.80	6.88	6.25	6.88	7.55	5.53
Inventory turnover	8.97	5.53	1.72	...	2.83	2.88
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.85	1.65	1.10	1.24	2.17	1.51
Debt to equity	0.37	0.71	1.96	0.71	0.85	0.80
Liabilities to assets	0.45	0.79	1.05	0.89	0.71	0.72
Interest coverage	2.09	-1.44	-10.00	-2.27	1.64	1.44
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	61		39			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 311

Industry 151 - Toys, amusement and sporting goods, wholesale  
 SICE Grouping 594

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.8	3.2
Accounts receivable	24.6	39.5
Inventory	37.5	45.3
Capital assets	12.7	5.1
Other assets	4.4	2.6
<b>Total operating assets</b>	<b>89.0</b>	<b>95.8</b>
Investments and accounts with affiliates	6.3	4.0
Portfolio investments and loans with non-affiliates	4.7	0.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.1	28.3
Borrowing:		
Banks	16.4	17.9
Short term paper	0.3	0.3
Mortgages	1.9	0.5
Bonds	3.5	3.6
Other loans	4.6	1.4
Amount owing to affiliates	27.3	18.5
Other liabilities	2.0	2.3
Deferred income tax	0.1	0.0
<b>Total liabilities</b>	<b>72.2</b>	<b>72.8</b>
<b>Shareholders' equity</b>		
Share capital	0.6	11.9
Retained earnings	26.5	14.5
Other surplus	0.7	0.8
<b>Total shareholders' equity</b>	<b>27.8</b>	<b>27.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	79.5	92.3
Current liabilities - % of total assets	43.6	57.0

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 312

Industry 152 - Photographic equipment and musical instruments and supplies, wholesale  
SICE Grouping 595

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	162					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.4	1.0	-2.8	0.7	1.0	1.5
Pretax profit margin	5.0	1.4	-1.7	1.5	1.4	2.0
Operating profit margin	...	2.5	...	...	-0.9	3.3
Gross profit margin	46.2	34.0	24.2	41.2	30.5	24.9
Operating revenue to net operating assets	...	243.4	...	...	243.4	424.2
Return on net operating assets	...	0.4	...	...	0.4	14.5
Pretax profit to assets	9.1	2.0	-4.4	0.7	3.8	4.8
Return on capital employed	...	7.6	...	...	0.0	11.4
Return on equity (2)	19.3	7.2	-2.5	5.9	7.7	11.5
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	6.60
Inventory turnover	...	6.45	...	...	6.45	3.05
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.74	...	...	1.74	1.25
Debt to equity	...	0.66	...	...	0.22	1.96
Liabilities to assets	0.41	0.76	1.01	0.87	0.61	0.82
Interest coverage	...	1.82	...	...	-0.21	2.60
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

**Financial Performance Indicators for Canadian Business**

Page : 313

Industry 152 - Photographic equipment and musical instruments and supplies, wholesale

SICE Grouping 595

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.5	1.6
Accounts receivable	23.9	27.4
Inventory	37.9	50.5
Capital assets	14.4	8.4
Other assets	9.3	2.5
<b>Total operating assets</b>	<b>92.0</b>	<b>90.3</b>
Investments and accounts with affiliates	8.0	9.6
Portfolio investments and loans with non-affiliates	-	0.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.4	31.5
Borrowing:		
Banks	20.3	14.9
Short term paper	0.4	1.0
Mortgages	0.7	1.8
Bonds	1.2	5.9
Other loans	1.8	3.3
Amount owing to affiliates	8.0	16.9
Other liabilities	14.4	0.8
Deferred income tax	0.0	0.0
<b>Total liabilities</b>	<b>60.2</b>	<b>76.1</b>
<b>Shareholders' equity</b>		
Share capital	11.9	1.0
Retained earnings	27.8	22.9
Other surplus	0.1	0.0
<b>Total shareholders' equity</b>	<b>39.8</b>	<b>23.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>79.4</b>	<b>83.4</b>
<b>Current liabilities - % of total assets</b>	<b>51.7</b>	<b>58.2</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 314

Industry 153 - Jewellery and watches, wholesale

SICE Grouping 596

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	490					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.1	1.2	-2.4	0.7	1.8	0.8
Pretax profit margin	6.0	1.5	-2.3	0.8	2.2	1.0
Operating profit margin	7.3	2.2	-0.1	0.1	3.1	1.9
Gross profit margin	48.1	33.3	20.6	40.2	26.0	24.5
Operating revenue to net operating assets	264.2	164.4	111.7	133.1	193.5	189.4
Return on net operating assets	12.3	4.2	0.6	1.0	5.5	3.4
Pretax profit to assets	11.0	2.2	-3.9	1.0	3.5	1.9
Return on capital employed	11.0	3.6	0.5	0.7	4.0	2.9
Return on equity (2)	25.0	10.4	-0.4	6.7	12.0	9.6
<u>Efficiency (ratios)</u>						
Receivable turnover	9.27	5.85	3.93	5.19	5.89	5.09
Inventory turnover	2.67	1.57	0.93	0.90	1.96	2.02
<u>Liquidity/Solvency (ratios)</u>						
Working capital	9.22	2.86	1.39	6.24	1.77	1.34
Debt to equity	0.30	0.87	1.16	...	0.43	0.79
Liabilities to assets	0.49	0.81	1.04	0.84	0.78	0.78
Interest coverage	9.79	2.95	0.11	3.55	2.14	1.08
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	73		27			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)	27					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 315

Industry 153 - Jewellery and watches, wholesale  
 SICE Grouping 596

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.3	2.8
Accounts receivable	25.2	36.5
Inventory	47.1	41.2
Capital assets	7.1	9.0
Other assets	2.2	7.7
<b>Total operating assets</b>	<b>87.0</b>	<b>97.2</b>
Investments and accounts with affiliates	10.7	0.2
Portfolio investments and loans with non-affiliates	2.2	2.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.3	19.7
Borrowing:		
Banks	11.5	18.6
Short term paper	0.1	0.2
Mortgages	2.0	3.7
Bonds	2.6	2.3
Other loans	2.4	1.1
Amount owing to affiliates	22.7	20.7
Other liabilities	3.0	0.8
Deferred income tax	0.1	0.1
<b>Total liabilities</b>	<b>66.7</b>	<b>67.3</b>
<b>Shareholders' equity</b>		
Share capital	5.7	21.4
Retained earnings	26.9	0.6
Other surplus	0.7	10.7
<b>Total shareholders' equity</b>	<b>33.3</b>	<b>32.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>80.2</b>	<b>81.8</b>
<b>Current liabilities - % of total assets</b>	<b>41.0</b>	<b>49.5</b>

Industry 154 - Industrial and household chemicals wholesale

SICE Grouping 597

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	583					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.2	1.8	-1.9	0.6	2.7	1.7
Pretax profit margin	6.6	2.3	-1.8	0.9	3.4	2.3
Operating profit margin	7.7	4.6	2.0	3.8	6.3	2.5
Gross profit margin	49.7	36.3	25.6	41.5	33.6	28.1
Operating revenue to net operating assets	472.5	342.6	197.4	283.5	342.8	374.9
Return on net operating assets	31.6	13.2	1.6	19.7	11.5	13.3
Pretax profit to assets	15.1	4.8	-4.3	1.6	8.5	5.9
Return on capital employed	21.8	11.4	3.1	16.6	10.9	11.7
Return on equity (2)	32.7	14.3	1.8	8.5	17.9	10.7
<u>Efficiency (ratios)</u>						
Receivable turnover	9.11	8.33	6.21	8.61	6.65	6.27
Inventory turnover	10.57	6.95	5.82	5.71	10.57	8.39
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.24	1.46	1.26	1.36	2.16	1.19
Debt to equity	0.06	0.28	1.13	0.50	0.21	0.64
Liabilities to assets	0.42	0.71	0.96	0.82	0.67	0.73
Interest coverage	16.55	5.57	0.88	3.65	8.81	3.29
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	88		12			
Pretax profit	76		24			
Net profit	76		24			
Percentage of firms with zero or negative equity(2)	9					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 154 - Industrial and household chemicals wholesale

SICE Grouping 597

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.8	10.3
Accounts receivable	22.2	34.3
Inventory	15.3	24.8
Capital assets	24.7	12.4
Other assets	4.4	5.6
<b>Total operating assets</b>	<b>74.5</b>	<b>87.5</b>
Investments and accounts with affiliates	8.4	11.6
Portfolio investments and loans with non-affiliates	17.2	0.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.4	32.2
Borrowing:		
Banks	15.6	16.1
Short term paper	0.0	0.0
Mortgages	3.6	0.6
Bonds	0.2	0.0
Other loans	11.5	1.3
Amount owing to affiliates	9.4	20.1
Other liabilities	6.3	11.0
Deferred income tax	0.7	-0.9
<b>Total liabilities</b>	<b>63.8</b>	<b>80.3</b>
<b>Shareholders' equity</b>		
Share capital	4.2	8.5
Retained earnings	30.8	11.1
Other surplus	1.1	0.1
<b>Total shareholders' equity</b>	<b>36.2</b>	<b>19.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>56.0</b>	<b>71.2</b>
<b>Current liabilities - % of total assets</b>	<b>31.6</b>	<b>55.9</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 318

Industry 155 - General merchandise, wholesale  
SICE Grouping 598

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	741					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	10.5	2.0	-1.9	2.1	1.4	0.7
Pretax profit margin	12.4	2.8	-1.5	3.2	2.2	1.0
Operating profit margin	3.9	1.7	-2.5	1.0	...	2.0
Gross profit margin	47.6	29.2	18.4	37.8	22.3	22.4
Operating revenue to net operating assets	...	204.9	...	204.9	...	...
Return on net operating assets	32.4	12.4	-0.3	10.1	...	4.9
Pretax profit to assets	27.3	5.9	-5.1	5.4	6.5	4.0
Return on capital employed	22.2	8.9	0.8	4.8	...	4.5
Return on equity (2)	48.3	21.6	3.0	21.6	21.8	16.8
<u>Efficiency (ratios)</u>						
Receivable turnover	...	10.00	...	10.00	...	...
Inventory turnover	...	1.92	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.91	1.14	0.99	1.27	...	1.13
Debt to equity	...	0.98	...	...	...	2.70
Liabilities to assets	0.51	0.83	1.05	0.85	0.80	0.75
Interest coverage	...	1.63	...	1.37	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	67		33			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 319

Industry 155 - General merchandise, wholesale

SICE Grouping 598

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.7	6.4
Accounts receivable	18.1	39.7
Inventory	43.0	31.9
Capital assets	11.9	19.6
Other assets	0.8	2.2
<b>Total operating assets</b>	<b>85.4</b>	<b>99.8</b>
Investments and accounts with affiliates	6.7	0.1
Portfolio investments and loans with non-affiliates	7.9	0.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	51.7	36.2
Borrowing:		
Banks	12.9	16.6
Short term paper	0.2	0.9
Mortgages	3.0	1.7
Bonds	1.8	9.8
Other loans	5.2	4.6
Amount owing to affiliates	9.5	14.3
Other liabilities	4.6	0.4
Deferred income tax	-	0.0
<b>Total liabilities</b>	<b>88.8</b>	<b>84.4</b>
<b>Shareholders' equity</b>		
Share capital	1.6	8.3
Retained earnings	9.6	7.3
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>11.2</b>	<b>15.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>80.4</b>	<b>80.0</b>
<b>Current liabilities - % of total assets</b>	<b>70.6</b>	<b>59.3</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 320

Industry 156 - Other products n.e.c., wholesale  
SICE Grouping 599

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	5,310					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.0	1.7	-1.7	1.5	1.9	1.5
Pretax profit margin	8.7	2.1	-1.5	1.9	2.3	2.0
Operating profit margin	8.5	2.7	-0.9	2.7	2.1	3.2
Gross profit margin	42.7	29.7	18.8	33.7	26.6	20.7
Operating revenue to net operating assets	380.8	253.3	135.2	219.8	289.3	311.5
Return on net operating assets	17.8	10.0	-1.5	10.8	8.9	12.0
Pretax profit to assets	18.3	4.7	-3.9	3.5	6.0	6.1
Return on capital employed	15.6	8.5	-1.0	7.4	9.1	11.9
Return on equity (2)	33.9	13.8	1.4	11.5	15.9	13.5
<u>Efficiency (ratios)</u>						
Receivable turnover	11.09	7.76	5.01	8.78	7.41	6.78
Inventory turnover	9.03	4.79	2.69	3.76	5.57	6.11
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.80	1.67	1.06	1.76	1.52	1.48
Debt to equity	0.27	0.94	2.40	1.32	0.77	0.84
Liabilities to assets	0.41	0.75	1.00	0.78	0.73	0.72
Interest coverage	6.97	2.21	0.47	1.40	2.65	3.17
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	73		27			
Pretax profit	72		28			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	24					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 321

Industry 156 - Other products n.e.c., wholesale

SICE Grouping 599

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.1	8.2
Accounts receivable	28.4	36.3
Inventory	22.6	31.8
Capital assets	18.6	11.1
Other assets	4.0	3.8
<b>Total operating assets</b>	<b>83.7</b>	<b>91.2</b>
Investments and accounts with affiliates	9.1	6.4
Portfolio investments and loans with non-affiliates	7.2	2.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	23.6	25.8
Borrowing:		
Banks	14.0	14.7
Short term paper	0.2	0.2
Mortgages	3.9	1.3
Bonds	1.8	2.5
Other loans	5.2	4.7
Amount owing to affiliates	22.2	17.0
Other liabilities	2.9	2.8
Deferred income tax	0.0	0.1
<b>Total liabilities</b>	<b>73.9</b>	<b>69.1</b>
<b>Shareholders' equity</b>		
Share capital	3.7	8.1
Retained earnings	21.3	22.2
Other surplus	1.1	0.6
<b>Total shareholders' equity</b>	<b>26.1</b>	<b>30.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	70.2	82.1
Current liabilities - % of total assets	47.7	53.9

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 322

Industry 157 - Food stores  
SICE Grouping 601

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	11,655					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	2.0	0.3	-2.0	-0.5	0.5	0.8
Pretax profit margin	2.3	0.4	-1.8	-0.4	0.6	1.0
Operating profit margin	3.7	1.1	-1.5	0.7	1.4	1.1
Gross profit margin	35.8	22.7	17.0	30.7	20.1	20.7
Operating revenue to net operating assets	464.8	297.9	188.7	258.0	356.8	450.6
Return on net operating assets	14.9	6.0	-4.9	2.6	9.3	17.3
Pretax profit to assets	9.5	1.3	-7.7	-1.2	2.8	6.5
Return on capital employed	14.3	4.9	-6.4	1.7	9.0	11.4
Return on equity (2)	25.9	9.3	-3.9	5.7	10.6	14.7
<u>Efficiency (ratios)</u>						
Receivable turnover	14.57	11.22	8.21	9.16	11.31	6.30
Inventory turnover	19.57	11.46	7.47	10.48	13.31	20.72
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.68	1.55	1.06	1.80	1.45	1.15
Debt to equity	0.27	0.70	2.13	0.57	0.75	1.01
Liabilities to assets	0.53	0.86	1.07	0.95	0.79	0.75
Interest coverage	4.50	1.17	-0.47	1.00	1.63	1.84
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	63		37			
Net profit	63		37			
Percentage of firms with zero or negative equity(2)	26					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 157 - Food stores  
 SICE Grouping 601

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.1	9.5
Accounts receivable	6.8	8.4
Inventory	19.3	24.2
Capital assets	44.8	37.5
Other assets	5.6	4.6
<b>Total operating assets</b>	<b>85.6</b>	<b>84.2</b>
Investments and accounts with affiliates	8.8	8.0
Portfolio investments and loans with non-affiliates	5.6	7.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.1	28.4
Borrowing:		
Banks	15.3	17.9
Short term paper	0.2	0.7
Mortgages	8.1	4.3
Bonds	2.4	8.3
Other loans	8.2	9.6
Amount owing to affiliates	19.1	16.3
Other liabilities	2.0	3.0
Deferred income tax	0.1	0.1
<b>Total liabilities</b>	<b>71.5</b>	<b>88.7</b>
<b>Shareholders' equity</b>		
Share capital	3.8	5.8
Retained earnings	21.5	4.0
Other surplus	3.3	1.5
<b>Total shareholders' equity</b>	<b>28.5</b>	<b>11.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>40.2</b>	<b>51.1</b>
<b>Current liabilities - % of total assets</b>	<b>30.1</b>	<b>55.9</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 324

Industry 158 - Prescription drugs and patent medicine stores

SICE Grouping 603

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,560					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.6	1.5	-0.3	1.0	1.5	0.5
Pretax profit margin	5.9	1.8	-0.2	1.4	2.0	0.7
Operating profit margin	5.6	1.6	-0.2	-2.3	2.0	1.0
Gross profit margin	33.7	29.3	25.7	35.4	28.8	28.3
Operating revenue to net operating assets	465.9	352.6	207.2	122.5	398.2	506.3
Return on net operating assets	19.7	7.8	1.0	0.6	10.0	14.6
Pretax profit to assets	14.3	5.0	-0.6	2.5	5.5	4.1
Return on capital employed	16.9	8.2	2.1	5.9	8.8	12.8
Return on equity (2)	27.1	12.4	2.6	8.5	13.3	17.5
<u>Efficiency (ratios)</u>						
Receivable turnover	17.68	13.31	9.32	7.17	14.60	18.52
Inventory turnover	6.07	4.82	3.72	4.15	4.88	6.11
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.02	1.82	1.16	5.73	1.61	1.21
Debt to equity	0.14	0.40	2.25	0.24	0.45	1.13
Liabilities to assets	0.34	0.65	0.94	0.76	0.62	0.85
Interest coverage	4.39	1.23	-0.02	0.85	1.67	3.16
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	72		28			
Net profit	72		28			
Percentage of firms with zero or negative equity(2)	19					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 325

**Industry** 158 - Prescription drugs and patent medicine stores**SICE Grouping** 603

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.0	3.2
Accounts receivable	12.2	11.7
Inventory	41.6	60.6
Capital assets	14.8	8.0
Other assets	4.6	7.2
<b>Total operating assets</b>	<b>84.2</b>	<b>90.6</b>
Investments and accounts with affiliates	9.0	6.1
Portfolio investments and loans with non-affiliates	6.8	3.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	28.4	40.3
Borrowing:		
Banks	13.7	22.0
Short term paper	0.3	0.5
Mortgages	2.9	1.2
Bonds	3.9	5.9
Other loans	5.5	9.2
Amount owing to affiliates	10.8	6.8
Other liabilities	2.1	0.8
Deferred income tax	0.0	0.0
<b>Total liabilities</b>	<b>67.6</b>	<b>86.6</b>
<b>Shareholders' equity</b>		
Share capital	1.7	2.5
Retained earnings	29.5	10.2
Other surplus	1.2	0.8
<b>Total shareholders' equity</b>	<b>32.4</b>	<b>13.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>70.5</b>	<b>80.7</b>
<b>Current liabilities - % of total assets</b>	<b>46.7</b>	<b>70.6</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 326

Industry 159 - Shoe stores

SICE Grouping 611

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	871					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.9	1.0	-2.5	0.5	1.9	1.8
Pretax profit margin	4.5	1.2	-2.4	0.6	2.3	2.2
Operating profit margin	5.6	4.3	0.1	4.3	2.8	...
Gross profit margin	45.0	39.3	32.2	38.5	40.1	46.1
Operating revenue to net operating assets	412.0	329.9	202.6	373.9	218.6	...
Return on net operating assets	17.4	3.9	-1.4	3.9	1.2	...
Pretax profit to assets	8.8	2.3	-5.0	1.1	4.8	5.5
Return on capital employed	15.9	9.0	0.6	9.2	6.3	...
Return on equity (2)	21.9	8.1	-1.1	6.2	9.0	16.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	2.75	1.92	0.97	1.82	1.99	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.55	1.89	1.19	1.57	2.00	...
Debt to equity	...	0.86	...	...	0.45	...
Liabilities to assets	0.47	0.77	1.01	0.85	0.68	0.73
Interest coverage	3.81	1.23	0.10	0.05	4.12	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	80		20			
Pretax profit	70		30			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	25					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business**Revenue under \$25 million, Reference Year 1995*

