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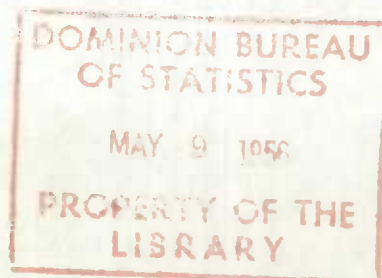
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CANADA

# OPERATING RESULTS AND FINANCIAL STRUCTURE RETAIL CLOTHING STORES 1954

(Independent)



*Published by Authority of*  
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## NOTICE

The annual reports prepared by the Industry and Merchandising Division of the Bureau of Statistics are divided into 3 volumes, as follows: **Volume I—The Primary Industries**, including mining, forestry and fisheries; **Volume II—Manufacturing**; **Volume III—Merchandising and Services**.

Volume III consists of the following parts with individual trade reports listed under each:

### Part I—Wholesale Statistics

- A—Wholesale Trade, 25¢
- \*B—Operating Results of Food Wholesalers, 25¢
- \*C—Operating Results of Dry Goods, Piece Goods and Footwear Wholesalers, 25¢
- \*D—1 Operating Results of Automotive Parts and Accessories Wholesalers, 25¢
  - 2 Operating Results of Drug Wholesalers, 25¢
  - 3 Operating Results of Hardware Wholesalers, 25¢
  - 4 Operating Results of Plumbing and Heating Supply Wholesalers, 25¢
  - 5 Operating Results of Household Appliance & Electrical Supply Wholesalers, 25¢

### Part II—Retail Statistics

- E—General Review—(Discontinued)
- F—Retail Trade, 50¢
- G—Retail Chain Stores, 50¢
- \*H—Operating Results of Food Store Chains, 25¢
- \*I—Operating Results of Clothing Store Chains, 25¢
- \*J—1 Operating Results of Variety Store Chains, 25¢
  - 2 Operating Results of Drug Stores Chains, 25¢
  - 3 Operating Results of Furniture Store Chains, 25¢
- K—Operating Results of Independent Food Stores, 25¢
- L—Operating Results of Independent Clothing Stores, 25¢
- M—Operating Results of Independent Hardware, Furniture, Appliance and Radio Stores, 25¢
- N—Operating Results of Filling Stations & Garages, 25¢
- O—1 Operating Results of Independent General Stores, 25¢
  - 2 Operating Results of Independent Restaurants, 25¢
  - 3 Operating Results of Independent Fuel Dealers, 25¢
  - 4 Operating Results of Independent Drug Stores, 25¢
  - 5 Operating Results of Independent Jewellery Stores, 25¢
  - 6 Operating Results of Independent Tobacco Stores, 25¢
- P—Retail Consumer Credit, 25¢

### Part III—Services and Special Fields

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- R—Motion Picture Theatres, Exhibitors and Distributors, 25¢
- S—Hotels, 25¢
- T—Sales Financing, 25¢
- U—Farm Implement and Equipment Sales, 25¢
- V—New Motor Vehicle Sales and Motor Vehicle Financing, 25¢
- W—Advertising Agencies (Memorandum), 10¢
- X—Motion Picture Production (Memorandum), 10¢

The reports are punched to permit of filing in a ring binder.

\*Biennial reports—not issued for 1954.

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## DEFINITIONS

### Profit and Loss

**Net sales** — the dollar volume of business done. Allowances and discounts granted to customers and value of goods returned by customers are deducted from gross sales, but sales of meals or lunches provided employees and any goods withdrawn by the proprietor for personal use are included.

**Cost of goods sold** — determined by adding the beginning inventory to net purchases and deducting the ending inventory.

**Gross profit** — the difference between "cost of goods sold" and "net sales".

**Operating expenses** — all costs incurred in the year's operation of a business, except the cost of merchandise. These include:

**Salaries and wages (except delivery)** — payments to employees before deduction of income tax or unemployment insurance. Proprietors' salaries or withdrawals are included in "net operating profit" (in unincorporated store operations).