Page : 327

Industry 159 - Shoe stores

SICE Grouping 611

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.6	-
Accounts receivable	4.9	-
Inventory	56.5	-
Capital assets	10.9	-
Other assets	1.2	-
<b>Total operating assets</b>	<b>80.1</b>	<b>-</b>
Investments and accounts with affiliates	3.3	-
Portfolio investments and loans with non-affiliates	16.6	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	25.1	-
Borrowing:		
Banks	9.1	-
Short term paper	0.3	-
Mortgages	1.9	-
Bonds	3.1	-
Other loans	2.9	-
Amount owing to affiliates	24.6	-
Other liabilities	1.1	-
Deferred income tax	0.1	-
<b>Total liabilities</b>	<b>68.2</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	3.0	-
Retained earnings	28.8	-
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>31.8</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>84.9</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>48.3</b>	<b>-</b>

Industry 160 - Men's clothing stores  
 SICE Grouping 612

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,147					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.2	0.9	-2.8	0.4	1.6	1.2
Pretax profit margin	5.0	1.1	-2.4	0.5	2.1	1.5
Operating profit margin	4.5	-3.7	-10.6	-4.2	1.7	...
Gross profit margin	44.7	38.7	32.2	38.3	39.8	41.6
Operating revenue to net operating assets	342.5	218.8	134.8	208.3	...	...
Return on net operating assets	18.4	-6.0	-7.6	-6.0	...	...
Pretax profit to assets	10.1	2.1	-5.1	0.6	4.8	4.9
Return on capital employed	12.8	-3.3	-9.5	-5.1	1.5	...
Return on equity (2)	20.5	6.3	-3.4	4.3	8.9	18.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	11.32	...	11.32	...	...
Inventory turnover	3.68	1.53	1.14	1.53	1.35	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.02	2.31	1.38	2.44	1.44	...
Debt to equity	...	0.37	...	0.84	...	...
Liabilities to assets	0.39	0.74	0.99	0.79	0.65	0.67
Interest coverage	3.59	0.80	-3.85	-0.91	...	...
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				60	40	
Pretax profit				60	40	
Net profit				60	40	
Percentage of firms with zero or negative equity(2)				27		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 329

Industry 160 - Men's clothing stores

SICE Grouping 612

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.6	-
Accounts receivable	7.7	-
Inventory	49.8	-
Capital assets	18.7	-
Other assets	3.1	-
<b>Total operating assets</b>	<b>90.0</b>	<b>-</b>
Investments and accounts with affiliates	6.3	-
Portfolio investments and loans with non-affiliates	3.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	17.5	-
Borrowing:		
Banks	11.6	-
Short term paper	0.2	-
Mortgages	1.6	-
Bonds	3.0	-
Other loans	5.9	-
Amount owing to affiliates	12.7	-
Other liabilities	1.5	-
Deferred income tax	0.1	-
<b>Total liabilities</b>	<b>54.1</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	3.6	-
Retained earnings	42.2	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>45.9</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	71.2	-
Current liabilities - % of total assets	39.2	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 330

Industry 161 - Women's clothing stores

SICE Grouping 613

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,998					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.4	0.4	-4.6	-0.4	0.8	1.3
Pretax profit margin	4.0	0.4	-4.2	-0.2	1.0	1.8
Operating profit margin	5.9	2.1	-2.4	2.3	1.7	...
Gross profit margin	44.8	37.8	30.8	37.2	38.8	44.7
Operating revenue to net operating assets	424.7	289.0	130.1	251.1	303.0	...
Return on net operating assets	15.8	10.3	-2.8	8.5	10.3	...
Pretax profit to assets	8.9	0.9	-10.8	-0.7	3.0	5.7
Return on capital employed	15.7	9.4	-0.9	8.3	9.4	...
Return on equity (2)	23.6	7.6	-5.1	5.9	10.6	20.8
<u>Efficiency (ratios)</u>						
Receivable turnover	...	10.86	...	...	...	...
Inventory turnover	4.49	2.62	1.76	2.37	4.25	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.13	1.68	1.01	1.32	1.70	...
Debt to equity	0.28	1.61	3.87	2.14	0.84	...
Liabilities to assets	0.52	0.86	1.10	0.90	0.75	0.77
Interest coverage	3.49	1.01	-1.35	0.93	2.07	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	64		36			
Pretax profit	61		39			
Net profit	61		39			
Percentage of firms with zero or negative equity(2)	26					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 331

Industry 161 - Women's clothing stores

SICE Grouping 613

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.4	-
Accounts receivable	7.3	-
Inventory	38.1	-
Capital assets	20.2	-
Other assets	6.2	-
<b>Total operating assets</b>	<b>85.2</b>	<b>-</b>
Investments and accounts with affiliates	9.6	-
Portfolio investments and loans with non-affiliates	5.1	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	24.8	-
Borrowing:		
Banks	18.6	-
Short term paper	0.2	-
Mortgages	3.1	-
Bonds	2.4	-
Other loans	8.0	-
Amount owing to affiliates	16.8	-
Other liabilities	5.5	-
Deferred income tax	0.0	-
<b>Total liabilities</b>	<b>79.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.4	-
Retained earnings	14.5	-
Other surplus	3.8	-
<b>Total shareholders' equity</b>	<b>20.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>67.1</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>46.4</b>	<b>-</b>

Industry 162 - Clothing stores n.e.c.

SICE Grouping 614

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,678					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.7	0.5	-4.7	-0.7	1.3	1.7
Pretax profit margin	4.3	0.6	-4.5	-0.6	1.7	2.0
Operating profit margin	5.8	3.3	-2.5	2.1	3.5	4.5
Gross profit margin	44.5	37.7	29.6	38.0	36.8	39.0
Operating revenue to net operating assets	303.7	182.6	137.4	163.8	258.8	321.8
Return on net operating assets	15.7	5.7	2.1	4.2	11.5	11.6
Pretax profit to assets	9.4	1.1	-9.0	-1.4	3.9	6.3
Return on capital employed	13.5	5.8	-0.8	3.3	9.9	25.6
Return on equity (2)	24.9	7.7	-3.9	4.5	10.9	18.3
<u>Efficiency (ratios)</u>						
Receivable turnover	...	5.02	...	5.02	...	...
Inventory turnover	2.94	1.84	0.99	1.27	2.03	4.19
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.48	1.72	1.10	2.39	1.25	2.11
Debt to equity	0.19	0.44	1.15	0.35	0.85	0.15
Liabilities to assets	0.53	0.84	1.07	0.91	0.71	0.69
Interest coverage	3.30	1.29	-2.17	1.58	1.24	3.47
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 162 - Clothing stores n.e.c.

**SICE Grouping** 614

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.6	8.4
Accounts receivable	4.4	11.7
Inventory	51.5	38.7
Capital assets	18.8	24.2
Other assets	5.2	5.5
<b>Total operating assets</b>	<b>87.6</b>	<b>88.6</b>
Investments and accounts with affiliates	10.5	7.2
Portfolio investments and loans with non-affiliates	1.9	4.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	25.3	26.3
Borrowing:		
Banks	17.0	10.0
Short term paper	0.1	0.3
Mortgages	6.8	6.2
Bonds	1.3	3.0
Other loans	2.5	4.3
Amount owing to affiliates	27.3	14.7
Other liabilities	2.3	16.1
Deferred income tax	-0.4	-0.2
<b>Total liabilities</b>	<b>82.3</b>	<b>80.7</b>
<b>Shareholders' equity</b>		
Share capital	2.6	3.8
Retained earnings	14.3	4.9
Other surplus	0.8	10.6
<b>Total shareholders' equity</b>	<b>17.7</b>	<b>19.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>73.0</b>	<b>63.1</b>
<b>Current liabilities - % of total assets</b>	<b>50.1</b>	<b>46.2</b>

Industry 163 - Fabric and yarn stores

SICE Grouping 615

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	458					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.8	0.5	-4.6	-0.5	1.9	1.3
Pretax profit margin	4.7	0.6	-4.4	-0.5	2.1	1.9
Operating profit margin	...	2.0	...	1.9	2.1	...
Gross profit margin	48.7	40.3	32.8	40.9	39.9	41.5
Operating revenue to net operating assets	...	160.6	...	...	211.1	...
Return on net operating assets	...	3.5	...	...	4.1	...
Pretax profit to assets	8.7	0.9	-7.7	-0.8	4.0	4.6
Return on capital employed	...	2.6	...	...	3.7	...
Return on equity (2)	18.2	7.1	-5.4	4.4	9.4	8.6
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	1.26	...	...	1.67	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.33	...	...	4.08	...
Debt to equity	...	0.15	...	...	...	...
Liabilities to assets	0.44	0.81	1.02	0.84	0.71	0.63
Interest coverage	...	0.89	...	...	0.98	...
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				60	40	
Pretax profit				60	40	
Net profit				60	40	
Percentage of firms with zero or negative equity(2)				30		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 335

**Industry** 163 - Fabric and yarn stores**SICE Grouping** 615

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.7	-
Accounts receivable	4.0	-
Inventory	52.8	-
Capital assets	21.6	-
Other assets	3.1	-
<b>Total operating assets</b>	<b>90.1</b>	<b>-</b>
Investments and accounts with affiliates	0.3	-
Portfolio investments and loans with non-affiliates	9.5	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	14.6	-
Borrowing:		
Banks	21.6	-
Short term paper	0.4	-
Mortgages	3.8	-
Bonds	4.3	-
Other loans	10.6	-
Amount owing to affiliates	15.9	-
Other liabilities	0.3	-
Deferred income tax	0.0	-
<b>Total liabilities</b>	<b>71.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	0.1	-
Retained earnings	28.5	-
Other surplus	-	-
<b>Total shareholders' equity</b>	<b>28.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>76.0</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>35.0</b>	<b>-</b>

Industry 164 - Household furniture stores

SICE Grouping 621

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,024					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.5	0.6	-3.1	-0.2	0.9	1.0
Pretax profit margin	4.2	0.8	-3.0	0.0	1.1	1.3
Operating profit margin	7.8	1.9	-0.8	1.9	1.0	3.5
Gross profit margin	41.7	33.1	25.9	36.4	31.3	34.9
Operating revenue to net operating assets	313.6	246.7	148.7	225.5	253.3	295.3
Return on net operating assets	8.8	4.2	-6.8	4.2	3.8	9.4
Pretax profit to assets	8.7	1.5	-6.6	-0.4	2.4	3.2
Return on capital employed	9.2	5.7	-3.2	5.5	6.2	9.1
Return on equity (2)	17.8	5.2	-4.3	3.4	6.0	6.9
<u>Efficiency (ratios)</u>						
Receivable turnover	13.02	9.58	6.25	8.33	9.73	10.20
Inventory turnover	9.20	3.95	1.94	5.29	3.11	3.06
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.88	1.74	1.12	2.22	1.55	1.48
Debt to equity	0.84	1.43	2.24	1.60	1.11	1.61
Liabilities to assets	0.44	0.75	1.00	0.84	0.68	0.69
Interest coverage	2.69	1.18	-0.45	1.00	1.36	1.68
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	64		36			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business***Revenue under \$25 million, Reference Year 1995*

Page : 337

**Industry** 164 - Household furniture stores**SICE Grouping** 621

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.2	1.9
Accounts receivable	12.5	17.6
Inventory	35.0	44.1
Capital assets	32.1	21.0
Other assets	4.7	3.8
<b>Total operating assets</b>	<b>90.5</b>	<b>88.4</b>
Investments and accounts with affiliates	5.4	2.5
Portfolio investments and loans with non-affiliates	4.1	9.1
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	19.5	19.2
Borrowing:		
Banks	15.0	20.1
Short term paper	0.4	2.4
Mortgages	10.5	6.8
Bonds	4.2	1.7
Other loans	6.3	5.6
Amount owing to affiliates	13.4	15.8
Other liabilities	1.6	9.5
Deferred income tax	0.0	0.3
<b>Total liabilities</b>	<b>70.8</b>	<b>81.4</b>
<b>Shareholders' equity</b>		
Share capital	2.5	4.5
Retained earnings	24.7	13.8
Other surplus	2.0	0.3
<b>Total shareholders' equity</b>	<b>29.2</b>	<b>18.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>59.1</b>	<b>74.8</b>
<b>Current liabilities - % of total assets</b>	<b>38.7</b>	<b>50.1</b>

Industry 165 - Appliance, television, radio and stereo stores

SICE Grouping 622

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group		3,244				
<b>Financial ratios</b>						
<u><b>Profitability (percentages)</b></u>						
Net profit margin	3.8	0.8	-2.5	0.5	1.1	1.1
Pretax profit margin	4.6	1.0	-2.2	0.6	1.3	1.4
Operating profit margin	4.5	2.8	-2.1	2.0	2.8	5.2
Gross profit margin	49.3	34.2	24.3	41.4	28.0	23.7
Operating revenue to net operating assets	456.2	271.1	203.5	244.0	277.7	357.3
Return on net operating assets	17.3	6.4	-10.0	2.4	8.0	-8.0
Pretax profit to assets	11.4	2.3	-6.3	1.1	3.6	5.2
Return on capital employed	14.8	6.4	-8.1	2.8	8.8	-3.7
Return on equity (2)	26.9	9.4	-4.3	7.8	10.8	11.0
<u><b>Efficiency (ratios)</b></u>						
Receivable turnover	14.65	9.58	6.41	8.32	12.34	9.98
Inventory turnover	6.69	4.00	2.37	4.51	3.13	2.55
<u><b>Liquidity/Solvency (ratios)</b></u>						
Working capital	2.30	1.57	1.03	1.50	1.57	1.26
Debt to equity	0.23	1.00	2.42	0.70	1.78	...
Liabilities to assets	0.47	0.78	1.01	0.82	0.73	0.70
Interest coverage	4.28	1.01	-1.08	1.00	1.17	-1.11
<b>Distribution of firms by profits/losses</b>						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			26			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

*Financial Performance Indicators for Canadian Business*

Page : 339

Industry 165 - Appliance, television, radio and stereo stores

SICE Grouping 622

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.2	2.1
Accounts receivable	12.1	25.0
Inventory	37.9	36.4
Capital assets	20.2	11.9
Other assets	3.2	13.5
<b>Total operating assets</b>	<b>81.5</b>	<b>88.8</b>
Investments and accounts with affiliates	11.6	6.7
Portfolio investments and loans with non-affiliates	6.8	4.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	25.8	21.8
Borrowing:		
Banks	14.9	27.9
Short term paper	0.1	0.3
Mortgages	4.8	0.6
Bonds	1.4	3.5
Other loans	4.7	9.1
Amount owing to affiliates	17.3	17.2
Other liabilities	2.2	4.5
Deferred income tax	0.5	0.6
<b>Total liabilities</b>	<b>71.8</b>	<b>85.5</b>
<b>Shareholders' equity</b>		
Share capital	1.2	5.0
Retained earnings	26.6	9.5
Other surplus	0.4	-
<b>Total shareholders' equity</b>	<b>28.2</b>	<b>14.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>63.8</b>	<b>69.2</b>
<b>Current liabilities - % of total assets</b>	<b>43.7</b>	<b>54.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 340

Industry 166 - Household furnishings stores

SICE Grouping 623

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,260					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.2	0.3	-3.3	-0.5	0.7	0.9
Pretax profit margin	3.7	0.4	-3.2	-0.4	0.8	1.0
Operating profit margin	4.4	1.5	-1.0	1.6	0.6	2.2
Gross profit margin	43.0	34.6	26.7	37.7	31.5	28.0
Operating revenue to net operating assets	450.5	356.0	177.1	305.9	390.9	363.1
Return on net operating assets	15.8	6.7	-1.8	11.4	3.6	12.5
Pretax profit to assets	9.7	0.9	-9.3	-1.1	2.2	3.3
Return on capital employed	12.1	6.2	-3.5	8.2	4.1	13.0
Return on equity (2)	25.6	7.7	-5.7	6.0	8.7	8.1
<u>Efficiency (ratios)</u>						
Receivable turnover	13.87	10.61	7.86	11.23	10.18	...
Inventory turnover	8.04	3.45	2.23	2.75	4.91	4.39
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.59	1.47	1.09	1.81	1.41	1.28
Debt to equity	0.29	1.32	3.12	1.32	0.91	2.28
Liabilities to assets	0.56	0.86	1.07	0.93	0.78	0.77
Interest coverage	3.00	0.95	-1.93	2.42	0.57	2.96
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	26					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 166 - Household furnishings stores

**SICE Grouping** 623

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.9	4.3
Accounts receivable	14.1	24.2
Inventory	39.4	41.8
Capital assets	15.9	20.2
Other assets	2.8	2.4
<b>Total operating assets</b>	<b>84.1</b>	<b>92.9</b>
Investments and accounts with affiliates	9.5	5.5
Portfolio investments and loans with non-affiliates	6.4	1.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	25.7	30.5
Borrowing:		
Banks	10.7	12.8
Short term paper	0.4	0.3
Mortgages	3.0	1.0
Bonds	4.4	2.9
Other loans	3.9	2.0
Amount owing to affiliates	18.7	21.1
Other liabilities	1.9	8.8
Deferred income tax	-0.2	0.5
<b>Total liabilities</b>	<b>68.7</b>	<b>79.8</b>
<b>Shareholders' equity</b>		
Share capital	0.5	10.6
Retained earnings	30.0	7.3
Other surplus	0.9	2.3
<b>Total shareholders' equity</b>	<b>31.3</b>	<b>20.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	74.5	73.2
Current liabilities - % of total assets	44.2	54.3

Industry 167 - Automobile dealers

SICE Grouping 631

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,462					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	2.3	0.4	-1.8	0.2	0.5	0.6
Pretax profit margin	2.9	0.5	-1.6	0.3	0.5	0.7
Operating profit margin	5.7	1.9	-0.3	2.4	1.4	1.3
Gross profit margin	20.5	14.2	9.9	19.7	13.2	12.9
Operating revenue to net operating assets	352.6	242.9	115.1	153.1	309.0	383.0
Return on net operating assets	14.9	6.7	-0.6	4.9	7.4	5.6
Pretax profit to assets	7.5	1.4	-4.6	0.2	2.0	2.5
Return on capital employed	13.2	6.4	1.9	5.5	7.1	6.1
Return on equity (2)	20.0	6.9	-2.4	4.0	8.2	9.5
<u>Efficiency (ratios)</u>						
Receivable turnover	13.23	8.51	5.49	7.24	12.83	17.45
Inventory turnover	8.48	5.14	3.12	4.70	5.48	4.56
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.72	1.81	1.25	1.81	1.83	1.20
Debt to equity	0.28	1.15	2.72	0.57	1.36	2.00
Liabilities to assets	0.53	0.80	1.00	0.83	0.79	0.81
Interest coverage	3.35	1.46	0.59	1.26	1.71	1.40
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	79		21			
Pretax profit	70		30			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 343

Industry 167 - Automobile dealers

SICE Grouping 631

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.3	2.3
Accounts receivable	6.3	9.3
Inventory	41.6	61.3
Capital assets	23.8	19.4
Other assets	3.6	1.9
<b>Total operating assets</b>	<b>83.6</b>	<b>94.3</b>
Investments and accounts with affiliates	9.2	3.3
Portfolio investments and loans with non-affiliates	7.2	2.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	10.1	12.4
Borrowing:		
Banks	20.4	25.0
Short term paper	0.4	2.5
Mortgages	5.0	3.4
Bonds	5.1	13.4
Other loans	12.4	17.5
Amount owing to affiliates	13.4	5.2
Other liabilities	3.8	2.6
Deferred income tax	0.4	0.3
<b>Total liabilities</b>	<b>71.0</b>	<b>82.3</b>
<b>Shareholders' equity</b>		
Share capital	5.5	4.0
Retained earnings	22.2	12.7
Other surplus	1.4	1.0
<b>Total shareholders' equity</b>	<b>29.0</b>	<b>17.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>60.7</b>	<b>76.2</b>
<b>Current liabilities - % of total assets</b>	<b>37.0</b>	<b>59.3</b>