**Taxes** — business, property and water taxes. Taxes collected for remittance to governmental bodies and income tax are not included.

**Insurance** — annual proportion of premiums for insurance policies carried to protect the business.

**Rent** — Payments for use of business premises.

**Heat, light and power** — cost applicable to year's operations.

**Delivery** — includes salaries paid to delivery men, truck repairs and maintenance, depreciation, licenses and insurance on delivery equipment and supplies used in connection with delivery (gas, oil, etc.).

**Repairs and maintenance** — costs incurred to keep fixed store assets operating efficiently (excludes capital expenditure).

**Depreciation allowances** — provision for decrease in the value of fixed store assets.

**Store supplies** — wrapping paper, office supplies, etc.

**Advertising** — displays, window dressing and sales promotion.

**Net bad debt loss** — estimated amount of uncollectable customers' accounts receivable less the amount recovered from former bad debts.

**Other expenses** — telephone, telegraph, postage, bank charges, legal, auditing and collection fees, etc.

**Net operating profit** — is the difference between "total operating expenses" and "gross profit" and includes proprietors' salaries and withdrawals before income tax deductions for unincorporated business.

**Occupancy** — the cost of maintaining and occupying a place of business and includes: rent, business and property taxes, insurance, heat, light and power, repairs and maintenance and depreciation.



## DEFINITIONS

### Balance Sheet

#### Assets

**Cash on hand or in bank** — the amount of cash in the business at the end of the year.

**Net accounts receivable** — all customers' notes and accounts owing to the business at the end of the year less any reserve for doubtful accounts.

**Merchandise inventory** — the cost value of merchandise on hand for resale but does not include store supplies on hand.

**Other current assets** — includes assets which may be converted into cash, if necessary within a reasonably short time, such as Dominion of Canada Bonds and prepaid insurance.

**Fixed assets (net)** — the book value of land, buildings, furniture, fixtures and equipment less any reserves for depreciation. Separate figures are shown for assets used in the business and those not used in the business.

**Other assets** — investment of a permanent nature not readily converted into cash and intangibles such as goodwill and organization costs.

#### Liabilities and Net Worth

**Current liabilities** — are obligations which must be paid in the near future and represent accounts payable or any item that may be considered as a direct lien against current assets.

**Fixed liabilities** — mortgages secured by fixed assets and separated, as are fixed assets, between those used and not used in business.

**Other liabilities** — long term notes payable, accrued expenses such as taxes due but not yet paid, and prepaid or deferred income.

**Net worth** — Unincorporated business — the amount invested in the business together with any accumulated profits after proprietor's or partners' withdrawals.

Incorporated business — net worth is shown in two parts;

1. Capital stock, which represents the shareholders' investment of fully paid-up subscribed shares, and
2. Surplus, which represents distributable surplus, capital surplus and earned surplus.

## DEFINITIONS

### Profit and Loss Statement Ratios

**Stock Turnover** — the number of times in a year that the average merchandise inventory is sold and replaced. The average of the beginning and ending inventories is divided into the cost of goods sold.

Note: Each of the following ratios are expressed as a percentage of "net sales". Consequently, it is permissible to make direct comparisons between these ratios. Each ratio represents a portion of the average net sales' dollar.

**Gross Profit Ratio** — sometimes referred to as the "gross margin ratio" or "mark-up" represents the difference between "cost of goods sold" and "net sales". It is the portion of the average sales' dollar from which the merchant meets his operating expenses and obtains his net operating profit.

**Operating Expense Ratios** — each item of expense, as well as "total operating expenses", when expressed as a percentage of "net sales" shows the amounts of the average sales' dollar required to operate the average business.

**Net Operating Profit Ratio** — the remaining proportion of the average sales' dollar after "cost of goods sold" and "total operating expenses" have been deducted. From this amount, the percentage allowances for both proprietors' salaries and income tax should be deducted in order to determine the percentage to sales of net returns on capital investment.