Industry 168 - Recreational vehicle dealers

SICE Grouping 632

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,387					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.1	0.8	-1.3	0.7	0.9	1.3
Pretax profit margin	3.7	1.0	-1.3	0.8	1.1	1.7
Operating profit margin	5.8	3.2	0.6	2.7	3.2	2.8
Gross profit margin	30.2	21.5	15.6	30.1	18.7	15.4
Operating revenue to net operating assets	357.9	251.9	140.8	205.9	286.8	265.0
Return on net operating assets	14.5	7.1	-0.1	-2.1	9.5	14.2
Pretax profit to assets	7.9	1.7	-2.3	0.9	2.1	3.6
Return on capital employed	13.7	8.3	2.6	4.6	10.4	11.0
Return on equity (2)	23.3	8.9	-1.2	6.3	9.9	13.7
<u>Efficiency (ratios)</u>						
Receivable turnover	14.93	10.55	5.49	5.74	12.60	16.09
Inventory turnover	4.09	2.38	1.70	2.20	2.41	2.92
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.34	1.34	1.15	2.11	1.32	1.20
Debt to equity	0.57	1.07	2.89	0.77	1.12	2.10
Liabilities to assets	0.61	0.84	0.99	0.88	0.82	0.80
Interest coverage	2.93	1.43	1.02	1.73	1.38	2.49
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	81		19			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)	15					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 168 - Recreational vehicle dealers

**SICE Grouping** 632

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.3	1.2
Accounts receivable	6.2	6.6
Inventory	54.4	64.7
Capital assets	23.3	16.7
Other assets	1.2	1.7
<b>Total operating assets</b>	<b>90.4</b>	<b>91.0</b>
Investments and accounts with affiliates	5.8	3.9
Portfolio investments and loans with non-affiliates	3.8	5.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	22.3	18.0
Borrowing:		
Banks	19.2	27.9
Short term paper	0.3	1.8
Mortgages	6.0	3.8
Bonds	1.7	11.2
Other loans	11.0	12.8
Amount owing to affiliates	10.9	1.6
Other liabilities	4.8	1.9
Deferred income tax	0.2	0.8
<b>Total liabilities</b>	<b>76.4</b>	<b>79.9</b>
<b>Shareholders' equity</b>		
Share capital	2.0	1.5
Retained earnings	20.5	18.6
Other surplus	1.0	0.1
<b>Total shareholders' equity</b>	<b>23.6</b>	<b>20.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>70.8</b>	<b>78.0</b>
<b>Current liabilities - % of total assets</b>	<b>49.5</b>	<b>62.8</b>

Industry 169 - Gasoline service stations

SICE Grouping 633

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,498					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	2.1	0.3	-1.3	0.3	0.4	0.4
Pretax profit margin	2.6	0.4	-1.3	0.4	0.4	0.5
Operating profit margin	3.2	0.8	-0.8	0.0	1.0	0.4
Gross profit margin	33.5	18.7	12.1	36.1	15.6	12.0
Operating revenue to net operating assets	448.8	324.5	154.9	162.0	395.9	267.7
Return on net operating assets	15.7	5.5	-4.1	0.0	7.6	5.2
Pretax profit to assets	10.8	1.9	-6.6	0.6	2.6	4.4
Return on capital employed	14.9	5.4	-0.8	2.8	7.0	8.2
Return on equity (2)	22.3	7.1	-4.6	4.3	8.1	9.1
<u>Efficiency (ratios)</u>						
Receivable turnover	16.96	12.55	8.26	12.37	13.51	10.97
Inventory turnover	26.13	15.23	8.74	11.48	17.44	15.75
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.00	1.56	1.07	1.51	1.56	1.00
Debt to equity	0.37	0.88	2.09	1.00	0.85	1.16
Liabilities to assets	0.41	0.72	0.99	0.79	0.69	0.72
Interest coverage	2.45	1.00	-0.18	0.77	1.05	0.72
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	69		31			
Pretax profit	62		38			
Net profit	62		38			
Percentage of firms with zero or negative equity(2)	21					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 347

**Industry** 169 - Gasoline service stations**SICE Grouping** 633

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.4	10.2
Accounts receivable	9.4	13.6
Inventory	15.9	13.4
Capital assets	50.9	41.5
Other assets	3.3	9.7
<b>Total operating assets</b>	<b>89.9</b>	<b>88.4</b>
Investments and accounts with affiliates	5.9	9.2
Portfolio investments and loans with non-affiliates	4.2	2.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	13.5	23.0
Borrowing:		
Banks	19.5	19.8
Short term paper	0.1	1.7
Mortgages	8.9	10.8
Bonds	1.6	1.3
Other loans	10.2	4.8
Amount owing to affiliates	13.8	10.3
Other liabilities	2.4	6.7
Deferred income tax	0.2	1.0
<b>Total liabilities</b>	<b>70.1</b>	<b>79.4</b>
<b>Shareholders' equity</b>		
Share capital	1.5	1.3
Retained earnings	27.3	17.8
Other surplus	1.0	1.6
<b>Total shareholders' equity</b>	<b>29.9</b>	<b>20.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>39.8</b>	<b>43.6</b>
<b>Current liabilities - % of total assets</b>	<b>30.6</b>	<b>47.1</b>

Industry 170 - Automotive parts and accessories stores

SICE Grouping 634

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,508					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.2	1.5	-1.0	0.8	1.8	1.1
Pretax profit margin	5.3	1.8	-0.9	0.9	2.2	1.5
Operating profit margin	7.0	2.7	0.4	3.1	2.3	2.0
Gross profit margin	40.6	32.9	25.8	35.8	31.5	23.0
Operating revenue to net operating assets	359.4	281.5	161.5	181.2	288.3	428.0
Return on net operating assets	17.1	7.3	1.9	7.4	6.5	11.3
Pretax profit to assets	11.5	3.9	-2.1	1.8	5.4	4.5
Return on capital employed	14.0	5.7	0.1	5.3	6.0	8.3
Return on equity (2)	26.5	12.1	1.5	8.7	13.6	11.8
<u>Efficiency (ratios)</u>						
Receivable turnover	14.34	10.50	8.32	12.72	10.20	10.18
Inventory turnover	6.40	3.87	2.30	3.31	3.92	3.22
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.62	1.53	1.09	1.40	1.53	1.43
Debt to equity	0.31	0.83	1.95	1.21	0.65	1.10
Liabilities to assets	0.48	0.75	0.98	0.84	0.70	0.80
Interest coverage	4.36	1.45	0.48	0.97	2.15	2.24
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			82	18		
Pretax profit			67	33		
Net profit			66	34		
Percentage of firms with zero or negative equity(2)				18		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 349

**Industry** 170 - Automotive parts and accessories stores**SICE Grouping** 634

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.7	5.2
Accounts receivable	17.5	7.6
Inventory	37.1	60.3
Capital assets	24.2	16.2
Other assets	2.0	2.7
<b>Total operating assets</b>	<b>85.6</b>	<b>92.0</b>
Investments and accounts with affiliates	10.5	3.6
Portfolio investments and loans with non-affiliates	3.9	4.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	20.4	31.0
Borrowing:		
Banks	18.5	27.3
Short term paper	0.3	0.7
Mortgages	4.1	1.6
Bonds	2.7	7.6
Other loans	5.7	5.2
Amount owing to affiliates	10.8	4.4
Other liabilities	2.3	1.2
Deferred income tax	0.1	0.2
<b>Total liabilities</b>	<b>64.8</b>	<b>79.1</b>
<b>Shareholders' equity</b>		
Share capital	2.9	1.0
Retained earnings	31.9	19.9
Other surplus	0.4	0.0
<b>Total shareholders' equity</b>	<b>35.2</b>	<b>20.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	63.5	75.2
Current liabilities - % of total assets	40.9	57.3

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 350

Industry 171 - Motor vehicle repair shops

SICE Grouping 635

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	9,258					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.0	0.7	-2.7	0.4	1.3	1.1
Pretax profit margin	4.7	0.8	-2.5	0.5	1.5	1.3
Operating profit margin	6.2	2.6	-1.3	1.7	3.5	...
Gross profit margin	54.0	38.1	26.1	43.0	31.0	18.2
Operating revenue to net operating assets	368.4	273.4	170.6	263.3	292.6	...
Return on net operating assets	18.2	7.9	-1.5	6.2	12.8	...
Pretax profit to assets	11.3	2.0	-7.0	0.9	4.3	5.1
Return on capital employed	15.3	7.2	-0.7	5.6	10.2	...
Return on equity (2)	25.9	9.3	-4.2	7.7	11.5	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	14.33	10.92	7.72	10.84	10.93	...
Inventory turnover	13.23	6.92	3.74	6.05	8.57	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.98	1.57	1.00	1.66	1.47	...
Debt to equity	0.17	0.57	2.33	0.57	0.52	...
Liabilities to assets	0.48	0.80	1.04	0.86	0.69	0.77
Interest coverage	3.32	1.00	-0.50	0.95	1.75	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	65		35			
Net profit	64		36			
Percentage of firms with zero or negative equity(2)			27			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 171 - Motor vehicle repair shops  
 SICE Grouping 635

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.7	-
Accounts receivable	15.6	-
Inventory	16.5	-
Capital assets	40.8	-
Other assets	3.1	-
<b>Total operating assets</b>	<b>87.8</b>	<b>-</b>
Investments and accounts with affiliates	8.3	-
Portfolio investments and loans with non-affiliates	3.8	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	18.4	-
Borrowing:		
Banks	18.8	-
Short term paper	0.1	-
Mortgages	6.1	-
Bonds	1.5	-
Other loans	11.1	-
Amount owing to affiliates	14.7	-
Other liabilities	1.4	-
Deferred income tax	0.1	-
<b>Total liabilities</b>	<b>72.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.1	-
Retained earnings	25.5	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>27.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	50.4	-
Current liabilities - % of total assets	34.0	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 352

Industry 172 - Other motor vehicle services  
SICE Grouping 639

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,205					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.3	0.9	-3.7	0.7	1.1	2.0
Pretax profit margin	6.5	1.1	-3.6	0.9	1.4	2.4
Operating profit margin	6.7	1.0	-2.5	1.0	-0.1	...
Gross profit margin	65.1	45.3	27.8	54.5	28.6	25.1
Operating revenue to net operating assets	325.0	255.3	136.9	255.3	257.6	...
Return on net operating assets	17.2	5.4	-3.2	6.7	-1.0	...
Pretax profit to assets	12.5	1.7	-8.0	1.0	4.2	11.3
Return on capital employed	14.3	4.7	-1.1	5.5	0.4	...
Return on equity (2)	31.5	11.3	-2.6	10.4	11.9	12.3
<u>Efficiency (ratios)</u>						
Receivable turnover	14.07	10.85	8.85	10.85	...	...
Inventory turnover	19.06	6.30	2.53	6.30	11.55	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.46	1.35	0.92	1.26	1.95	...
Debt to equity	0.35	0.81	2.20	0.81	...	...
Liabilities to assets	0.58	0.87	1.08	0.91	0.80	0.64
Interest coverage	5.19	1.98	0.49	4.43	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	63		37			
Pretax profit	66		34			
Net profit	66		34			
Percentage of firms with zero or negative equity(2)	27					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 353

Industry 172 - Other motor vehicle services

SICE Grouping 639

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	12.4	-
Accounts receivable	14.7	-
Inventory	11.6	-
Capital assets	42.4	-
Other assets	1.4	-
<b>Total operating assets</b>	<b>82.5</b>	<b>-</b>
Investments and accounts with affiliates	14.8	-
Portfolio investments and loans with non-affiliates	2.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	14.4	-
Borrowing:		
Banks	26.2	-
Short term paper	0.2	-
Mortgages	6.0	-
Bonds	2.7	-
Other loans	4.3	-
Amount owing to affiliates	19.5	-
Other liabilities	3.7	-
Deferred income tax	-	-
<b>Total liabilities</b>	<b>77.0</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	9.8	-
Retained earnings	10.9	-
Other surplus	2.4	-
<b>Total shareholders' equity</b>	<b>23.0</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>41.1</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>38.3</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 354

Industry 173 - General merchandise stores

SICE Grouping 641

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,712					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	2.8	0.5	-2.0	-0.6	1.1	1.7
Pretax profit margin	3.5	0.6	-1.8	-0.5	1.4	2.0
Operating profit margin	5.1	1.3	-0.3	1.1	2.0	3.1
Gross profit margin	33.9	24.7	17.4	29.2	21.1	18.6
Operating revenue to net operating assets	374.9	275.4	177.7	234.8	340.9	344.2
Return on net operating assets	13.7	5.0	1.1	3.2	6.5	10.6
Pretax profit to assets	8.8	1.4	-5.2	-1.1	4.0	5.7
Return on capital employed	11.0	5.1	-0.8	2.9	7.6	10.0
Return on equity (2)	18.7	7.0	-2.5	3.2	8.8	11.1
<u>Efficiency (ratios)</u>						
Receivable turnover	16.54	12.43	6.82	3.61	12.43	13.68
Inventory turnover	9.54	5.07	2.37	3.82	5.81	5.26
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.32	2.48	1.30	2.93	2.21	2.15
Debt to equity	0.08	0.44	2.09	0.44	0.44	0.64
Liabilities to assets	0.37	0.73	1.00	0.88	0.63	0.54
Interest coverage	4.36	1.04	-0.72	0.93	2.08	2.47
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	68		32			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)	18					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

*Financial Performance Indicators for Canadian Business*

Page : 355

Industry 173 - General merchandise stores

SICE Grouping 641

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.0	2.1
Accounts receivable	8.4	10.8
Inventory	37.0	35.8
Capital assets	24.7	27.1
Other assets	2.7	1.9
<b>Total operating assets</b>	<b>81.8</b>	<b>77.6</b>
Investments and accounts with affiliates	6.4	10.0
Portfolio investments and loans with non-affiliates	11.8	12.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	17.9	18.0
Borrowing:		
Banks	11.4	15.0
Short term paper	0.1	0.1
Mortgages	4.3	6.1
Bonds	1.4	1.9
Other loans	6.3	5.8
Amount owing to affiliates	21.8	3.2
Other liabilities	1.1	2.2
Deferred income tax	0.0	0.1
<b>Total liabilities</b>	<b>64.4</b>	<b>52.3</b>
<b>Shareholders' equity</b>		
Share capital	13.7	25.4
Retained earnings	20.4	19.5
Other surplus	1.5	2.8
<b>Total shareholders' equity</b>	<b>35.6</b>	<b>47.7</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	57.2	50.6
Current liabilities - % of total assets	31.5	31.2

Industry 174 - Book and stationery stores

SICE Grouping 651

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,184					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.4	0.7	-2.6	-0.6	1.6	1.2
Pretax profit margin	4.0	0.9	-2.5	-0.6	2.0	1.5
Operating profit margin	4.7	2.8	-0.6	-0.4	2.9	...
Gross profit margin	43.1	35.8	29.4	37.7	34.7	29.9
Operating revenue to net operating assets	398.0	314.4	234.7	284.4	357.1	...
Return on net operating assets	21.4	12.1	2.8	10.8	13.0	...
Pretax profit to assets	10.0	2.0	-6.3	-1.3	5.0	4.4
Return on capital employed	15.2	10.4	-2.3	2.4	10.8	...
Return on equity (2)	23.6	9.3	-3.7	5.1	12.3	19.5
<u>Efficiency (ratios)</u>						
Receivable turnover	14.03	10.77	8.27	...	10.49	...
Inventory turnover	4.49	2.30	1.67	1.93	2.90	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.29	1.77	1.33	2.33	1.56	...
Debt to equity	0.19	0.94	2.00	0.65	1.38	...
Liabilities to assets	0.51	0.80	1.03	0.88	0.73	0.78
Interest coverage	8.52	2.39	1.08	1.08	2.58	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			82	18		
Pretax profit			80	20		
Net profit			80	20		
Percentage of firms with zero or negative equity(2)					10	

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

**Financial Performance Indicators for Canadian Business**

Page : 357

Industry 174 - Book and stationery stores

SICE Grouping 651

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.2	-
Accounts receivable	27.1	-
Inventory	39.5	-
Capital assets	13.2	-
Other assets	1.9	-
<b>Total operating assets</b>	<b>88.8</b>	<b>-</b>
Investments and accounts with affiliates	4.9	-
Portfolio investments and loans with non-affiliates	6.2	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	26.9	-
Borrowing:		
Banks	16.0	-
Short term paper	0.1	-
Mortgages	1.7	-
Bonds	1.1	-
Other loans	4.1	-
Amount owing to affiliates	8.1	-
Other liabilities	3.5	-
Deferred income tax	0.7	-
<b>Total liabilities</b>	<b>62.3</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	4.5	-
Retained earnings	33.2	-
Other surplus	0.0	-
<b>Total shareholders' equity</b>	<b>37.7</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	79.4	-
Current liabilities - % of total assets	44.9	-

Industry 175 - Florists, lawn and garden centres

SICE Grouping 652

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,521					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.0	0.1	-4.3	-0.6	1.0	2.0
Pretax profit margin	3.7	0.2	-4.1	-0.5	1.2	2.8
Operating profit margin	4.8	1.7	-4.1	1.0	3.4	...
Gross profit margin	56.8	49.1	38.2	50.7	40.7	31.9
Operating revenue to net operating assets	454.4	290.4	172.5	250.5	376.2	...
Return on net operating assets	16.6	6.1	-14.0	2.4	10.0	...
Pretax profit to assets	9.5	0.3	-11.6	-1.4	2.8	7.0
Return on capital employed	14.1	7.5	-13.9	5.6	9.3	...
Return on equity (2)	25.0	6.6	-8.5	5.7	9.1	13.4
<u>Efficiency (ratios)</u>						
Receivable turnover	17.75	13.29	9.39	13.98	12.89	...
Inventory turnover	13.96	5.67	3.25	6.20	5.49	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.15	1.56	1.05	1.56	1.48	...
Debt to equity	0.34	0.75	1.77	0.75	0.66	...
Liabilities to assets	0.58	0.86	1.12	0.92	0.74	0.76
Interest coverage	2.25	1.00	-0.94	0.71	1.75	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	68		32			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Financial Performance Indicators for Canadian Business*

Revenue under \$25 million, Reference Year 1995

Page : 359

Industry 175 - Florists, lawn and garden centres

SICE Grouping 652

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.5	-
Accounts receivable	10.1	-
Inventory	23.1	-
Capital assets	33.2	-
Other assets	4.9	-
<b>Total operating assets</b>	<b>81.9</b>	<b>-</b>
Investments and accounts with affiliates	16.1	-
Portfolio investments and loans with non-affiliates	2.0	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	16.8	-
Borrowing:		
Banks	15.3	-
Short term paper	0.1	-
Mortgages	5.0	-
Bonds	1.1	-
Other loans	5.6	-
Amount owing to affiliates	23.1	-
Other liabilities	1.4	-
Deferred income tax	0.2	-
<b>Total liabilities</b>	<b>68.5</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.5	-
Retained earnings	25.6	-
Other surplus	3.3	-
<b>Total shareholders' equity</b>	<b>31.5</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	47.4	-
Current liabilities - % of total assets	36.4	-

Industry 176 - Hardware, paint, glass and wallpaper stores

SICE Grouping 653

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,129					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.2	0.8	-2.3	0.3	1.2	1.3
Pretax profit margin	3.9	1.0	-2.1	0.3	1.4	1.7
Operating profit margin	6.4	2.3	-0.5	0.9	3.3	3.5
Gross profit margin	38.4	31.3	25.4	34.4	29.6	24.4
Operating revenue to net operating assets	321.9	237.7	180.7	194.7	277.4	292.4
Return on net operating assets	15.6	8.9	0.8	7.2	9.9	10.8
Pretax profit to assets	8.1	1.9	-4.2	0.5	3.1	4.5
Return on capital employed	12.0	8.1	1.6	6.9	8.3	9.3
Return on equity (2)	18.8	7.4	-1.9	5.2	8.4	9.3
<u>Efficiency (ratios)</u>						
Receivable turnover	14.86	12.09	9.62	11.48	12.30	10.44
Inventory turnover	3.87	2.54	1.85	2.19	2.61	3.32
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.08	1.79	1.32	1.82	1.71	1.50
Debt to equity	0.39	0.98	2.09	1.22	0.88	1.53
Liabilities to assets	0.46	0.74	0.98	0.82	0.70	0.74
Interest coverage	3.31	1.62	0.14	1.29	1.89	1.51
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	67		33			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)			14			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 361

Industry 176 - Hardware, paint, glass and wallpaper stores

SICE Grouping 653

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.8	5.6
Accounts receivable	12.2	12.4
Inventory	39.0	36.5
Capital assets	22.6	25.3
Other assets	2.2	2.5
<b>Total operating assets</b>	<b>82.7</b>	<b>82.3</b>
Investments and accounts with affiliates	9.7	5.3
Portfolio investments and loans with non-affiliates	7.6	12.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.3	15.0
Borrowing:		
Banks	17.0	23.6
Short term paper	0.1	1.3
Mortgages	5.1	5.9
Bonds	1.2	14.2
Other loans	5.2	12.2
Amount owing to affiliates	12.2	2.7
Other liabilities	1.0	0.4
Deferred income tax	0.2	0.2
<b>Total liabilities</b>	<b>60.3</b>	<b>75.5</b>
<b>Shareholders' equity</b>		
Share capital	3.6	3.0
Retained earnings	34.3	19.0
Other surplus	1.9	2.5
<b>Total shareholders' equity</b>	<b>39.7</b>	<b>24.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>62.4</b>	<b>63.8</b>
<b>Current liabilities - % of total assets</b>	<b>36.7</b>	<b>40.2</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 362

Industry 177 - Sporting goods and bicycle shops  
SICE Grouping 654

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,294					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.6	0.9	-2.3	0.3	1.4	1.8
Pretax profit margin	4.5	1.1	-2.2	0.4	1.6	2.6
Operating profit margin	7.0	3.3	-0.1	3.0	3.3	2.9
Gross profit margin	38.5	31.9	25.2	32.7	31.4	31.4
Operating revenue to net operating assets	345.4	272.6	167.3	233.8	304.6	363.5
Return on net operating assets	21.3	9.4	-1.3	7.6	11.0	10.0
Pretax profit to assets	9.3	2.1	-4.5	0.7	3.9	4.8
Return on capital employed	14.8	8.6	-1.0	7.8	9.5	8.3
Return on equity (2)	24.5	10.0	-1.2	7.7	11.1	11.5
<u>Efficiency (ratios)</u>						
Receivable turnover	15.44	11.32	7.98	12.33	11.32	...
Inventory turnover	2.95	1.97	1.37	2.22	1.84	2.02
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.94	1.80	1.32	1.82	1.67	1.37
Debt to equity	0.18	0.57	1.68	0.47	0.69	0.45
Liabilities to assets	0.56	0.82	1.01	0.90	0.74	0.71
Interest coverage	5.46	1.61	0.49	1.46	1.71	4.07
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	68		32			
Net profit	66		34			
Percentage of firms with zero or negative equity(2)	13					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 363

Industry 177 - Sporting goods and bicycle shops

SICE Grouping 654

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.3	1.7
Accounts receivable	8.0	5.4
Inventory	57.9	64.1
Capital assets	16.1	14.7
Other assets	2.4	1.9
<b>Total operating assets</b>	<b>88.6</b>	<b>87.8</b>
Investments and accounts with affiliates	8.2	8.2
Portfolio investments and loans with non-affiliates	3.2	4.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	26.6	24.0
Borrowing:		
Banks	16.9	8.4
Short term paper	0.1	-
Mortgages	2.3	1.1
Bonds	1.0	-
Other loans	5.4	2.3
Amount owing to affiliates	10.9	35.8
Other liabilities	1.0	5.4
Deferred income tax	0.0	0.2
<b>Total liabilities</b>	<b>64.3</b>	<b>77.0</b>
<b>Shareholders' equity</b>		
Share capital	4.0	4.6
Retained earnings	31.3	16.9
Other surplus	0.4	1.4
<b>Total shareholders' equity</b>	<b>35.7</b>	<b>23.0</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>76.5</b>	<b>75.0</b>
<b>Current liabilities - % of total assets</b>	<b>48.1</b>	<b>55.0</b>

Industry 178 - Musical instrument and record stores

SICE Grouping 655

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	632					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.9	0.7	-2.5	0.5	0.7	1.0
Pretax profit margin	4.9	0.8	-2.4	0.7	0.9	1.3
Operating profit margin	9.9	4.3	-4.0	4.8	3.4	...
Gross profit margin	41.3	33.1	27.5	34.8	31.8	28.6
Operating revenue to net operating assets	312.3	226.9	158.6	225.9	226.9	...
Return on net operating assets	24.9	6.1	-4.9	-3.8	8.1	...
Pretax profit to assets	10.0	1.7	-4.8	1.2	2.4	2.2
Return on capital employed	22.3	5.6	-4.0	-2.9	6.5	...
Return on equity (2)	23.3	7.5	-3.8	7.0	7.9	6.2
<u>Efficiency (ratios)</u>						
Receivable turnover	14.08	11.35	8.76	...	14.08	...
Inventory turnover	3.05	1.80	1.34	...	1.64	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.46	2.53	1.60	1.80	2.56	...
Debt to equity	0.16	0.61	1.19	...	0.61	...
Liabilities to assets	0.51	0.76	0.99	0.82	0.70	0.80
Interest coverage	5.63	1.28	-0.75	-0.75	3.34	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	64		36			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	10					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995*

Industry 178 - Musical instrument and record stores

SICE Grouping 655

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.3	-
Accounts receivable	6.3	-
Inventory	57.3	-
Capital assets	19.3	-
Other assets	1.3	-
<b>Total operating assets</b>	<b>91.6</b>	<b>-</b>
Investments and accounts with affiliates	7.0	-
Portfolio investments and loans with non-affiliates	1.5	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	17.2	-
Borrowing:		
Banks	15.3	-
Short term paper	0.1	-
Mortgages	4.2	-
Bonds	1.1	-
Other loans	3.2	-
Amount owing to affiliates	10.9	-
Other liabilities	1.3	-
Deferred income tax	0.3	-
<b>Total liabilities</b>	<b>53.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	4.8	-
Retained earnings	40.4	-
Other surplus	1.4	-
<b>Total shareholders' equity</b>	<b>46.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>73.7</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>33.0</b>	<b>-</b>

Industry 179 - Jewellery stores and watch and jewellery repair shops

SICE Grouping 656

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,851					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.7	1.2	-2.8	0.9	2.0	1.0
Pretax profit margin	5.6	1.4	-2.7	1.0	2.5	1.2
Operating profit margin	6.7	3.2	0.1	2.9	4.9	...
Gross profit margin	54.6	47.0	39.0	48.4	44.4	47.3
Operating revenue to net operating assets	251.4	173.7	123.7	156.8	220.5	...
Return on net operating assets	11.9	5.0	0.6	4.3	10.2	...
Pretax profit to assets	8.3	2.1	-3.8	1.3	4.0	2.0
Return on capital employed	9.4	5.1	0.5	4.5	8.3	...
Return on equity (2)	21.5	7.7	-1.7	6.8	9.4	8.1
<u>Efficiency (ratios)</u>						
Receivable turnover	16.58	14.60	8.78	15.56	8.78	...
Inventory turnover	1.78	1.34	0.70	1.17	1.38	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.64	2.21	1.66	2.41	2.00	...
Debt to equity	0.11	0.60	1.47	0.57	0.60	...
Liabilities to assets	0.47	0.76	1.00	0.80	0.65	0.81
Interest coverage	3.90	1.56	0.40	1.23	2.16	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			80	20		
Pretax profit			74	26		
Net profit			74	26		
Percentage of firms with zero or negative equity(2)			13			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 367

Industry 179 - Jewellery stores and watch and jewellery repair shops

SICE Grouping 656

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.2	-
Accounts receivable	4.7	-
Inventory	59.5	-
Capital assets	12.3	-
Other assets	2.5	-
<b>Total operating assets</b>	<b>86.2</b>	<b>-</b>
Investments and accounts with affiliates	9.3	-
Portfolio investments and loans with non-affiliates	4.4	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	16.8	-
Borrowing:		
Banks	14.1	-
Short term paper	0.1	-
Mortgages	0.7	-
Bonds	0.7	-
Other loans	5.2	-
Amount owing to affiliates	21.8	-
Other liabilities	1.2	-
Deferred income tax	0.0	-
<b>Total liabilities</b>	<b>60.7</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	1.8	-
Retained earnings	37.3	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>39.3</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>77.8</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>33.8</b>	<b>-</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 368

Industry 180 - Camera and photographic supply stores

SICE Grouping 657

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	475					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.5	0.2	-6.1	-1.0	1.5	1.3
Pretax profit margin	4.3	0.3	-6.0	-1.0	1.9	1.6
Operating profit margin	10.2	3.9	1.4	5.3	1.4	...
Gross profit margin	57.6	47.3	36.9	51.1	38.5	27.1
Operating revenue to net operating assets	415.9	279.1	152.2	296.0	272.2	...
Return on net operating assets	11.1	5.8	4.3	5.9	4.6	...
Pretax profit to assets	9.8	0.5	-11.6	-1.7	5.3	4.9
Return on capital employed	10.4	5.5	4.2	6.4	4.3	...
Return on equity (2)	24.5	10.6	-3.6	9.1	12.1	12.6
<u>Efficiency (ratios)</u>						
Receivable turnover	...	15.60	...	...	...	...
Inventory turnover	4.77	3.55	2.89	3.32	3.56	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.85	1.12	1.00	1.12	1.16	...
Debt to equity	...	0.59	...	0.59	...	...
Liabilities to assets	0.52	0.89	1.17	0.97	0.74	0.68
Interest coverage	...	2.58	...	2.58	...	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			95	5		
Pretax profit			79	21		
Net profit			74	26		
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 369

Industry 180 - Camera and photographic supply stores

SICE Grouping 657

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.8	-
Accounts receivable	5.1	-
Inventory	26.5	-
Capital assets	50.0	-
Other assets	3.9	-
<b>Total operating assets</b>	<b>96.4</b>	<b>-</b>
Investments and accounts with affiliates	0.4	-
Portfolio investments and loans with non-affiliates	3.2	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	18.2	-
Borrowing:		
Banks	21.3	-
Short term paper	0.0	-
Mortgages	3.2	-
Bonds	-	-
Other loans	10.2	-
Amount owing to affiliates	25.7	-
Other liabilities	2.1	-
Deferred income tax	0.4	-
<b>Total liabilities</b>	<b>81.1</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.5	-
Retained earnings	15.6	-
Other surplus	0.8	-
<b>Total shareholders' equity</b>	<b>18.9</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>42.9</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>42.5</b>	<b>-</b>

Industry 181 - Toy, hobby, novelty and souvenir stores

SICE Grouping 658

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,872					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.6	0.4	-4.7	-0.7	1.7	0.7
Pretax profit margin	4.2	0.4	-4.4	-0.6	1.9	0.8
Operating profit margin	4.2	2.4	-3.9	2.6	2.1	...
Gross profit margin	48.7	42.1	34.2	42.6	40.9	45.7
Operating revenue to net operating assets	346.6	189.1	137.7	189.1	226.3	...
Return on net operating assets	12.4	7.3	1.9	6.5	8.6	...
Pretax profit to assets	9.0	0.9	-9.3	-1.3	4.5	2.4
Return on capital employed	11.2	5.0	1.9	3.5	5.6	...
Return on equity (2)	25.7	8.6	-3.3	6.0	13.9	8.1
<u>Efficiency (ratios)</u>						
Receivable turnover	...	9.00	...	...	...	...
Inventory turnover	3.25	1.89	1.17	1.73	3.22	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.40	1.90	1.21	2.16	1.44	...
Debt to equity	0.55	1.72	4.16	2.07	1.18	...
Liabilities to assets	0.59	0.90	1.11	0.96	0.73	0.67
Interest coverage	2.00	1.00	-3.77	1.00	1.18	...
Distribution of firms by profits/losses						
			<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>		
Operating profit			76	24		
Pretax profit			72	28		
Net profit			72	28		
Percentage of firms with zero or negative equity(2)			19			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 371

Industry 181 - Toy, hobby, novelty and souvenir stores

SICE Grouping 658

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.1	-
Accounts receivable	4.8	-
Inventory	41.8	-
Capital assets	24.6	-
Other assets	1.6	-
<b>Total operating assets</b>	<b>81.9</b>	<b>-</b>
Investments and accounts with affiliates	15.6	-
Portfolio investments and loans with non-affiliates	2.5	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	18.5	-
Borrowing:		
Banks	15.2	-
Short term paper	0.0	-
Mortgages	3.6	-
Bonds	2.4	-
Other loans	5.2	-
Amount owing to affiliates	21.0	-
Other liabilities	1.6	-
Deferred income tax	0.3	-
<b>Total liabilities</b>	<b>67.8</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	5.5	-
Retained earnings	24.6	-
Other surplus	2.0	-
<b>Total shareholders' equity</b>	<b>32.2</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>60.5</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>37.7</b>	<b>-</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 372

Industry 182 - Other retail stores

SICE Grouping 659

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	6,952					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.0	1.1	-2.3	0.7	1.5	1.1
Pretax profit margin	6.0	1.3	-2.1	0.9	1.9	1.5
Operating profit margin	7.1	2.7	-0.1	2.3	3.5	1.7
Gross profit margin	54.5	41.9	29.4	46.0	34.9	25.2
Operating revenue to net operating assets	401.3	237.6	149.9	199.2	346.4	426.4
Return on net operating assets	22.2	10.6	1.7	7.8	12.4	10.3
Pretax profit to assets	13.9	3.0	-5.4	1.8	5.4	5.2
Return on capital employed	19.3	9.1	1.6	7.0	11.6	9.1
Return on equity (2)	30.8	11.2	-0.8	9.2	14.0	10.9
<u>Efficiency (ratios)</u>						
Receivable turnover	14.23	10.49	7.34	10.78	10.11	12.54
Inventory turnover	6.60	3.47	2.08	3.47	3.51	2.92
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.94	1.73	1.28	1.71	1.84	1.49
Debt to equity	0.29	0.57	2.37	0.48	0.98	1.04
Liabilities to assets	0.45	0.79	1.03	0.87	0.69	0.73
Interest coverage	4.10	1.58	0.37	1.12	2.00	1.69
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	76		24			
Pretax profit	67		33			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)			22			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms**

Revenue under \$25 million, Reference Year 1995

*Financial Performance Indicators for Canadian Business*

Page : 373

Industry 182 - Other retail stores

SICE Grouping 659

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	9.1	2.9
Accounts receivable	9.8	10.2
Inventory	36.5	50.9
Capital assets	22.1	23.0
Other assets	5.0	3.6
<b>Total operating assets</b>	<b>82.6</b>	<b>90.5</b>
Investments and accounts with affiliates	7.8	5.4
Portfolio investments and loans with non-affiliates	9.6	4.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	18.1	26.4
Borrowing:		
Banks	14.0	13.1
Short term paper	0.2	1.3
Mortgages	4.9	1.7
Bonds	1.8	4.3
Other loans	6.8	4.3
Amount owing to affiliates	17.5	17.7
Other liabilities	3.1	2.1
Deferred income tax	1.2	0.2
<b>Total liabilities</b>	<b>67.6</b>	<b>71.1</b>
<b>Shareholders' equity</b>		
Share capital	4.2	3.2
Retained earnings	26.8	22.7
Other surplus	1.4	3.1
<b>Total shareholders' equity</b>	<b>32.4</b>	<b>28.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>61.9</b>	<b>69.2</b>
<b>Current liabilities - % of total assets</b>	<b>38.0</b>	<b>49.9</b>

Industry 183 - Vending machine operators

SICE Grouping 691

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	368					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.7	0.6	-4.6	-0.7	1.3	2.1
Pretax profit margin	5.9	1.0	-4.4	-0.4	1.8	3.0
Operating profit margin	5.1	2.2	-1.9	1.5	3.2	...
Gross profit margin	54.5	46.5	35.0	46.7	45.7	22.8
Operating revenue to net operating assets	352.5	276.6	174.5	222.4	300.4	...
Return on net operating assets	13.5	4.0	-5.4	3.1	12.1	...
Pretax profit to assets	11.2	1.6	-7.5	-0.7	4.9	9.2
Return on capital employed	14.7	4.0	-3.9	2.6	11.3	...
Return on equity (2)	23.2	7.6	-8.3	6.1	10.6	27.5
<u>Efficiency (ratios)</u>						
Receivable turnover	15.65	9.58	4.32	5.64	13.71	...
Inventory turnover	18.11	13.07	8.49	11.85	13.83	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.96	1.54	1.04	1.82	1.31	...
Debt to equity	0.26	0.82	2.66	0.78	1.04	...
Liabilities to assets	0.46	0.83	1.04	0.91	0.67	0.78
Interest coverage	4.00	1.07	-1.05	1.00	2.17	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	69		31			
Pretax profit	62		38			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	20					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995***Financial Performance Indicators for Canadian Business**

Page : 375

Industry 183 - Vending machine operators

SICE Grouping 691

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	7.4	-
Accounts receivable	7.7	-
Inventory	15.4	-
Capital assets	53.4	-
Other assets	5.2	-
<b>Total operating assets</b>	<b>89.1</b>	<b>-</b>
Investments and accounts with affiliates	4.2	-
Portfolio investments and loans with non-affiliates	6.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	18.5	-
Borrowing:		
Banks	17.8	-
Short term paper	0.0	-
Mortgages	1.8	-
Bonds	0.1	-
Other loans	8.8	-
Amount owing to affiliates	18.2	-
Other liabilities	2.3	-
Deferred income tax	0.9	-
<b>Total liabilities</b>	<b>68.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.6	-
Retained earnings	29.0	-
Other surplus	0.0	-
<b>Total shareholders' equity</b>	<b>31.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>37.9</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>36.0</b>	<b>-</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 376

Industry 184 - Direct sellers

SICE Grouping 692

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	170					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	5.4	0.9	-1.9	0.7	1.1	2.5
Pretax profit margin	6.7	1.0	-1.9	0.4	1.5	3.6
Operating profit margin	8.2	2.5	-0.2	1.7	4.4	...
Gross profit margin	50.4	36.1	22.2	37.4	32.3	38.2
Operating revenue to net operating assets	415.1	315.5	184.8	262.4	398.0	...
Return on net operating assets	26.6	9.1	0.2	6.2	10.4	...
Pretax profit to assets	20.0	4.2	-6.0	1.9	7.8	11.5
Return on capital employed	24.3	10.7	0.3	14.5	9.4	...
Return on equity (2)	37.9	9.2	-4.7	6.5	14.0	21.8
<u>Efficiency (ratios)</u>						
Receivable turnover	15.25	10.57	6.86	10.15	12.20	...
Inventory turnover	19.70	12.28	4.53	11.25	12.28	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.42	1.71	1.08	1.73	1.44	...
Debt to equity	0.31	0.89	3.18	0.71	0.89	...
Liabilities to assets	0.42	0.78	1.02	0.79	0.72	0.69
Interest coverage	4.69	1.85	0.82	1.52	2.52	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	65		35			
Net profit	65		35			
Percentage of firms with zero or negative equity(2)	28					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 377

**Industry** 184 - Direct sellers**SICE Grouping** 692

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.2	-
Accounts receivable	16.2	-
Inventory	15.6	-
Capital assets	26.5	-
Other assets	13.1	-
<b>Total operating assets</b>	<b>82.6</b>	<b>-</b>
Investments and accounts with affiliates	10.5	-
Portfolio investments and loans with non-affiliates	6.9	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	24.4	-
Borrowing:		
Banks	15.7	-
Short term paper	0.0	-
Mortgages	2.8	-
Bonds	0.3	-
Other loans	9.0	-
Amount owing to affiliates	15.4	-
Other liabilities	2.9	-
Deferred income tax	0.1	-
<b>Total liabilities</b>	<b>70.6</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	1.3	-
Retained earnings	26.3	-
Other surplus	1.7	-
<b>Total shareholders' equity</b>	<b>29.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>59.1</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>46.7</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 378

Industry 185 - Operators of buildings and dwellings

SICE Grouping 751

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	21,464					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	17.7	3.8	-4.5	3.8	3.9	1.5
Pretax profit margin	25.4	5.3	-3.7	5.2	5.4	2.3
Operating profit margin	47.7	27.6	7.4	28.7	23.3	29.4
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	58.8	29.8	16.4	29.9	29.6	34.5
Return on net operating assets	12.9	6.8	1.7	6.5	7.9	6.6
Pretax profit to assets	6.9	1.3	-0.9	1.2	1.9	1.5
Return on capital employed	11.4	6.8	2.6	6.5	7.3	6.3
Return on equity (2)	17.3	5.5	-0.6	5.1	7.6	6.1
<u>Efficiency (ratios)</u>						
Receivable turnover	13.41	8.55	3.79	7.67	9.07	16.51
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.28	2.20	1.14	2.33	1.86	1.10
Debt to equity	0.39	1.27	3.70	1.27	1.63	5.13
Liabilities to assets	0.48	0.86	1.02	0.86	0.86	0.87
Interest coverage	2.09	1.09	0.78	1.08	1.10	1.22
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	83		17			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Industry** 185 - Operators of buildings and dwellings  
**SICE Grouping** 751