### Balance Sheet Ratios

**Current Ratio** —  $\text{Current Assets} \div \text{Current Liabilities}$  — indicates to what extent the business is able to meet its current obligations out of "current assets". Care should be taken to examine the components of current assets because overstocking of inventories and over-investment in credit sales (accounts receivables) can result in a stronger or more favourable ratio.

**Liquidity Ratio** —  $\text{Current Assets less Merchandise Inventory} \div \text{Current Liabilities}$  — sometimes referred to as the "acid test", is similar to the "current ratio" as a test of current credit strength. A ratio of 100% (or 1) is usually considered favourable.

**Working Capital to Net Worth Ratio** — denotes the relationship between "working capital" (current assets less current liabilities) and a proprietor's equity in the business. That is, the proportion of "net worth" that could be realized readily if liquidation were necessary.

**Worth-Debt Ratio** —  $\text{Net Worth} \div \text{Total Liabilities}$  — if used in conjunction with the "current ratio", would reflect any weakening of the capital structure of a business through large loans which give a high "current ratio".

### Interstatement Ratio

**Turnover of Total Capital Employed** —  $\text{Net Sales} \div \text{Total Assets used in the business}$  — provides an indication of the degree of management efficiency. However, this ratio should not be used alone because "profits" and not "sales" are the major criterion of efficiency.

# OPERATING RESULTS AND FINANCIAL STRUCTURE

## RETAIL CLOTHING STORES

1954

(Independent)

### INTRODUCTION

This report on operating results and financial structure presents information in the form of averages and ratios as a guide to retail store operators for the trades covered here. These ratios are the "average" of a broad range of operational efficiency, and as such do not represent top performance guides. However, used with this in mind, they show a standard by which business men can compare their own operating experiences. The pattern of expense and financial ratios, by size and kind of business, permit direct analysis of operating results for the year.

There is growing evidence that independent retail merchants are making more advantageous use of the results shown in the biennial operating results bulletins issued by the Dominion Bureau of Statistics. Many accounting firms whose clientele includes retail merchants have shown much interest in these series.

A number of trade papers and business periodicals have reproduced and interpreted the results of previous studies with the object of illustrating to retail merchants the manner in which operating results can be used as a tool in store management. This is a practice the Bureau is pleased to encourage, since it meets with one of the most important objects in maintaining this series, namely the promotion of improved merchandising on the part of retailers.

The new owner of a retail store or the prospective operator might well study these averages. Not all failures in business, however, come from the "new-owner" group. It seems reasonable to suppose, however, that failure in many cases is the result of inadequate knowledge on the part of new proprietors of the true fiscal requirements involved in operating

a business and the proper allocation of costs. Where capital is limited, as is often the case in a newly-established store, it would seem that most careful attention should be given to maintenance of proper records and that provision be made to check against some such standard performance as these publications provide.

This report deals with independent retail clothing stores. Separate figures are given for both unincorporated and incorporated stores.

1. Men's clothing stores
2. Women's clothing stores
3. Family clothing stores
4. Family shoe stores

There are analyses of:

1. Profit and loss statements
2. Balance sheet statements

Profit and loss data are shown for owned and rented stores separately, and for various sale-size categories.

Balance sheet data, which were introduced in 1948, is continued in this 1954 study. This information is presented by sales-size and kind of occupancy groups for stores with \$20,000 or more annual net sales. Where possible, a further differentiation has been made between businesses in operation less than 10 years and 10 years or more. An important change, introduced in 1950, is the segregation of fixed assets and fixed liabilities between those used in the business and those not used in the business. This makes possible a better relationship between assets used in the business and sales than was possible when all fixed assets of the proprietor were reported as one item.

### COMPARISON OF MAIN ITEMS BY TRADES

Operating expenses for unincorporated stores exclude salaries and withdrawals of proprietors or partners, thereby showing a higher net operating profit. The gross profits for the four clothing trades covered, all show an increase over the 1952 survey, ranging from 26.1 per cent for family clothing to 28.1 per cent for shoe stores. More extensive in-

creases in operating expenses for all trades offset the general increase in gross profit with resulting lower net profits for all clothing stores in the unincorporated category. The following table will illustrate the trend of the four clothing trades since 1941.



**Average Gross and Net Profits of Unincorporated Retail Clothing Stores  
Historical Summary by Trades**

Year	Men's clothing		Women's clothing		Family clothing		Shoe stores	
	Gross profit	Net profit	Gross profit	Net profit	Gross profit	Net profit	Gross profit	Net profit
	(per cent of net sales)							
1941.....	27.2	15.3	27.5	9.4	(not available)		26.3	9.3
1944.....	27.2	12.3	27.9	11.8	24.3	11.1	27.6	12.6
1945.....	27.5	13.5	27.7	11.5	24.8	11.5	27.3	13.9
1946.....	26.9	13.7	27.1	10.9	23.8	10.7	26.8	12.5
1948.....	25.9	11.9	25.8	10.4	23.4	10.0	26.6	11.5
1950.....	26.8	10.3	26.8	7.7	24.4	8.7	27.4	10.6
1952.....	26.6	10.1	26.8	8.0	24.4	8.9	27.7	10.8
1954.....	27.0	9.2	27.3	7.2	26.1	8.5	28.1	9.9

Note: Net profit is before deduction of proprietors' salaries and income tax.

Incorporated stores include salaries of executive officers in the companies' operating expenses, thereby decreasing net profit as compared with net profit of unincorporated stores. The same pattern is followed for incorporated stores, which show a general gross profit increase for all clothing trades,

ranging from 29.9 per cent for men's clothing stores to 31.6 per cent for shoe stores. Operating expenses also increased over the last survey but to a higher degree than did gross profit, with the resulting effect of a general decrease in the net operating profit for all incorporated clothing trades.

**Average Gross and Net Profits of Incorporated Clothing Stores  
Historical Summary by Trades**

Year	Men's clothing		Women's clothing		Family clothing		Shoe stores	
	Gross profit	Net profit	Gross profit	Net profit	Gross profit	Net profit	Gross profit	Net profit
	(per cent of net sales)							
1945.....	31.5	11.0	30.5	7.3	29.1	7.8	31.9	9.5
1946.....	30.5	9.8	29.2	6.2	29.3	8.3	31.8	8.2
1948.....	28.6	6.4	28.5	5.1	28.8	6.0	32.1	7.6
1950.....	29.8	4.8	29.0	2.1	29.6	3.6	32.0	4.8
1952.....	29.3	3.0	29.3	2.8	29.7	3.5	30.0	3.3
1954.....	29.9	2.0	31.2	2.3	30.0	2.5	31.6	2.7

Note: Net profit includes income tax.

All trades for unincorporated clothing stores had a slightly lower rate of stock turnover in 1954 compared with 1952, continuing their downward trend and reaching their lowest level since surveyed by D.B.S. Incorporated clothing stores' stock turnover rates are typically the same as unincorporated clothing stores except for Women's clothing where

a slight increase in stock turnover was registered in 1954. The lowest level was in 1950. Women's clothing stores still lead in rate of stock turnover with 3.4 times and 4.7 times per year for unincorporated and incorporated stores respectively. The following historical presentation shows this comparison.