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.0	1.2
Accounts receivable	1.7	2.1
Inventory	2.3	2.4
Capital assets	66.4	77.9
Other assets	2.0	1.9
<b>Total operating assets</b>	<b>76.4</b>	<b>85.5</b>
Investments and accounts with affiliates	14.7	8.8
Portfolio investments and loans with non-affiliates	8.9	5.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	3.5	3.2
Borrowing:		
Banks	14.0	7.6
Short term paper	0.5	0.7
Mortgages	26.6	52.6
Bonds	6.9	7.0
Other loans	8.0	4.0
Amount owing to affiliates	22.2	9.4
Other liabilities	3.4	2.8
Deferred income tax	0.7	1.4
<b>Total liabilities</b>	<b>85.8</b>	<b>88.8</b>
<b>Shareholders' equity</b>		
Share capital	8.8	11.0
Retained earnings	1.6	-3.0
Other surplus	3.7	3.3
<b>Total shareholders' equity</b>	<b>14.2</b>	<b>11.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>12.4</b>	<b>4.9</b>
<b>Current liabilities - % of total assets</b>	<b>16.6</b>	<b>7.6</b>

Industry 186 - Other real estate operators

SICE Grouping 759

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,275					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	22.7	5.2	-3.2	6.0	3.3	0.2
Pretax profit margin	30.3	7.4	-2.5	8.3	4.1	0.4
Operating profit margin	39.6	16.9	2.6	23.4	11.7	1.3
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	108.2	20.8	10.6	19.4	42.2	...
Return on net operating assets	10.8	4.8	2.0	4.3	7.8	...
Pretax profit to assets	9.4	2.1	-0.7	1.9	3.4	1.3
Return on capital employed	10.4	4.4	2.5	3.9	8.3	...
Return on equity (2)	21.2	7.8	-0.2	6.4	12.1	3.9
<u>Efficiency (ratios)</u>						
Receivable turnover	12.26	10.48	0.90	3.10	10.63	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	6.40	1.62	1.05	1.62	1.60	...
Debt to equity	0.11	0.34	0.77	0.44	0.27	...
Liabilities to assets	0.46	0.83	1.00	0.82	0.86	0.93
Interest coverage	8.90	1.45	0.96	1.35	4.09	1.04
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				71	29	
Pretax profit				60	40	
Net profit				60	40	
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 381

**Industry** 186 - Other real estate operators**SICE Grouping** 759

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	3.1	0.4
Accounts receivable	2.0	6.2
Inventory	13.2	11.3
Capital assets	58.8	77.8
Other assets	2.6	3.1
<b>Total operating assets</b>	<b>79.7</b>	<b>98.9</b>
Investments and accounts with affiliates	15.5	0.8
Portfolio investments and loans with non-affiliates	4.8	0.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	3.1	8.3
Borrowing:		
Banks	15.5	20.0
Short term paper	0.6	-
Mortgages	15.9	20.5
Bonds	10.1	-
Other loans	9.0	17.1
Amount owing to affiliates	30.6	25.2
Other liabilities	2.3	3.9
Deferred income tax	0.4	0.7
<b>Total liabilities</b>	<b>87.5</b>	<b>95.6</b>
<b>Shareholders' equity</b>		
Share capital	7.9	1.6
Retained earnings	1.1	2.7
Other surplus	3.5	-
<b>Total shareholders' equity</b>	<b>12.5</b>	<b>4.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>19.1</b>	<b>12.5</b>
<b>Current liabilities - % of total assets</b>	<b>24.9</b>	<b>12.1</b>

Industry 187 - Insurance and real estate agencies

SICE Grouping 761

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	6,605					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	13.3	4.1	-1.4	4.4	3.7	0.4
Pretax profit margin	17.6	5.8	-1.0	6.0	5.2	0.9
Operating profit margin	21.6	9.6	1.2	10.4	6.6	0.8
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	387.5	207.6	104.9	198.8	257.5	392.4
Return on net operating assets	25.1	13.0	-2.0	9.9	15.1	5.0
Pretax profit to assets	20.9	7.3	-1.9	7.0	8.1	3.8
Return on capital employed	23.2	11.4	2.8	9.0	12.9	8.1
Return on equity (2)	32.4	13.0	0.6	12.0	16.5	9.3
<u>Efficiency (ratios)</u>						
Receivable turnover	10.83	6.12	2.43	4.56	7.91	14.02
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.58	1.42	1.07	1.54	1.31	1.26
Debt to equity	0.11	0.46	1.51	0.41	0.51	0.71
Liabilities to assets	0.36	0.66	0.93	0.64	0.72	0.78
Interest coverage	12.96	3.52	0.91	3.52	3.63	2.15
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	75		25			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)	20					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 383

Industry 187 - Insurance and real estate agencies

SICE Grouping 761

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.9	17.4
Accounts receivable	22.8	33.7
Inventory	1.7	0.6
Capital assets	13.5	8.4
Other assets	12.5	12.2
<b>Total operating assets</b>	<b>67.5</b>	<b>72.1</b>
Investments and accounts with affiliates	15.3	11.4
Portfolio investments and loans with non-affiliates	17.2	16.5
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	26.4	38.3
Borrowing:		
Banks	11.4	8.1
Short term paper	0.7	0.1
Mortgages	3.2	2.3
Bonds	5.4	1.9
Other loans	5.9	4.0
Amount owing to affiliates	15.3	25.4
Other liabilities	3.2	4.7
Deferred income tax	1.2	1.8
<b>Total liabilities</b>	<b>72.7</b>	<b>86.7</b>
<b>Shareholders' equity</b>		
Share capital	6.0	7.5
Retained earnings	19.7	3.7
Other surplus	1.6	2.1
<b>Total shareholders' equity</b>	<b>27.3</b>	<b>13.3</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>23.3</b>	<b>27.4</b>
<b>Current liabilities - % of total assets</b>	<b>20.5</b>	<b>26.9</b>

Industry 188 - Employment agencies and personnel suppliers

SICE Grouping 771

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	995					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.1	2.3	-0.5	3.1	1.7	1.6
Pretax profit margin	10.1	3.1	-0.3	4.1	2.2	2.1
Operating profit margin	10.0	4.3	-0.6	4.3	3.7	2.3
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	420.1	319.9	131.7	219.1	411.1	301.4
Return on net operating assets	23.2	7.9	-10.4	1.0	13.5	22.7
Pretax profit to assets	29.2	10.1	-1.6	9.7	10.1	11.4
Return on capital employed	28.5	14.4	0.4	6.1	22.3	21.1
Return on equity (2)	49.9	20.9	3.8	18.2	22.0	29.7
<u>Efficiency (ratios)</u>						
Receivable turnover	11.34	8.35	5.26	8.09	8.66	8.38
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.86	1.31	0.97	1.28	1.96	1.54
Debt to equity	0.27	1.79	5.22	2.91	0.36	0.30
Liabilities to assets	0.43	0.73	0.98	0.74	0.73	0.72
Interest coverage	20.50	6.26	-0.40	...	6.26	2.41
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	74		26			
Pretax profit	68		32			
Net profit	68		32			
Percentage of firms with zero or negative equity(2)			25			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 385

Industry 188 - Employment agencies and personnel suppliers

SICE Grouping 771

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.8	15.4
Accounts receivable	30.9	52.2
Inventory	0.2	0.4
Capital assets	18.3	6.9
Other assets	4.8	11.3
<b>Total operating assets</b>	<b>70.9</b>	<b>86.2</b>
Investments and accounts with affiliates	20.4	11.5
Portfolio investments and loans with non-affiliates	8.7	2.3
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	24.5	31.5
Borrowing:		
Banks	8.2	6.1
Short term paper	0.2	0.4
Mortgages	0.5	0.6
Bonds	2.7	3.3
Other loans	4.3	1.7
Amount owing to affiliates	20.0	21.4
Other liabilities	13.5	7.1
Deferred income tax	0.8	-0.1
<b>Total liabilities</b>	<b>74.8</b>	<b>71.9</b>
<b>Shareholders' equity</b>		
Share capital	1.0	12.9
Retained earnings	21.7	14.4
Other surplus	2.5	0.8
<b>Total shareholders' equity</b>	<b>25.2</b>	<b>28.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>65.8</b>	<b>76.9</b>
<b>Current liabilities - % of total assets</b>	<b>52.5</b>	<b>46.4</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 386

Industry 189 - Computer and related services

SICE Grouping 772

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	5,843					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	17.9	4.9	-1.2	5.9	3.3	2.5
Pretax profit margin	22.6	6.5	-1.0	7.8	4.1	3.4
Operating profit margin	13.7	4.5	-2.9	2.0	2.5	2.8
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	406.6	267.0	146.3	255.8	299.6	281.7
Return on net operating assets	21.2	3.0	-10.4	0.7	6.0	14.3
Pretax profit to assets	39.8	12.8	-2.7	13.7	10.6	9.1
Return on capital employed	22.5	9.3	-6.6	4.7	7.1	13.9
Return on equity (2)	50.0	24.3	4.5	23.7	25.8	21.9
<u>Efficiency (ratios)</u>						
Receivable turnover	11.26	7.47	5.23	7.57	7.46	5.38
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.10	1.82	1.00	1.83	1.56	1.22
Debt to equity	0.12	0.80	2.32	0.80	0.75	0.79
Liabilities to assets	0.33	0.64	0.96	0.63	0.67	0.68
Interest coverage	9.87	1.48	-5.42	0.65	5.21	2.80
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	69		31			
Pretax profit	67		33			
Net profit	67		33			
Percentage of firms with zero or negative equity(2)	21					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 387

Industry 189 - Computer and related services

SICE Grouping 772

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	14.2	11.6
Accounts receivable	25.1	29.2
Inventory	3.0	3.9
Capital assets	18.4	24.1
Other assets	8.5	11.4
<b>Total operating assets</b>	<b>69.2</b>	<b>80.3</b>
Investments and accounts with affiliates	18.1	10.1
Portfolio investments and loans with non-affiliates	12.7	9.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.1	17.1
Borrowing:		
Banks	7.9	8.9
Short term paper	0.1	0.3
Mortgages	1.9	2.5
Bonds	1.6	3.0
Other loans	4.2	5.3
Amount owing to affiliates	18.1	13.6
Other liabilities	4.2	9.9
Deferred income tax	0.2	1.3
<b>Total liabilities</b>	<b>59.4</b>	<b>61.9</b>
<b>Shareholders' equity</b>		
Share capital	20.4	29.4
Retained earnings	18.5	7.0
Other surplus	1.6	1.6
<b>Total shareholders' equity</b>	<b>40.6</b>	<b>38.1</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>57.1</b>	<b>56.6</b>
<b>Current liabilities - % of total assets</b>	<b>40.2</b>	<b>30.1</b>

Industry 190 - Accounting and bookkeeping services

SICE Grouping 773

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,175					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	16.8	5.6	-0.5	5.6	5.4	...
Pretax profit margin	21.0	7.3	0.4	7.4	7.2	...
Operating profit margin	20.5	9.5	3.5	8.2	12.1	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	317.7	210.4	98.3	207.8	238.6	...
Return on net operating assets	17.3	9.8	-2.2	9.5	11.1	...
Pretax profit to assets	27.3	10.7	-0.4	10.4	12.9	...
Return on capital employed	17.9	10.1	4.8	9.8	11.7	...
Return on equity (2)	42.9	21.3	6.7	21.4	18.3	...
<u>Efficiency (ratios)</u>						
Receivable turnover	11.53	5.86	3.66	5.86	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.65	2.36	1.35	2.36	3.03	...
Debt to equity	0.17	0.60	1.30	0.57	...	...
Liabilities to assets	0.36	0.69	0.97	0.70	0.60	...
Interest coverage	10.71	5.60	1.67	5.60	9.07	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	87		13			
Pretax profit	84		16			
Net profit	83		17			
Percentage of firms with zero or negative equity(2)			17			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 190 - Accounting and bookkeeping services

SICE Grouping 773

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.9	-
Accounts receivable	24.4	-
Inventory	1.2	-
Capital assets	21.1	-
Other assets	11.7	-
<i>Total operating assets</i>	<b>65.3</b>	-
Investments and accounts with affiliates	15.6	-
Portfolio investments and loans with non-affiliates	19.1	-
<i>Total assets</i>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	9.7	-
Borrowing:		
Banks	15.8	-
Short term paper	0.0	-
Mortgages	5.5	-
Bonds	0.5	-
Other loans	6.8	-
Amount owing to affiliates	12.9	-
Other liabilities	2.8	-
Deferred income tax	0.6	-
<i>Total liabilities</i>	<b>54.6</b>	-
<b>Shareholders' equity</b>		
Share capital	3.5	-
Retained earnings	37.0	-
Other surplus	4.9	-
<i>Total shareholders' equity</i>	<b>45.4</b>	-
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	-
Current assets - % of total assets	45.6	-
Current liabilities - % of total assets	30.7	-

Industry 191 - Advertising services

SICE Grouping 774

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	3,162					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.9	2.5	-1.5	2.2	2.8	1.5
Pretax profit margin	11.1	3.2	-1.3	2.9	3.6	2.1
Operating profit margin	9.7	4.9	-0.5	4.9	4.7	2.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	415.0	286.5	160.6	251.4	391.7	388.9
Return on net operating assets	25.4	13.7	-3.5	8.4	20.7	12.4
Pretax profit to assets	26.2	7.9	-4.3	6.1	10.1	5.7
Return on capital employed	24.0	11.2	-2.9	7.6	14.8	11.2
Return on equity (2)	48.3	21.6	2.9	18.2	25.0	18.6
<u>Efficiency (ratios)</u>						
Receivable turnover	9.43	6.67	4.28	7.12	5.64	4.57
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.22	1.39	0.99	1.44	1.35	1.35
Debt to equity	0.22	0.47	1.57	0.48	0.36	0.36
Liabilities to assets	0.48	0.79	1.02	0.82	0.77	0.85
Interest coverage	7.33	1.92	-1.00	1.60	4.43	6.50
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)	23					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 191 - Advertising services

SICE Grouping 774

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	14.8	5.7
Accounts receivable	39.2	53.7
Inventory	3.0	0.5
Capital assets	18.3	4.6
Other assets	5.4	2.8
<b>Total operating assets</b>	<b>80.6</b>	<b>67.2</b>
Investments and accounts with affiliates	9.5	4.1
Portfolio investments and loans with non-affiliates	9.9	28.7
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	38.6	81.9
Borrowing:		
Banks	10.9	3.0
Short term paper	0.1	0.0
Mortgages	1.6	0.7
Bonds	1.8	0.5
Other loans	4.3	0.6
Amount owing to affiliates	10.0	3.4
Other liabilities	7.0	2.8
Deferred income tax	0.0	0.1
<b>Total liabilities</b>	<b>74.3</b>	<b>93.1</b>
<b>Shareholders' equity</b>		
Share capital	4.3	4.1
Retained earnings	19.8	2.3
Other surplus	1.6	0.5
<b>Total shareholders' equity</b>	<b>25.7</b>	<b>6.9</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>71.0</b>	<b>89.8</b>
<b>Current liabilities - % of total assets</b>	<b>55.3</b>	<b>85.5</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 392

Industry 192 - Architectural, engineering and other scientific and technical services

SICE Grouping 775

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	10,124					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	15.1	4.8	-1.3	4.9	4.5	1.8
Pretax profit margin	18.9	6.1	-1.1	6.4	5.8	2.4
Operating profit margin	16.1	4.8	-1.5	4.2	5.4	2.5
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	385.2	263.9	147.4	244.4	300.6	343.0
Return on net operating assets	18.1	4.7	-5.9	2.8	12.0	11.4
Pretax profit to assets	30.5	10.3	-2.3	9.8	11.4	5.9
Return on capital employed	19.1	6.9	-4.2	5.3	11.2	8.9
Return on equity (2)	44.1	19.1	1.4	18.2	21.1	18.3
<u>Efficiency (ratios)</u>						
Receivable turnover	9.03	6.31	3.76	6.98	5.12	4.03
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.47	1.82	1.17	1.93	1.78	1.35
Debt to equity	0.19	0.57	1.47	0.68	0.48	0.70
Liabilities to assets	0.30	0.59	0.90	0.58	0.59	0.73
Interest coverage	7.33	2.10	-0.45	1.51	2.97	2.24
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	70		30			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 393

Industry 192 - Architectural, engineering and other scientific and technical services

SICE Grouping 775

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	13.9	4.3
Accounts receivable	29.6	18.0
Inventory	3.4	2.4
Capital assets	24.0	9.9
Other assets	5.1	3.6
<b>Total operating assets</b>	<b>76.0</b>	<b>38.2</b>
Investments and accounts with affiliates	14.8	56.9
Portfolio investments and loans with non-affiliates	9.3	4.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.2	12.8
Borrowing:		
Banks	11.1	10.7
Short term paper	0.1	0.7
Mortgages	3.1	1.6
Bonds	1.1	8.3
Other loans	5.5	5.1
Amount owing to affiliates	16.9	8.2
Other liabilities	4.2	2.6
Deferred income tax	0.3	0.3
<b>Total liabilities</b>	<b>63.4</b>	<b>50.4</b>
<b>Shareholders' equity</b>		
Share capital	15.3	41.3
Retained earnings	19.5	5.6
Other surplus	1.8	2.8
<b>Total shareholders' equity</b>	<b>36.6</b>	<b>49.6</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>57.2</b>	<b>30.0</b>
<b>Current liabilities - % of total assets</b>	<b>39.0</b>	<b>22.1</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 394

Industry 193 - Offices of lawyers and notaries

SICE Grouping 776

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,498					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	25.9	10.6	0.9	10.6	11.0	...
Pretax profit margin	33.2	13.9	1.8	13.9	14.3	...
Operating profit margin	30.7	15.0	5.4	11.3	13.3	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	353.6	176.7	100.8	176.9	163.9	...
Return on net operating assets	28.2	8.7	-0.1	8.7	7.2	...
Pretax profit to assets	41.9	18.7	1.9	17.0	29.4	...
Return on capital employed	31.7	11.6	2.7	8.8	15.5	...
Return on equity (2)	53.8	26.3	6.9	23.6	39.8	...
<u>Efficiency (ratios)</u>						
Receivable turnover	11.36	4.68	2.86	4.29	4.68	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.81	1.67	1.15	1.80	1.33	...
Debt to equity	0.28	0.54	1.08	0.54	0.42	...
Liabilities to assets	0.33	0.61	0.89	0.62	0.59	...
Interest coverage	10.25	3.35	-0.08	3.35	2.11	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	84		16			
Pretax profit	77		23			
Net profit	76		24			
Percentage of firms with zero or negative equity(2)			18			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 395

Industry 193 - Offices of lawyers and notaries

SICE Grouping 776

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.3	-
Accounts receivable	21.4	-
Inventory	-	-
Capital assets	29.8	-
Other assets	5.1	-
<b>Total operating assets</b>	<b>67.6</b>	<b>-</b>
Investments and accounts with affiliates	17.3	-
Portfolio investments and loans with non-affiliates	15.1	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	13.6	-
Borrowing:		
Banks	15.0	-
Short term paper	0.1	-
Mortgages	11.1	-
Bonds	1.2	-
Other loans	2.9	-
Amount owing to affiliates	9.2	-
Other liabilities	1.9	-
Deferred income tax	1.4	-
<b>Total liabilities</b>	<b>56.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	5.7	-
Retained earnings	35.7	-
Other surplus	2.2	-
<b>Total shareholders' equity</b>	<b>43.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>42.1</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>27.3</b>	<b>-</b>