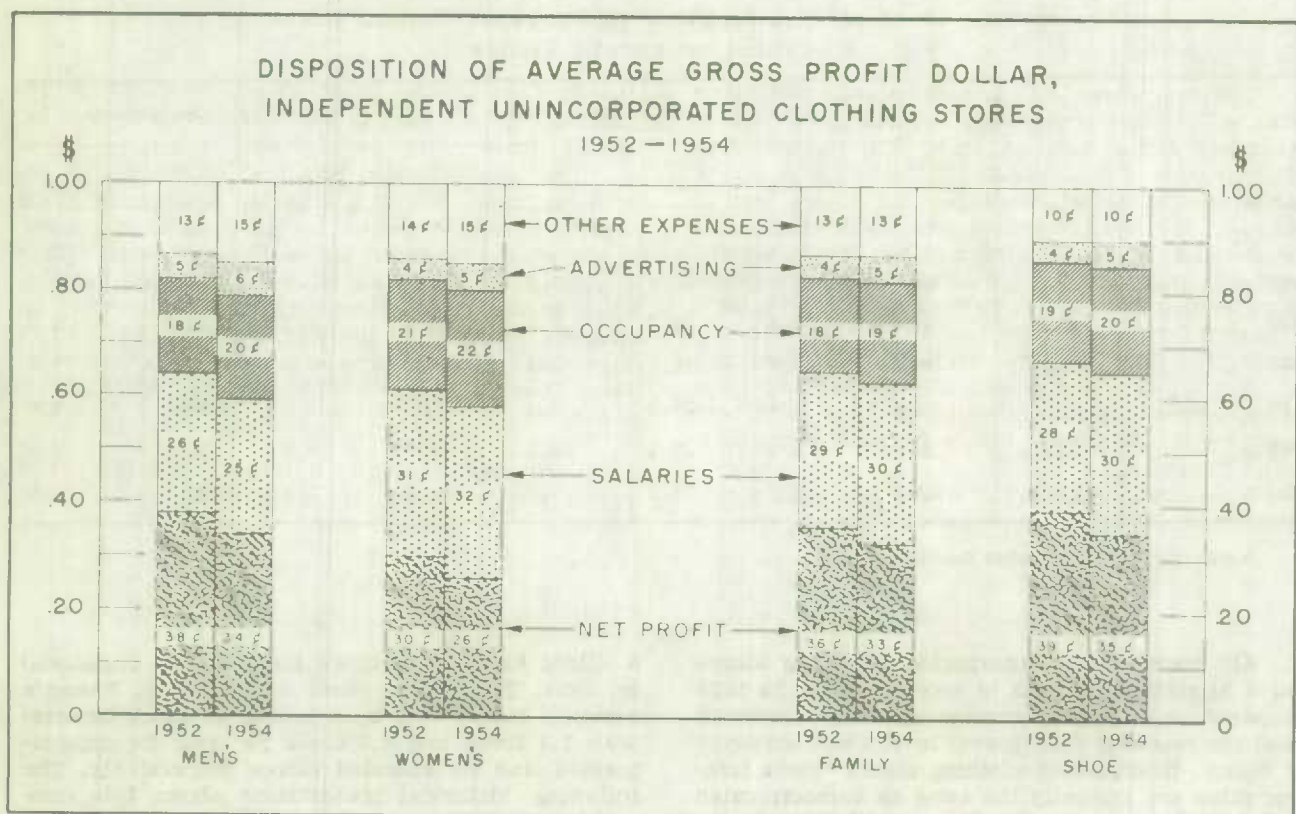
**Stock Turnover Rate<sup>1</sup> of Clothing Stores**  
**Historical Summary by Trades**