Industry 194 - Management consulting services

SICE Grouping 777

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	14,510					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	25.0	7.7	-0.9	8.3	5.7	2.1
Pretax profit margin	32.6	10.5	-0.5	11.4	7.3	2.7
Operating profit margin	20.6	7.9	-1.1	8.6	6.4	1.7
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	354.7	202.3	86.5	193.1	246.4	206.4
Return on net operating assets	23.4	8.2	-6.0	7.8	8.2	9.4
Pretax profit to assets	37.9	12.2	-1.0	11.8	14.1	7.1
Return on capital employed	20.1	9.5	0.2	8.9	11.4	9.4
Return on equity (2)	45.3	20.0	3.4	19.2	24.4	19.8
<u>Efficiency (ratios)</u>						
Receivable turnover	10.52	7.17	4.11	7.24	6.67	5.67
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.00	1.99	1.13	2.08	1.56	1.58
Debt to equity	0.12	0.39	0.94	0.41	0.36	0.31
Liabilities to assets	0.26	0.60	0.95	0.58	0.66	0.77
Interest coverage	8.92	2.56	0.49	2.35	3.83	3.19
Distribution of firms by profits/losses						
				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				72	28	
Pretax profit				74	26	
Net profit				75	25	
Percentage of firms with zero or negative equity(2)				18		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 194 - Management consulting services

**SICE Grouping** 777

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.2	3.0
Accounts receivable	12.6	18.2
Inventory	2.7	1.4
Capital assets	18.1	12.4
Other assets	3.3	11.4
<b>Total operating assets</b>	<b>46.9</b>	<b>46.4</b>
Investments and accounts with affiliates	31.4	7.7
Portfolio investments and loans with non-affiliates	21.7	45.9
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	12.7	18.2
Borrowing:		
Banks	10.1	5.0
Short term paper	0.3	0.2
Mortgages	3.5	2.7
Bonds	3.2	1.2
Other loans	5.4	1.3
Amount owing to affiliates	20.8	12.1
Other liabilities	2.9	41.3
Deferred income tax	0.6	1.3
<b>Total liabilities</b>	<b>59.4</b>	<b>83.2</b>
<b>Shareholders' equity</b>		
Share capital	11.0	11.0
Retained earnings	17.7	2.8
Other surplus	11.8	3.0
<b>Total shareholders' equity</b>	<b>40.6</b>	<b>16.8</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>38.7</b>	<b>26.9</b>
<b>Current liabilities - % of total assets</b>	<b>27.6</b>	<b>20.0</b>

# Small and Medium Firms

Revenue under \$25 million, Reference Year 1995

## Financial Performance Indicators for Canadian Business

Page : 398

Industry 195 - Other business services

SICE Grouping 779

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	12,623					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	15.9	4.2	-1.3	4.5	3.5	1.5
Pretax profit margin	20.5	5.6	-1.0	6.2	4.5	2.1
Operating profit margin	16.3	5.5	-1.7	5.6	5.3	1.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	354.0	210.4	92.7	172.3	264.8	220.9
Return on net operating assets	20.0	5.7	-4.4	4.0	11.2	6.9
Pretax profit to assets	27.8	8.3	-2.0	8.0	9.2	5.9
Return on capital employed	19.1	6.2	-1.8	5.2	10.9	6.6
Return on equity (2)	38.2	15.6	2.0	14.5	18.9	18.6
<u>Efficiency (ratios)</u>						
Receivable turnover	11.17	6.43	4.17	6.90	6.05	6.08
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.56	1.75	1.05	2.07	1.44	1.28
Debt to equity	0.14	0.49	1.56	0.47	0.56	1.13
Liabilities to assets	0.31	0.64	0.96	0.63	0.68	0.76
Interest coverage	7.08	1.91	-1.00	1.74	2.18	1.13
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	72		28			
Net profit	71		29			
Percentage of firms with zero or negative equity(2)	16					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 399

**Industry** 195 - Other business services**SICE Grouping** 779

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.8	6.4
Accounts receivable	17.4	27.8
Inventory	2.2	3.3
Capital assets	22.5	17.9
Other assets	4.4	6.2
<b>Total operating assets</b>	<b>57.2</b>	<b>61.7</b>
Investments and accounts with affiliates	26.7	32.9
Portfolio investments and loans with non-affiliates	16.1	5.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	15.5	17.9
Borrowing:		
Banks	11.0	14.7
Short term paper	0.3	0.3
Mortgages	4.1	3.0
Bonds	3.0	3.2
Other loans	5.7	10.6
Amount owing to affiliates	17.3	15.2
Other liabilities	3.9	6.2
Deferred income tax	0.5	0.5
<b>Total liabilities</b>	<b>61.2</b>	<b>71.6</b>
<b>Shareholders' equity</b>		
Share capital	8.4	22.7
Retained earnings	27.6	5.3
Other surplus	2.8	0.5
<b>Total shareholders' equity</b>	<b>38.8</b>	<b>28.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>43.9</b>	<b>45.2</b>
<b>Current liabilities - % of total assets</b>	<b>32.4</b>	<b>40.7</b>

Industry 196 - Elementary and secondary education

SICE Grouping 851

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	130					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.5	2.7	-2.0	2.2	3.4	...
Pretax profit margin	8.5	3.5	-2.0	2.7	4.8	...
Operating profit margin	13.3	7.7	0.5	...	3.3	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	267.8	225.4	153.3	...	153.3	...
Return on net operating assets	11.8	1.1	-12.4	...	8.5	...
Pretax profit to assets	22.2	6.3	-6.1	5.3	7.8	...
Return on capital employed	19.4	9.9	0.5	...	9.6	...
Return on equity (2)	50.6	16.8	1.4	13.7	22.2	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.95	...	...	0.85	...
Debt to equity	...	0.05	...	...	0.11	...
Liabilities to assets	0.46	0.82	1.06	0.77	0.88	...
Interest coverage	...	3.01	...	...	5.29	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	67		33			
Pretax profit	78		22			
Net profit	78		22			
Percentage of firms with zero or negative equity(2)			11			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 196 - Elementary and secondary education

**SICE Grouping** 851

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.2	-
Accounts receivable	14.3	-
Inventory	0.9	-
Capital assets	52.5	-
Other assets	5.0	-
<b>Total operating assets</b>	<b>81.0</b>	<b>-</b>
Investments and accounts with affiliates	7.5	-
Portfolio investments and loans with non-affiliates	11.4	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	15.5	-
Borrowing:		
Banks	14.2	-
Short term paper	0.1	-
Mortgages	0.8	-
Bonds	1.3	-
Other loans	8.3	-
Amount owing to affiliates	2.7	-
Other liabilities	16.3	-
Deferred income tax	3.0	-
<b>Total liabilities</b>	<b>62.2</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	3.4	-
Retained earnings	34.3	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>37.8</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>35.0</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>41.3</b>	<b>-</b>

Industry 197 - Post-secondary non-university education

SICE Grouping 852

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	543					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.8	1.7	-2.9	1.3	2.3	0.6
Pretax profit margin	9.7	2.3	-2.8	1.7	3.0	2.4
Operating profit margin	9.2	1.9	0.5	1.5	2.9	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	340.1	272.6	172.8	...	272.6	...
Return on net operating assets	16.3	9.3	-1.5	1.9	9.3	...
Pretax profit to assets	19.8	4.6	-7.6	3.3	5.8	3.2
Return on capital employed	15.8	9.2	4.8	3.8	9.2	...
Return on equity (2)	43.2	17.9	-1.3	14.6	24.8	7.8
<u>Efficiency (ratios)</u>						
Receivable turnover	11.69	7.24	4.17	...	7.15	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.75	1.26	1.01	1.02	1.46	...
Debt to equity	0.35	0.62	1.50	...	0.62	...
Liabilities to assets	0.50	0.78	1.03	0.78	0.80	0.88
Interest coverage	3.32	1.46	1.00	1.46	2.63	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	89		11			
Pretax profit	83		17			
Net profit	85		15			
Percentage of firms with zero or negative equity(2)	24					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 403

Industry 197 - Post-secondary non-university education

SICE Grouping 852

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.1	-
Accounts receivable	27.1	-
Inventory	4.5	-
Capital assets	30.0	-
Other assets	6.1	-
<b>Total operating assets</b>	<b>78.8</b>	<b>-</b>
Investments and accounts with affiliates	14.9	-
Portfolio investments and loans with non-affiliates	6.3	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	22.2	-
Borrowing:		
Banks	6.3	-
Short term paper	0.0	-
Mortgages	6.7	-
Bonds	0.1	-
Other loans	1.0	-
Amount owing to affiliates	15.5	-
Other liabilities	27.7	-
Deferred income tax	0.0	-
<b>Total liabilities</b>	<b>79.6</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	6.9	-
Retained earnings	13.4	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>20.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	54.8	-
Current liabilities - % of total assets	53.1	-

Industry 198 - Other educational services

SICE Grouping 859

	Small firms with revenue under \$5 million					Medium firms with revenue from \$5 million to \$25 million
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	701					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.4	2.0	-2.7	1.9	2.5	...
Pretax profit margin	8.8	2.6	-2.4	2.3	3.3	...
Operating profit margin	10.1	3.1	-0.5	1.2	8.5	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	560.2	353.2	245.0	356.1	304.9	...
Return on net operating assets	9.4	4.6	-3.2	1.4	4.6	...
Pretax profit to assets	23.2	5.9	-8.2	5.1	9.6	...
Return on capital employed	30.5	16.1	3.3	6.4	16.5	...
Return on equity (2)	46.6	20.0	1.6	22.0	18.8	...
<u>Efficiency (ratios)</u>						
Receivable turnover	11.83	9.05	7.84	...	7.84	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.38	2.30	1.26	2.72	1.47	...
Debt to equity	0.26	0.75	5.87	...	0.62	...
Liabilities to assets	0.51	0.83	1.07	0.87	0.72	...
Interest coverage	8.67	1.68	0.79	0.90	8.67	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	72		28			
Pretax profit	69		31			
Net profit	69		31			
Percentage of firms with zero or negative equity(2)	28					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995***Financial Performance Indicators for Canadian Business**

Page : 405

**Industry** 198 - Other educational services**SICE Grouping** 859

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	24.0	-
Accounts receivable	14.3	-
Inventory	1.7	-
Capital assets	34.7	-
Other assets	6.1	-
<i>Total operating assets</i>	<b>80.8</b>	-
Investments and accounts with affiliates	8.2	-
Portfolio investments and loans with non-affiliates	10.9	-
<i>Total assets</i>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	19.0	-
Borrowing:		
Banks	14.3	-
Short term paper	0.1	-
Mortgages	1.6	-
Bonds	1.5	-
Other loans	4.6	-
Amount owing to affiliates	19.3	-
Other liabilities	13.8	-
Deferred income tax	0.1	-
<i>Total liabilities</i>	<b>74.3</b>	-
<b>Shareholders' equity</b>		
Share capital	1.2	-
Retained earnings	24.5	-
Other surplus	0.0	-
<i>Total shareholders' equity</i>	<b>25.7</b>	-
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	-
<b>Current assets - % of total assets</b>	<b>54.0</b>	-
<b>Current liabilities - % of total assets</b>	<b>38.5</b>	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 406

Industry 199 - Other institutional health and social services

SICE Grouping 862

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	895					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.1	1.9	-1.6	2.0	1.9	1.7
Pretax profit margin	7.4	2.4	-1.4	2.6	2.2	2.1
Operating profit margin	18.4	7.0	0.8	2.8	10.3	4.5
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	148.0	80.2	42.7	88.3	67.7	93.1
Return on net operating assets	17.1	10.7	6.6	9.1	11.3	8.6
Pretax profit to assets	9.3	2.5	-1.6	1.9	3.5	2.0
Return on capital employed	14.8	9.8	5.2	8.5	9.9	5.9
Return on equity (2)	25.2	12.0	1.4	10.1	15.8	7.4
<u>Efficiency (ratios)</u>						
Receivable turnover	15.14	11.56	3.43	...	11.56	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.98	1.26	0.88	2.63	1.22	1.17
Debt to equity	0.27	0.55	2.52	0.41	0.99	0.33
Liabilities to assets	0.60	0.87	1.03	0.86	0.88	0.90
Interest coverage	2.59	1.34	0.99	2.01	1.15	0.79
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	88		12			
Pretax profit	73		27			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 407

**Industry** 199 - Other institutional health and social services**SICE Grouping** 862

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.4	2.4
Accounts receivable	3.0	3.0
Inventory	0.2	1.3
Capital assets	70.0	46.4
Other assets	5.5	27.6
<b>Total operating assets</b>	<b>83.2</b>	<b>80.8</b>
Investments and accounts with affiliates	10.3	17.8
Portfolio investments and loans with non-affiliates	6.5	1.4
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	7.4	8.9
Borrowing:		
Banks	20.4	8.9
Short term paper	1.1	0.7
Mortgages	28.7	58.3
Bonds	12.7	7.5
Other loans	9.9	5.4
Amount owing to affiliates	8.6	12.0
Other liabilities	3.2	3.6
Deferred income tax	0.8	0.0
<b>Total liabilities</b>	<b>92.8</b>	<b>105.4</b>
<b>Shareholders' equity</b>		
Share capital	3.6	2.9
Retained earnings	1.5	-13.1
Other surplus	2.1	4.9
<b>Total shareholders' equity</b>	<b>7.2</b>	<b>-5.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>14.5</b>	<b>8.6</b>
<b>Current liabilities - % of total assets</b>	<b>23.3</b>	<b>15.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 408

Industry 200 - Non-institutional health services  
SICE Grouping 863

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	485					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.2	4.8	-0.1	5.4	4.6	...
Pretax profit margin	15.3	5.5	0.2	6.3	5.1	...
Operating profit margin	...	10.9	...	...	10.3	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	277.0	...	...	405.8	...
Return on net operating assets	...	21.6	...	...	12.0	...
Pretax profit to assets	28.5	10.7	0.8	9.5	12.0	...
Return on capital employed	...	13.9	...	...	17.2	...
Return on equity (2)	41.0	17.1	4.8	14.8	21.8	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	7.66	...	...	7.66	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	2.19	...	...	1.29	...
Debt to equity	...	0.31	...	...	0.43	...
Liabilities to assets	0.39	0.66	0.91	0.64	0.71	...
Interest coverage	...	5.53	...	...	2.90	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 200 - Non-institutional health services  
 SICE Grouping 863

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.6	-
Accounts receivable	16.4	-
Inventory	0.4	-
Capital assets	31.3	-
Other assets	10.0	-
<i>Total operating assets</i>	<i>66.6</i>	<i>-</i>
Investments and accounts with affiliates	13.5	-
Portfolio investments and loans with non-affiliates	19.9	-
<i>Total assets</i>	<i>100.0</i>	<i>-</i>
<b>Liabilities</b>		
Accounts payable	16.2	-
Borrowing:		
Banks	10.2	-
Short term paper	0.3	-
Mortgages	0.6	-
Bonds	3.4	-
Other loans	5.6	-
Amount owing to affiliates	10.6	-
Other liabilities	3.2	-
Deferred income tax	0.6	-
<i>Total liabilities</i>	<i>50.6</i>	<i>-</i>
<b>Shareholders' equity</b>		
Share capital	7.0	-
Retained earnings	42.4	-
Other surplus	-	-
<i>Total shareholders' equity</i>	<i>49.4</i>	<i>-</i>
<i>Total liabilities and shareholders' equity</i>	<i>100.0</i>	<i>-</i>
Current assets - % of total assets	36.3	-
Current liabilities - % of total assets	28.1	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 410

Industry 201 - Non-institutional social services  
SICE Grouping 864

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
<hr/>						
Number of firms in the group	1,135					
<hr/>						
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.2	2.4	-2.0	2.0	3.3	...
Pretax profit margin	8.8	3.0	-1.7	2.8	4.1	...
Operating profit margin	8.7	3.3	-2.5	3.3	9.2	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	338.3	234.7	60.5	282.2	208.1	...
Return on net operating assets	23.1	12.4	1.1	6.7	23.1	...
Pretax profit to assets	25.0	6.5	-4.8	5.7	11.4	...
Return on capital employed	21.2	10.5	-6.8	7.3	10.5	...
Return on equity (2)	44.4	19.3	2.6	18.6	24.1	...
<u>Efficiency (ratios)</u>						
Receivable turnover	13.85	10.87	8.33	11.49	8.33	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.94	1.99	0.97	2.26	1.70	...
Debt to equity	...	0.26	...	0.26	0.99	...
Liabilities to assets	0.48	0.81	1.04	0.82	0.74	...
Interest coverage	4.40	2.77	1.00	2.07	3.03	...
<hr/>						
Distribution of firms by profits/losses				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				71	29	
Pretax profit				68	32	
Net profit				68	32	
Percentage of firms with zero or negative equity(2)						30

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 411

**Industry** 201 - Non-institutional social services**SICE Grouping** 864

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.7	-
Accounts receivable	12.7	-
Inventory	3.3	-
Capital assets	60.0	-
Other assets	7.6	-
<b>Total operating assets</b>	<b>94.3</b>	<b>-</b>
Investments and accounts with affiliates	2.5	-
Portfolio investments and loans with non-affiliates	3.2	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	13.5	-
Borrowing:		
Banks	14.9	-
Short term paper	0.6	-
Mortgages	24.4	-
Bonds	7.0	-
Other loans	6.6	-
Amount owing to affiliates	8.7	-
Other liabilities	8.9	-
Deferred income tax	0.2	-
<b>Total liabilities</b>	<b>84.8</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	1.9	-
Retained earnings	12.4	-
Other surplus	1.0	-
<b>Total shareholders' equity</b>	<b>15.2</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>30.8</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>29.5</b>	<b>-</b>

Industry 202 - Offices of physicians, surgeons and dentists, private practice

SICE Grouping 865

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
<hr/>						
Number of firms in the group	7,731					
<hr/>						
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	26.3	15.1	5.5	16.0	12.6	0.7
Pretax profit margin	34.5	19.8	7.4	21.2	16.3	0.9
Operating profit margin	32.7	18.3	8.8	18.2	19.3	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	305.1	188.7	77.8	166.0	261.9	...
Return on net operating assets	30.2	17.9	4.9	17.1	32.2	...
Pretax profit to assets	45.1	21.2	8.8	21.1	21.3	1.4
Return on capital employed	25.1	14.7	7.3	13.9	18.5	...
Return on equity (2)	44.3	21.1	9.5	20.7	23.3	...
<u>Efficiency (ratios)</u>						
Receivable turnover	13.77	10.55	7.44	10.31	10.90	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	5.33	2.74	1.48	2.96	1.92	...
Debt to equity	0.07	0.30	1.30	0.31	0.29	...
Liabilities to assets	0.14	0.40	0.75	0.39	0.43	0.54
Interest coverage	18.00	7.76	3.38	7.25	14.78	...
<hr/>						
Distribution of firms by profits/losses				<u>Firms with profits (%)</u>	<u>Firms with losses (%)</u>	
Operating profit				89	11	
Pretax profit				88	12	
Net profit				88	12	
Percentage of firms with zero or negative equity(2)				14		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 202 - Offices of physicians, surgeons and dentists, private practice

SICE Grouping 865

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.1	-
Accounts receivable	8.1	-
Inventory	0.5	-
Capital assets	23.0	-
Other assets	7.4	-
<b>Total operating assets</b>	<b>55.2</b>	<b>-</b>
Investments and accounts with affiliates	20.3	-
Portfolio investments and loans with non-affiliates	24.6	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	10.7	-
Borrowing:		
Banks	9.5	-
Short term paper	0.2	-
Mortgages	3.4	-
Bonds	2.8	-
Other loans	3.7	-
Amount owing to affiliates	7.7	-
Other liabilities	2.4	-
Deferred income tax	0.2	-
<b>Total liabilities</b>	<b>40.6</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	3.5	-
Retained earnings	54.4	-
Other surplus	1.5	-
<b>Total shareholders' equity</b>	<b>59.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>39.6</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>21.9</b>	<b>-</b>

Industry 203 - Offices of other health practitioners  
 SICE Grouping 866

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,771					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	15.0	6.1	0.2	5.9	7.0	...
Pretax profit margin	19.4	7.9	0.5	7.7	8.4	...
Operating profit margin	16.2	7.3	1.2	8.9	...	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	476.7	189.2	51.2	189.2	...	...
Return on net operating assets	11.7	5.3	-2.3	5.2	...	...
Pretax profit to assets	33.0	13.4	0.7	12.5	18.6	...
Return on capital employed	15.7	9.3	3.8	8.8	...	...
Return on equity (2)	43.8	20.8	5.0	20.2	26.0	...
<u>Efficiency (ratios)</u>						
Receivable turnover	13.21	9.18	5.80	9.26	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.06	1.65	1.19	2.00	1.10	...
Debt to equity	0.12	0.57	1.23	0.57	...	...
Liabilities to assets	0.25	0.56	0.88	0.57	0.48	...
Interest coverage	8.78	2.65	0.75	1.38	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	80		20			
Pretax profit	76		24			
Net profit	73		27			
Percentage of firms with zero or negative equity(2)			13			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 415