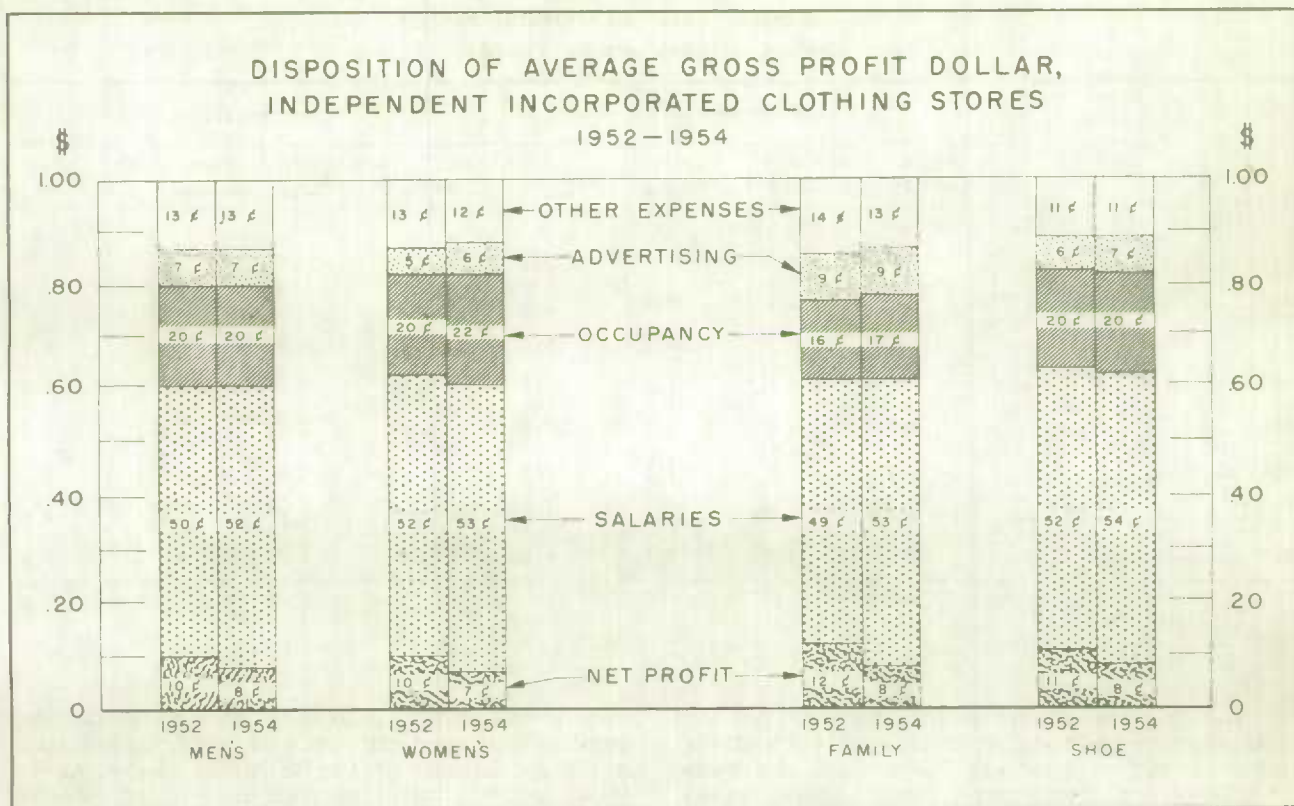
Year	Unincorporated				Incorporated			
	Men's clothing	Women's clothing	Family clothing	Shoes	Men's clothing	Women's clothing	Family clothing	Shoes
1941 .....	2.1	4.1		2.1	N/A.			
1944 .....	2.7	4.6	3.0	2.9				
1945 .....	3.5	4.8	3.1	3.0	4.1	5.7	3.7	4.2
1946 .....	3.6	4.6	3.2	2.9	4.1	5.2	4.0	4.0
1948 .....	2.7	4.6	2.7	2.2	2.9	6.1	3.3	2.6
1950 .....	2.1	3.5	2.2	1.9	2.4	4.0	2.7	2.1
1952 .....	2.3	3.7	2.3	1.9	2.2	4.6	3.0	2.0
1954 .....	1.9	3.4	2.1	1.8	2.0	4.7	2.5	1.9

1. Times per year.

The following charts on the disposition of the average gross profit dollar for independent clothing stores is self explanatory. Comparisons are made for unincorporated and incorporated clothing trades as to net operating profit and operating expenses for 1952 and 1954. No attempt was made to show

owned and rented stores separately. Their most basic predominant difference is in occupancy cost, which is normally greater in rented stores. Advertising plays a more important role in incorporated than unincorporated clothing stores.