Industry 203 - Offices of other health practitioners

SICE Grouping 866

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.8	-
Accounts receivable	14.0	-
Inventory	0.8	-
Capital assets	41.5	-
Other assets	4.1	-
<b>Total operating assets</b>	<b>71.1</b>	<b>-</b>
Investments and accounts with affiliates	7.1	-
Portfolio investments and loans with non-affiliates	21.7	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	13.4	-
Borrowing:		
Banks	6.7	-
Short term paper	0.2	-
Mortgages	19.6	-
Bonds	2.5	-
Other loans	4.7	-
Amount owing to affiliates	11.4	-
Other liabilities	1.9	-
Deferred income tax	-0.1	-
<b>Total liabilities</b>	<b>60.3</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	0.6	-
Retained earnings	38.7	-
Other surplus	0.3	-
<b>Total shareholders' equity</b>	<b>39.7</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	35.0	-
Current liabilities - % of total assets	24.7	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 416

Industry 204 - Medical and other health laboratories

SICE Grouping 868

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median	
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million
Number of firms in the group		601			
<b>Financial ratios</b>					
<u><b>Profitability (percentages)</b></u>					
Net profit margin	19.1	7.5	0.4	7.7	7.3
Pretax profit margin	25.0	9.9	0.9	10.1	9.1
Operating profit margin	16.4	7.4	3.7	7.8	7.4
Gross profit margin	...	...	...	...	...
Operating revenue to net operating assets	327.7	226.8	177.7	199.2	226.8
Return on net operating assets	25.9	13.4	-12.6	5.5	22.6
Pretax profit to assets	32.5	14.1	1.5	12.2	17.9
Return on capital employed	22.0	12.7	8.7	14.4	12.1
Return on equity (2)	39.9	17.4	3.0	14.0	22.2
<u><b>Efficiency (ratios)</b></u>					
Receivable turnover	9.05	6.11	4.87	6.52	5.90
Inventory turnover	...	...	...	...	...
<u><b>Liquidity/Solvency (ratios)</b></u>					
Working capital	3.12	1.21	0.87	1.16	1.21
Debt to equity	0.05	0.15	1.45	...	1.03
Liabilities to assets	0.18	0.43	0.73	0.41	0.45
Interest coverage	11.97	3.21	-0.81	...	3.21
<b>Distribution of firms by profits/losses</b>					
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>		
Operating profit	83		17		
Pretax profit	83		17		
Net profit	83		17		
Percentage of firms with zero or negative equity(2)			25		

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 417

**Industry** 204 - Medical and other health laboratories**SICE Grouping** 868

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	17.1	-
Accounts receivable	19.7	-
Inventory	1.5	-
Capital assets	24.1	-
Other assets	8.2	-
<b>Total operating assets</b>	<b>70.5</b>	<b>-</b>
Investments and accounts with affiliates	24.0	-
Portfolio investments and loans with non-affiliates	5.5	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	10.3	-
Borrowing:		
Banks	12.2	-
Short term paper	0.3	-
Mortgages	5.4	-
Bonds	3.2	-
Other loans	8.3	-
Amount owing to affiliates	15.5	-
Other liabilities	6.9	-
Deferred income tax	-0.6	-
<b>Total liabilities</b>	<b>61.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	10.2	-
Retained earnings	28.2	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>38.6</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>53.9</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>28.8</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 418

Industry 205 - Health and social service associations and agencies

SICE Grouping 869

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	148					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	24.0	4.8	-0.9	7.9	3.8	...
Pretax profit margin	32.4	6.4	-0.7	10.3	4.1	...
Operating profit margin	...	6.1	...	10.1	...	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	183.7	...	...	...	...
Return on net operating assets	...	-9.5	...	...	...	...
Pretax profit to assets	40.3	15.8	-2.0	17.2	13.7	...
Return on capital employed	...	7.3	...	...	...	...
Return on equity (2)	53.7	23.7	6.5	24.2	23.1	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	10.29	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	3.55	...	...	...	...
Debt to equity	...	...	...	...	...	...
Liabilities to assets	0.26	0.62	0.97	0.58	0.67	...
Interest coverage	...	0.81	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 419

Industry 205 - Health and social service associations and agencies

SICE Grouping 869

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.8	-
Accounts receivable	9.4	-
Inventory	0.5	-
Capital assets	27.9	-
Other assets	2.2	-
<b>Total operating assets</b>	<b>56.8</b>	<b>-</b>
Investments and accounts with affiliates	7.1	-
Portfolio investments and loans with non-affiliates	36.1	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	3.8	-
Borrowing:		
Banks	1.6	-
Short term paper	-	-
Mortgages	19.9	-
Bonds	-	-
Other loans	0.2	-
Amount owing to affiliates	36.9	-
Other liabilities	49.0	-
Deferred income tax	-1.0	-
<b>Total liabilities</b>	<b>110.4</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	5.5	-
Retained earnings	-32.4	-
Other surplus	16.5	-
<b>Total shareholders' equity</b>	<b>-10.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>49.4</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>43.4</b>	<b>-</b>

Industry 206 - Hotels, motels and tourist courts

SICE Grouping 911

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	4,225					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.0	1.7	-3.5	1.2	2.3	1.0
Pretax profit margin	8.4	2.1	-3.3	1.5	2.9	1.5
Operating profit margin	17.3	6.1	-0.9	4.7	7.1	10.5
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	157.9	95.7	49.1	78.5	104.3	86.8
Return on net operating assets	12.8	6.6	0.4	4.6	9.0	11.4
Pretax profit to assets	7.1	1.7	-2.6	0.9	3.0	1.5
Return on capital employed	12.2	6.4	0.8	5.3	8.6	9.2
Return on equity (2)	21.7	7.9	-1.5	5.9	10.2	7.2
<u>Efficiency (ratios)</u>						
Receivable turnover	18.14	12.97	6.04	12.97	17.22	17.43
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.43	1.72	1.05	2.00	1.33	0.86
Debt to equity	0.60	1.61	3.72	1.52	1.87	3.33
Liabilities to assets	0.58	0.86	1.03	0.90	0.82	0.87
Interest coverage	2.11	1.16	-0.23	1.09	1.27	1.24
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	80		20			
Pretax profit	64		36			
Net profit	64		36			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 421

Industry 206 - Hotels, motels and tourist courts

SICE Grouping 911

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.6	4.0
Accounts receivable	2.8	2.8
Inventory	1.9	1.2
Capital assets	75.8	77.0
Other assets	3.0	4.9
<b>Total operating assets</b>	<b>88.0</b>	<b>90.0</b>
Investments and accounts with affiliates	8.2	7.8
Portfolio investments and loans with non-affiliates	3.7	2.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	7.3	7.3
Borrowing:		
Banks	20.7	24.7
Short term paper	1.2	0.8
Mortgages	13.3	21.9
Bonds	8.4	9.5
Other loans	11.3	8.1
Amount owing to affiliates	23.6	30.1
Other liabilities	2.8	1.2
Deferred income tax	0.6	1.0
<b>Total liabilities</b>	<b>89.3</b>	<b>104.5</b>
<b>Shareholders' equity</b>		
Share capital	9.9	16.4
Retained earnings	-2.4	-22.8
Other surplus	3.1	1.9
<b>Total shareholders' equity</b>	<b>10.7</b>	<b>-4.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>11.9</b>	<b>9.2</b>
<b>Current liabilities - % of total assets</b>	<b>21.4</b>	<b>21.0</b>

Industry 207 - Lodging houses and residential clubs

SICE Grouping 912

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	309					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.3	2.4	-4.8	2.2	2.8	...
Pretax profit margin	8.5	2.7	-4.6	2.7	3.1	...
Operating profit margin	...	5.1	...	...	1.0	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	46.0	...	...	149.9	...
Return on net operating assets	...	8.6	...	...	0.9	...
Pretax profit to assets	7.7	1.4	-2.2	1.3	2.6	...
Return on capital employed	...	8.5	...	...	1.0	...
Return on equity (2)	30.5	11.3	-1.6	11.5	11.2	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.58	...	...	...	...
Debt to equity	...	0.45	...	...	...	...
Liabilities to assets	0.71	0.91	1.05	0.92	0.89	...
Interest coverage	...	1.25	...	...	0.50	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business****Revenue under \$25 million, Reference Year 1995**

Page : 423

**Industry** 207 - Lodging houses and residential clubs**SICE Grouping** 912

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.1	-
Accounts receivable	1.8	-
Inventory	0.6	-
Capital assets	84.3	-
Other assets	4.6	-
<b>Total operating assets</b>	<b>95.5</b>	<b>-</b>
Investments and accounts with affiliates	3.0	-
Portfolio investments and loans with non-affiliates	1.5	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	2.8	-
Borrowing:		
Banks	20.3	-
Short term paper	1.3	-
Mortgages	12.7	-
Bonds	14.5	-
Other loans	7.5	-
Amount owing to affiliates	9.9	-
Other liabilities	0.2	-
Deferred income tax	0.1	-
<b>Total liabilities</b>	<b>69.2</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	5.4	-
Retained earnings	19.1	-
Other surplus	6.3	-
<b>Total shareholders' equity</b>	<b>30.8</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>8.9</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>14.4</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 424

Industry 208 - Camping grounds and travel trailer parks  
SICE Grouping 913

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	650					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	12.7	3.6	-1.5	3.4	4.6	...
Pretax profit margin	15.4	4.4	-1.5	4.2	5.8	...
Operating profit margin	15.3	8.1	1.0	10.3	7.0	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	103.6	45.4	34.2	44.1	80.4	...
Return on net operating assets	9.0	5.4	3.5	4.9	5.5	...
Pretax profit to assets	8.5	2.5	-1.0	2.0	5.1	...
Return on capital employed	9.1	5.0	3.2	4.7	5.2	...
Return on equity (2)	17.8	8.4	0.4	8.0	10.0	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.15	...	2.01	...	...
Debt to equity	0.30	3.12	7.25	6.48	0.59	...
Liabilities to assets	0.47	0.82	1.01	0.86	0.56	...
Interest coverage	1.86	1.11	0.94	1.00	1.86	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	89		11			
Pretax profit	81		19			
Net profit	77		23			
Percentage of firms with zero or negative equity(2)	15					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 425

Industry 208 - Camping grounds and travel trailer parks

SICE Grouping 913

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	2.6	-
Accounts receivable	1.2	-
Inventory	2.5	-
Capital assets	89.7	-
Other assets	1.8	-
<b>Total operating assets</b>	<b>97.7</b>	<b>-</b>
Investments and accounts with affiliates	1.3	-
Portfolio investments and loans with non-affiliates	1.0	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	4.5	-
Borrowing:		
Banks	17.9	-
Short term paper	0.7	-
Mortgages	3.1	-
Bonds	7.6	-
Other loans	7.7	-
Amount owing to affiliates	25.0	-
Other liabilities	4.6	-
Deferred income tax	0.5	-
<b>Total liabilities</b>	<b>71.7</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.7	-
Retained earnings	17.2	-
Other surplus	8.3	-
<b>Total shareholders' equity</b>	<b>28.3</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>7.0</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>17.8</b>	<b>-</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 426

Industry 209 - Recreation and vacation camps

SICE Grouping 914

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	689					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.3	0.7	-6.7	-0.7	3.5	...
Pretax profit margin	9.2	1.0	-6.7	-0.6	4.5	...
Operating profit margin	...	1.0	...	2.7	...	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	92.8	...	92.8	...	...
Return on net operating assets	...	-13.2	...	-14.5	...	...
Pretax profit to assets	9.3	0.9	-5.6	-0.6	5.7	...
Return on capital employed	...	-1.8	...	-7.7	...	...
Return on equity (2)	23.4	7.9	-4.0	5.4	14.5	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	...	...	...	...	...
Debt to equity	...	0.33	...	...	...	...
Liabilities to assets	0.51	0.84	1.07	0.91	0.70	...
Interest coverage	...	0.51	...	0.62	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 427

**Industry** 209 - Recreation and vacation camps**SICE Grouping** 914

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	1.3	-
Accounts receivable	0.9	-
Inventory	0.1	-
Capital assets	47.8	-
Other assets	1.4	-
<b>Total operating assets</b>	<b>51.5</b>	-
Investments and accounts with affiliates	13.1	-
Portfolio investments and loans with non-affiliates	35.4	-
<b>Total assets</b>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	12.5	-
Borrowing:		
Banks	8.0	-
Short term paper	0.3	-
Mortgages	2.3	-
Bonds	4.1	-
Other loans	5.7	-
Amount owing to affiliates	14.3	-
Other liabilities	15.6	-
Deferred income tax	0.5	-
<b>Total liabilities</b>	<b>63.3</b>	-
<b>Shareholders' equity</b>		
Share capital	16.0	-
Retained earnings	17.3	-
Other surplus	3.4	-
<b>Total shareholders' equity</b>	<b>36.7</b>	-
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	-
<b>Current assets - % of total assets</b>	<b>8.4</b>	-
<b>Current liabilities - % of total assets</b>	<b>22.4</b>	-

Industry 210 - Food services  
SICE Grouping 921

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	18,994					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.0	-0.3	-4.6	-1.2	0.9	1.5
Pretax profit margin	3.5	-0.2	-4.4	-1.1	1.1	1.9
Operating profit margin	5.6	1.5	-2.0	1.3	1.6	3.2
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	396.5	276.2	155.8	262.1	311.3	363.3
Return on net operating assets	16.9	4.8	-7.2	3.1	8.5	15.8
Pretax profit to assets	9.8	-0.5	-13.0	-2.6	3.5	5.6
Return on capital employed	15.5	4.9	-3.9	3.4	7.6	10.7
Return on equity (2)	29.9	9.4	-5.6	5.3	14.1	14.0
<u>Efficiency (ratios)</u>						
Receivable turnover	14.97	11.36	2.94	2.94	11.57	18.24
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.25	1.48	1.00	1.58	1.25	0.94
Debt to equity	0.34	0.94	3.01	0.76	1.28	1.42
Liabilities to assets	0.61	0.94	1.18	1.00	0.83	0.70
Interest coverage	3.00	1.00	-1.14	0.65	1.19	1.92
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	68		32			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Industry** 210 - Food services

**SICE Grouping** 921

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.4	6.0
Accounts receivable	3.5	7.5
Inventory	5.6	5.2
Capital assets	54.1	47.0
Other assets	9.0	11.0
<b>Total operating assets</b>	<b>80.5</b>	<b>76.8</b>
Investments and accounts with affiliates	12.9	13.4
Portfolio investments and loans with non-affiliates	6.6	9.8
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.1	17.6
Borrowing:		
Banks	16.2	15.6
Short term paper	0.6	0.6
Mortgages	5.3	4.3
Bonds	6.5	7.1
Other loans	8.3	8.1
Amount owing to affiliates	30.7	17.3
Other liabilities	2.4	2.3
Deferred income tax	0.2	0.8
<b>Total liabilities</b>	<b>86.3</b>	<b>73.6</b>
<b>Shareholders' equity</b>		
Share capital	4.6	13.3
Retained earnings	7.4	12.0
Other surplus	1.8	1.1
<b>Total shareholders' equity</b>	<b>13.7</b>	<b>26.4</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>25.9</b>	<b>24.8</b>
<b>Current liabilities - % of total assets</b>	<b>33.7</b>	<b>28.6</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 430

Industry 211 - Taverns, bars and night clubs

SICE Grouping 922

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,435					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.1	0.5	-4.1	-0.5	1.2	...
Pretax profit margin	4.9	0.6	-3.9	-0.3	1.5	...
Operating profit margin	6.1	1.8	-10.4	-4.5	2.6	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	315.6	190.1	61.2	151.8	200.4	...
Return on net operating assets	14.0	6.4	-11.9	0.1	6.6	...
Pretax profit to assets	11.0	1.1	-8.7	-0.5	3.7	...
Return on capital employed	15.2	6.0	-2.4	6.1	5.5	...
Return on equity (2)	31.0	10.0	-3.3	7.1	15.7	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.40	1.46	1.11	1.23	1.84	...
Debt to equity	0.69	1.54	2.17	1.77	1.39	...
Liabilities to assets	0.53	0.85	1.09	0.89	0.81	...
Interest coverage	2.61	1.23	-6.85	1.31	0.99	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	70		30			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 431

Industry 211 - Taverns, bars and night clubs

SICE Grouping 922

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	8.0	-
Accounts receivable	2.3	-
Inventory	9.2	-
Capital assets	55.4	-
Other assets	10.5	-
<b>Total operating assets</b>	<b>85.4</b>	<b>-</b>
Investments and accounts with affiliates	10.7	-
Portfolio investments and loans with non-affiliates	3.9	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	11.9	-
Borrowing:		
Banks	19.5	-
Short term paper	0.9	-
Mortgages	7.4	-
Bonds	10.7	-
Other loans	12.4	-
Amount owing to affiliates	16.7	-
Other liabilities	6.0	-
Deferred income tax	0.2	-
<b>Total liabilities</b>	<b>85.7</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	4.5	-
Retained earnings	7.4	-
Other surplus	2.4	-
<b>Total shareholders' equity</b>	<b>14.3</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>24.7</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>31.8</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 432

Industry 212 - Motion picture, audio and video production and distribution

SICE Grouping 961

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,514					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	14.8	3.7	-2.3	4.2	3.3	2.4
Pretax profit margin	18.4	5.0	-1.9	5.6	3.9	3.2
Operating profit margin	12.6	4.0	-1.5	3.8	4.1	6.3
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	374.7	230.0	151.3	235.9	218.0	201.8
Return on net operating assets	19.3	9.1	-11.3	4.0	11.5	15.4
Pretax profit to assets	29.2	7.6	-4.6	7.7	7.5	7.7
Return on capital employed	23.7	8.7	-3.5	6.2	9.4	13.6
Return on equity (2)	43.7	20.0	0.8	18.3	24.8	26.7
<u>Efficiency (ratios)</u>						
Receivable turnover	11.31	6.57	3.79	7.45	6.21	4.39
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.91	1.49	1.00	1.38	1.49	1.14
Debt to equity	0.19	0.38	1.31	0.32	0.54	...
Liabilities to assets	0.34	0.69	0.99	0.68	0.76	0.75
Interest coverage	4.75	1.48	-1.08	1.29	2.49	3.35
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	71		29			
Pretax profit	70		30			
Net profit	70		30			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 433

Industry 212 - Motion picture, audio and video production and distribution

SICE Grouping 961

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	10.0	9.2
Accounts receivable	25.7	18.5
Inventory	7.5	8.5
Capital assets	17.9	16.2
Other assets	9.1	2.9
<b>Total operating assets</b>	<b>70.1</b>	<b>55.4</b>
Investments and accounts with affiliates	20.1	36.5
Portfolio investments and loans with non-affiliates	9.7	8.0
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	21.1	13.8
Borrowing:		
Banks	12.1	8.4
Short term paper	0.3	0.0
Mortgages	3.7	0.1
Bonds	4.5	1.6
Other loans	6.1	3.0
Amount owing to affiliates	20.5	39.5
Other liabilities	10.5	1.9
Deferred income tax	0.0	0.6
<b>Total liabilities</b>	<b>78.7</b>	<b>68.8</b>
<b>Shareholders' equity</b>		
Share capital	7.7	19.3
Retained earnings	5.4	11.3
Other surplus	8.2	0.6
<b>Total shareholders' equity</b>	<b>21.3</b>	<b>31.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>55.3</b>	<b>42.2</b>
<b>Current liabilities - % of total assets</b>	<b>40.4</b>	<b>61.1</b>

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 434

Industry 213 - Motion picture exhibition

SICE Grouping 962

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	236					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.5	1.9	-1.8	0.9	4.6	...
Pretax profit margin	10.9	2.7	-1.7	1.0	5.5	...
Operating profit margin	...	5.5	...	...	3.6	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	133.2	...	...	174.1	...
Return on net operating assets	...	18.1	...	...	13.3	...
Pretax profit to assets	12.3	3.1	-3.1	1.2	8.4	...
Return on capital employed	...	6.9	...	...	2.7	...
Return on equity (2)	28.7	9.3	1.0	6.4	14.1	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.92	...	...	1.21	...
Debt to equity	...	0.10	...	...	0.10	...
Liabilities to assets	0.43	0.75	1.01	0.77	0.69	...
Interest coverage	...	2.71	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms***Revenue under \$25 million, Reference Year 1995**Financial Performance Indicators for Canadian Business*

Page : 435

**Industry** 213 - Motion picture exhibition**SICE Grouping** 962

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	2.2	-
Accounts receivable	2.0	-
Inventory	0.8	-
Capital assets	16.2	-
Other assets	1.8	-
<b>Total operating assets</b>	<b>23.1</b>	<b>-</b>
Investments and accounts with affiliates	76.0	-
Portfolio investments and loans with non-affiliates	1.0	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	3.0	-
Borrowing:		
Banks	5.9	-
Short term paper	0.1	-
Mortgages	5.6	-
Bonds	1.4	-
Other loans	1.7	-
Amount owing to affiliates	18.5	-
Other liabilities	0.9	-
Deferred income tax	0.2	-
<b>Total liabilities</b>	<b>37.2</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	53.7	-
Retained earnings	11.6	-
Other surplus	-2.5	-
<b>Total shareholders' equity</b>	<b>62.8</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
Current assets - % of total assets	9.0	-
Current liabilities - % of total assets	8.4	-

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 436

Industry 214 - Theatrical and other staged entertainment services

SICE Grouping 963

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,124					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	18.5	4.7	-1.2	4.9	3.9	1.8
Pretax profit margin	25.3	7.0	-0.9	8.0	5.3	2.9
Operating profit margin	13.8	4.2	0.1	1.3	1.8	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	470.7	223.0	117.8	349.4	...	...
Return on net operating assets	9.8	5.2	-3.9	5.3	1.3	...
Pretax profit to assets	36.3	11.5	-3.5	11.3	12.5	6.5
Return on capital employed	22.2	9.3	2.0	6.2	12.7	...
Return on equity (2)	49.5	20.0	4.9	19.6	24.7	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	11.07	...	9.77	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	4.45	1.95	1.25	2.43	1.04	...
Debt to equity	0.06	0.17	0.78	0.10	...	...
Liabilities to assets	0.24	0.56	0.93	0.52	0.72	0.95
Interest coverage	4.81	2.00	0.38	2.00	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	70		30			
Pretax profit	74		26			
Net profit	74		26			
Percentage of firms with zero or negative equity(2)			15			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 437

Industry 214 - Theatrical and other staged entertainment services

SICE Grouping 963

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	11.9	-
Accounts receivable	22.5	-
Inventory	0.1	-
Capital assets	21.1	-
Other assets	12.8	-
<b>Total operating assets</b>	<b>68.4</b>	<b>-</b>
Investments and accounts with affiliates	12.4	-
Portfolio investments and loans with non-affiliates	19.2	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	22.6	-
Borrowing:		
Banks	7.2	-
Short term paper	0.0	-
Mortgages	2.3	-
Bonds	0.8	-
Other loans	5.7	-
Amount owing to affiliates	6.7	-
Other liabilities	4.2	-
Deferred income tax	0.3	-
<b>Total liabilities</b>	<b>49.8</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	14.4	-
Retained earnings	33.9	-
Other surplus	1.9	-
<b>Total shareholders' equity</b>	<b>50.2</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>52.2</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>38.0</b>	<b>-</b>

Industry 215 - Commercial spectator sports

SICE Grouping 964

	Small firms with revenue under \$5 million			Medium firms with revenue from \$5 million to \$25 million		
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group		338				
<b>Financial ratios</b>						
<u><b>Profitability (percentages)</b></u>						
Net profit margin	10.5	1.4	-10.0	1.8	1.0	...
Pretax profit margin	12.2	1.9	-10.0	2.4	1.7	...
Operating profit margin	...	9.6	...	...	-2.5	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	300.2	...	...	69.0	...
Return on net operating assets	...	8.4	...	...	2.3	...
Pretax profit to assets	19.7	2.3	-10.9	2.1	2.8	...
Return on capital employed	...	5.6	...	...	5.6	...
Return on equity (2)	26.3	6.2	-8.1	6.0	7.0	...
<u><b>Efficiency (ratios)</b></u>						
Receivable turnover	...	8.55	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u><b>Liquidity/Solvency (ratios)</b></u>						
Working capital	...	1.04	...	1.04	0.62	...
Debt to equity	...	0.87	...	...	8.07	...
Liabilities to assets	0.32	0.79	1.07	0.76	0.84	...
Interest coverage	...	2.44	...	...	-0.47	...
<b>Distribution of firms by profits/losses</b>						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 439

Industry 215 - Commercial spectator sports

SICE Grouping 964

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	2.5	-
Accounts receivable	22.7	-
Inventory	5.1	-
Capital assets	29.6	-
Other assets	17.8	-
<i>Total operating assets</i>	<i>77.8</i>	<i>-</i>
Investments and accounts with affiliates	18.8	-
Portfolio investments and loans with non-affiliates	3.4	-
<i>Total assets</i>	<i>100.0</i>	<i>-</i>
<b>Liabilities</b>		
Accounts payable	6.1	-
Borrowing:		
Banks	23.1	-
Short term paper	-	-
Mortgages	4.4	-
Bonds	-	-
Other loans	21.1	-
Amount owing to affiliates	18.2	-
Other liabilities	13.6	-
Deferred income tax	0.5	-
<i>Total liabilities</i>	<i>86.9</i>	<i>-</i>
<b>Shareholders' equity</b>		
Share capital	7.0	-
Retained earnings	2.1	-
Other surplus	3.9	-
<i>Total shareholders' equity</i>	<i>13.1</i>	<i>-</i>
<i>Total liabilities and shareholders' equity</i>	<i>100.0</i>	<i>-</i>
Current assets - % of total assets	32.2	-
Current liabilities - % of total assets	25.2	-

# Small and Medium Firms

## Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 440

Industry 216 - Sports and recreation clubs and services

SICE Grouping 965

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,697					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	7.7	1.5	-4.9	1.1	1.9	0.3
Pretax profit margin	9.2	1.8	-4.4	1.6	2.4	0.5
Operating profit margin	11.2	5.3	-1.7	2.1	5.9	1.9
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	174.6	94.4	41.9	94.4	92.1	129.3
Return on net operating assets	10.9	4.3	-4.1	-1.3	7.3	5.0
Pretax profit to assets	9.7	1.5	-4.5	1.1	2.2	1.1
Return on capital employed	11.2	5.1	-1.5	1.8	7.5	4.1
Return on equity (2)	21.3	6.9	-2.0	6.3	7.4	5.3
<u>Efficiency (ratios)</u>						
Receivable turnover	15.31	8.16	6.04	6.58	11.23	9.07
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	3.93	1.55	1.08	1.51	1.68	1.06
Debt to equity	0.26	1.12	2.80	1.63	0.44	3.47
Liabilities to assets	0.51	0.83	1.05	0.88	0.76	0.87
Interest coverage	2.90	1.27	-0.32	0.96	1.29	1.05
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	66		34			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



Industry 216 - Sports and recreation clubs and services

SICE Grouping 965

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	5.1	1.7
Accounts receivable	4.1	6.0
Inventory	5.5	10.4
Capital assets	73.7	63.9
Other assets	3.2	9.2
<b>Total operating assets</b>	<b>91.6</b>	<b>91.2</b>
Investments and accounts with affiliates	6.4	7.1
Portfolio investments and loans with non-affiliates	2.0	1.6
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	7.0	4.8
Borrowing:		
Banks	14.8	20.4
Short term paper	0.5	0.5
Mortgages	4.5	13.7
Bonds	5.4	8.0
Other loans	8.7	11.8
Amount owing to affiliates	36.9	15.4
Other liabilities	7.7	7.2
Deferred income tax	0.0	1.7
<b>Total liabilities</b>	<b>85.4</b>	<b>83.5</b>
<b>Shareholders' equity</b>		
Share capital	14.6	4.5
Retained earnings	-3.4	9.9
Other surplus	3.3	2.1
<b>Total shareholders' equity</b>	<b>14.6</b>	<b>16.5</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
Current assets - % of total assets	17.3	24.6
Current liabilities - % of total assets	21.5	25.1

**Small and Medium Firms**
**Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 442

Industry 217 - Gambling operations

SICE Grouping 966

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	186					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	8.5	1.5	-1.5	1.0	1.8	2.3
Pretax profit margin	11.3	1.9	-1.5	0.9	2.9	3.9
Operating profit margin	...	9.0	...	...	...	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	...	203.1	...	...	...	...
Return on net operating assets	...	14.0	...	...	...	...
Pretax profit to assets	19.8	5.1	-3.4	3.0	6.6	11.6
Return on capital employed	...	12.2	...	...	-18.6	...
Return on equity (2)	40.1	10.3	-2.6	9.1	14.4	15.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	...	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	...	1.02	...	...	1.02	...
Debt to equity	...	...	...	...	...	...
Liabilities to assets	0.44	0.74	0.96	0.81	0.70	0.79
Interest coverage	...	1.95	...	...	...	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	60		40			
Pretax profit	60		40			
Net profit	60		40			
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

Industry 217 - Gambling operations

SICE Grouping 966

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
Balance Sheet Structure for a typical firm	%	%
<b>Assets</b>		
Cash	33.2	-
Accounts receivable	3.7	-
Inventory	2.0	-
Capital assets	46.9	-
Other assets	11.7	-
<b>Total operating assets</b>	<b>97.5</b>	<b>-</b>
Investments and accounts with affiliates	0.3	-
Portfolio investments and loans with non-affiliates	2.2	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	27.7	-
Borrowing:		
Banks	7.1	-
Short term paper	0.2	-
Mortgages	9.2	-
Bonds	2.0	-
Other loans	6.3	-
Amount owing to affiliates	3.7	-
Other liabilities	26.3	-
Deferred income tax	0.5	-
<b>Total liabilities</b>	<b>82.8</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	0.8	-
Retained earnings	15.6	-
Other surplus	0.7	-
<b>Total shareholders' equity</b>	<b>17.2</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>42.8</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>38.0</b>	<b>-</b>

**Small and Medium Firms**
**Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 444

Industry 218 - Other amusement and recreational services

SICE Grouping 969

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	1,983					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	6.3	0.3	-7.0	-0.6	1.4	0.3
Pretax profit margin	7.5	0.6	-6.9	0.2	1.7	0.7
Operating profit margin	10.6	5.5	0.9	4.7	6.9	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	275.1	142.5	82.6	126.6	145.0	...
Return on net operating assets	20.0	11.3	4.4	11.0	13.4	...
Pretax profit to assets	10.6	0.6	-9.0	-0.4	2.8	1.0
Return on capital employed	16.3	8.3	3.1	8.3	8.3	...
Return on equity (2)	27.2	6.8	-6.8	6.1	8.8	1.4
<u>Efficiency (ratios)</u>						
Receivable turnover	...	7.93	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.44	1.80	1.32	1.93	1.24	...
Debt to equity	0.15	0.93	3.30	1.86	0.43	...
Liabilities to assets	0.54	0.87	1.10	0.91	0.78	0.71
Interest coverage	4.37	1.61	0.90	1.61	1.55	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	81		19			
Pretax profit	75		25			
Net profit	75		25			
Percentage of firms with zero or negative equity(2)	24					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 445

Industry 218 - Other amusement and recreational services

SICE Grouping 969

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	6.5	-
Accounts receivable	1.7	-
Inventory	3.2	-
Capital assets	67.7	-
Other assets	3.5	-
<i>Total operating assets</i>	<b>82.7</b>	-
Investments and accounts with affiliates	10.7	-
Portfolio investments and loans with non-affiliates	6.7	-
<i>Total assets</i>	<b>100.0</b>	-
<b>Liabilities</b>		
Accounts payable	8.4	-
Borrowing:		
Banks	15.2	-
Short term paper	0.3	-
Mortgages	7.4	-
Bonds	3.8	-
Other loans	9.7	-
Amount owing to affiliates	17.7	-
Other liabilities	1.4	-
Deferred income tax	1.7	-
<i>Total liabilities</i>	<b>65.7</b>	-
<b>Shareholders' equity</b>		
Share capital	12.5	-
Retained earnings	20.6	-
Other surplus	1.2	-
<i>Total shareholders' equity</i>	<b>34.3</b>	-
<i>Total liabilities and shareholders' equity</i>	<b>100.0</b>	-
Current assets - % of total assets	18.8	-
Current liabilities - % of total assets	27.0	-

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 446

Industry 219 - Barber and beauty shops

SICE Grouping 971

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,492					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	3.6	0.5	-2.9	0.4	1.6	...
Pretax profit margin	4.1	0.7	-2.8	0.5	1.9	...
Operating profit margin	5.3	3.6	-1.6	3.6	1.0	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	438.4	364.8	142.4	364.8	355.2	...
Return on net operating assets	20.4	5.8	-3.4	5.2	16.7	...
Pretax profit to assets	16.3	1.9	-13.3	1.0	7.1	...
Return on capital employed	14.8	5.4	-5.4	5.3	13.2	...
Return on equity (2)	30.0	10.2	-9.3	9.6	15.3	...
<u>Efficiency (ratios)</u>						
Receivable turnover	...	5.48	...	...	...	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	1.75	1.24	0.98	1.22	1.34	...
Debt to equity	0.37	1.18	4.13	1.97	0.37	...
Liabilities to assets	0.50	0.85	1.15	0.86	0.78	...
Interest coverage	4.25	1.75	0.29	1.88	0.71	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>			<u>Firms with losses (%)</u>		
Operating profit	73			27		
Pretax profit	69			31		
Net profit	69			31		
Percentage of firms with zero or negative equity(2)			30			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.

**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 447

Industry 219 - Barber and beauty shops

SICE Grouping 971

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	16.7	-
Accounts receivable	5.9	-
Inventory	14.4	-
Capital assets	40.9	-
Other assets	5.2	-
<b>Total operating assets</b>	<b>83.1</b>	<b>-</b>
Investments and accounts with affiliates	12.6	-
Portfolio investments and loans with non-affiliates	4.4	-
<b>Total assets</b>	<b>100.0</b>	<b>-</b>
<b>Liabilities</b>		
Accounts payable	29.1	-
Borrowing:		
Banks	15.6	-
Short term paper	0.1	-
Mortgages	4.7	-
Bonds	1.1	-
Other loans	5.9	-
Amount owing to affiliates	19.6	-
Other liabilities	4.2	-
Deferred income tax	0.4	-
<b>Total liabilities</b>	<b>80.6</b>	<b>-</b>
<b>Shareholders' equity</b>		
Share capital	2.0	-
Retained earnings	17.3	-
Other surplus	0.1	-
<b>Total shareholders' equity</b>	<b>19.4</b>	<b>-</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>-</b>
<b>Current assets - % of total assets</b>	<b>45.1</b>	<b>-</b>
<b>Current liabilities - % of total assets</b>	<b>48.5</b>	<b>-</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 448

Industry 220 - Laundries and cleaners

SICE Grouping 972

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	2,100					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	4.2	0.2	-5.5	-0.6	1.5	1.6
Pretax profit margin	5.0	0.4	-5.4	-0.5	1.8	2.5
Operating profit margin	11.9	3.7	-1.2	4.8	1.7	6.6
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	412.7	168.8	115.2	148.9	212.5	239.6
Return on net operating assets	8.7	5.4	-2.4	6.4	3.7	10.9
Pretax profit to assets	8.9	0.6	-11.3	-0.7	3.8	5.0
Return on capital employed	11.9	5.4	-5.2	6.1	3.2	10.0
Return on equity (2)	23.1	6.3	-8.7	5.2	9.4	13.9
<u>Efficiency (ratios)</u>						
Receivable turnover	13.09	11.20	7.68	12.42	9.81	8.96
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.04	1.29	0.92	1.19	1.71	0.84
Debt to equity	0.37	1.35	2.72	1.35	1.19	0.62
Liabilities to assets	0.57	0.91	1.15	0.95	0.75	0.70
Interest coverage	2.47	1.24	0.78	1.32	0.69	1.75
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	77		23			
Pretax profit	65		35			
Net profit	66		34			
Percentage of firms with zero or negative equity(2)	30					

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.



**Small and Medium Firms****Financial Performance Indicators for Canadian Business**

Revenue under \$25 million, Reference Year 1995

Page : 449

Industry 220 - Laundries and cleaners

SICE Grouping 972

	Small firms with revenue under \$5 million	Medium firms with revenue from \$5 million to \$25 million
<b>Balance Sheet Structure for a typical firm</b>	<b>%</b>	<b>%</b>
<b>Assets</b>		
Cash	4.4	9.0
Accounts receivable	13.0	13.6
Inventory	9.7	9.1
Capital assets	54.5	62.1
Other assets	7.0	2.6
<b>Total operating assets</b>	<b>88.7</b>	<b>96.5</b>
Investments and accounts with affiliates	9.0	3.4
Portfolio investments and loans with non-affiliates	2.3	0.2
<b>Total assets</b>	<b>100.0</b>	<b>100.0</b>
<b>Liabilities</b>		
Accounts payable	16.4	15.3
Borrowing:		
Banks	20.6	33.3
Short term paper	0.2	-
Mortgages	13.3	0.0
Bonds	2.5	2.7
Other loans	8.5	8.9
Amount owing to affiliates	25.9	4.7
Other liabilities	25.4	1.7
Deferred income tax	1.1	4.0
<b>Total liabilities</b>	<b>113.8</b>	<b>70.8</b>
<b>Shareholders' equity</b>		
Share capital	10.9	4.9
Retained earnings	-28.8	14.3
Other surplus	4.1	10.0
<b>Total shareholders' equity</b>	<b>-13.8</b>	<b>29.2</b>
<b>Total liabilities and shareholders' equity</b>	<b>100.0</b>	<b>100.0</b>
<b>Current assets - % of total assets</b>	<b>30.3</b>	<b>34.5</b>
<b>Current liabilities - % of total assets</b>	<b>38.6</b>	<b>40.2</b>

# Small and Medium Firms

# Financial Performance Indicators for Canadian Business

Revenue under \$25 million, Reference Year 1995

Page : 450

Industry 221 - Funeral services

SICE Grouping 973

	Small firms with revenue under \$5 million				Medium firms with revenue from \$5 million to \$25 million	
	Quartile Boundary (1)			Median		
	Better Q3 75%	Average Q2 50%	Worse Q1 25%	Firms under \$500,000	Firms \$500,000 to \$5 million	Median
Number of firms in the group	960					
Financial ratios						
<u>Profitability (percentages)</u>						
Net profit margin	14.2	7.7	1.6	6.3	9.2	5.8
Pretax profit margin	19.2	10.2	2.4	8.1	12.3	9.4
Operating profit margin	18.9	11.0	6.2	10.9	11.0	...
Gross profit margin	...	...	...	...	...	...
Operating revenue to net operating assets	182.8	94.2	57.2	102.6	83.2	...
Return on net operating assets	23.4	8.3	4.0	7.6	8.3	...
Pretax profit to assets	14.2	6.4	1.2	4.6	8.7	6.9
Return on capital employed	20.9	12.3	5.7	12.5	12.2	...
Return on equity (2)	25.1	14.2	4.6	11.5	15.7	11.8
<u>Efficiency (ratios)</u>						
Receivable turnover	12.40	8.68	5.15	7.68	9.29	...
Inventory turnover	...	...	...	...	...	...
<u>Liquidity/Solvency (ratios)</u>						
Working capital	2.87	1.45	1.01	1.45	1.43	...
Debt to equity	0.11	0.34	1.47	0.30	0.43	...
Liabilities to assets	0.33	0.62	0.85	0.66	0.59	0.62
Interest coverage	6.08	3.15	1.14	3.16	2.72	...
Distribution of firms by profits/losses						
	<u>Firms with profits (%)</u>		<u>Firms with losses (%)</u>			
Operating profit	83		17			
Pretax profit	82		18			
Net profit	83		17			
Percentage of firms with zero or negative equity(2)			4			

(1) Quartiles are a measure of the distribution of ratios in the group. Ratios are ranked from the best to worst. There are three quartile boundaries (Q3, Q2, Q1) set out in the table: Q3 - 75% is the better of the three, 75% of the ratios are worse than this ratio. Q2 - 50% is the middle point (median), 50% of the ratios are worse than this ratio. Q1 - 25% is the worst of the three, 25% of the ratios are worse than this ratio.

(2) Firms with zero or negative equity are excluded from the "Return on Equity" ratio.