### FINANCIAL STRUCTURE

Balance sheet data has been collected since 1948, with some improvements made in 1950. Various operating ratios can be made from tabular data shown under the separate trades on subsequent pages of this report. Averages are shown here in summary for unincorporated and incorporated and for owned and rented clothing stores separately and represent only stores in the \$20,000 and over annual sales volume categories. Reference should be made to page 6 for definitions of these ratios. These ratios are derived from the firms reporting in the designated years, not necessarily from identical firms throughout the series. Some ratios have only been compiled for two years, others for four years, biennially from 1948.

The current ratio of all trades has remained in a favourable position in excess of 2 to 1, (except

for Men's Clothing incorporated owned stores for 1950 and 1954); that is \$2.00 of current assets for each \$1.00 of current liabilities.

The liquidity ratio is a test of credit strength of a business, that is a standard position of \$1.00 readily converted assets for each \$1.00 of current liabilities. Any ratio below 1 would most likely denote a high inventory of merchandise on hand. A large amount of stock seems inevitable to carry on efficient business in the clothing trades; of course other reasons could influence the ratio unfavourably, such as any excessive liabilities i.e. loans, mortgages, etc.

Other ratios, both in trade comparisons and yearly within trades, are seen from the following table.

## INDEPENDENT RETAIL CLOTHING STORES

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## Balance Sheet Ratios Independent Retail Clothing Stores as at December 31, 1948-50-52-54

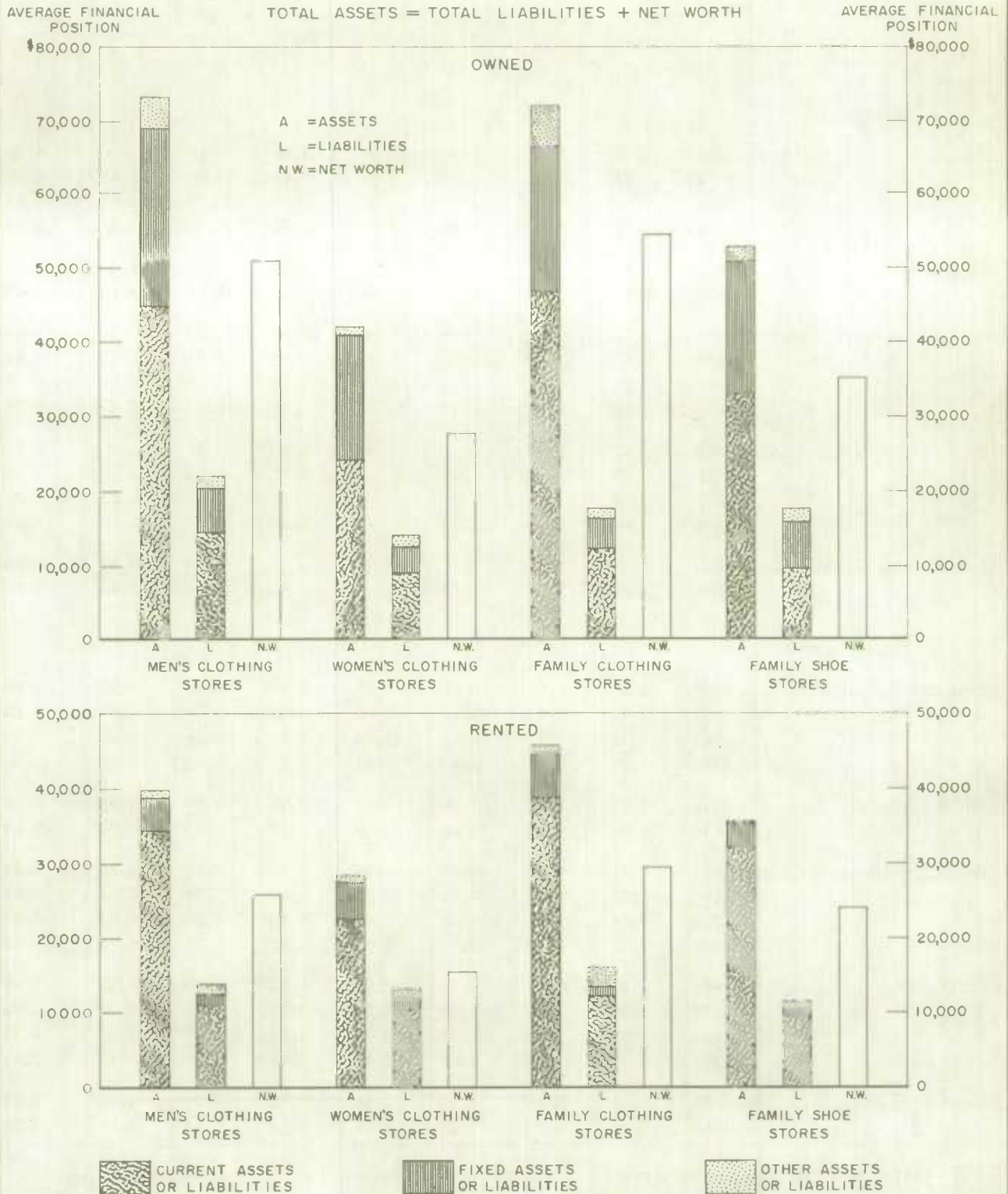
Items <sup>1</sup>		Owned				Rented			
		Men's clothing	Women's clothing	Family clothing	Shoe stores	Men's clothing	Women's clothing	Family clothing	Shoe stores
Incorporated									
Current ratio .....	1948	3.12	—	—	—	3.16	2.61	—	4.88
	1950	1.80	—	—	—	2.82	2.38	2.82	2.59
	1952	2.02	—	—	—	2.95	2.27	2.54	2.62
	1954	1.89	—	3.62	—	2.88	2.32	2.73	2.40
Liquidity ratio .....	1952	0.82	—	—	—	1.01	1.18	1.32	0.55
	1954	0.71	—	1.40	—	0.96	1.18	1.12	0.45
Working capital to net worth ratio	1948	0.73	—	—	—	0.96	0.80	—	0.88
	1950	0.47	—	—	—	0.84	0.78	0.89	0.88
	1952	0.52	—	—	—	0.85	0.80	0.86	0.77
	1954	0.52	—	0.75	—	0.93	0.74	0.95	0.74
Worth debt ratio .....	1948	1.67	—	—	—	1.85	1.69	—	3.57
	1950	1.15	—	—	—	1.82	1.54	1.75	1.43
	1952	1.37	—	—	—	1.85	1.45	1.59	2.01
	1954	1.06	—	2.24	—	1.37	1.49	1.32	1.64
Turnover of total capital employed	1952	1.37	—	—	—	1.81	2.70	1.85	1.89
	1954	1.00	—	1.58	—	1.62	2.64	1.85	1.85
Unincorporated									
Current ratio .....	1948	2.58	2.43	2.95	3.25	2.87	2.73	2.79	3.00
	1950	2.87	2.65	3.12	3.02	2.67	2.19	2.75	2.81
	1952	3.33	2.73	3.91	3.88	2.66	2.55	2.98	3.21
	1954	3.09	2.66	3.82	3.41	3.12	2.17	3.22	3.39
Liquidity ratio .....	1952	1.22	1.19	1.29	0.92	0.86	1.07	1.03	0.75
	1954	1.09	0.99	1.46	0.80	0.96	0.92	0.94	0.63
Working capital to net worth ratio	1948	0.57	0.51	0.67	0.66	0.88	0.86	0.90	0.88
	1950	0.63	0.49	0.70	0.69	0.83	0.79	0.91	0.91
	1952	0.64	0.51	0.73	0.69	0.85	0.86	0.87	0.91
	1954	0.60	0.54	0.64	0.66	0.90	0.79	0.91	0.94
Worth debt ratio .....	1948	2.27	1.75	2.13	2.86	1.92	1.75	1.73	2.04
	1950	2.08	2.17	2.00	1.92	1.72	1.27	1.54	1.79
	1952	2.56	2.39	2.84	2.45	1.61	1.58	1.86	2.10
	1954	2.30	1.96	3.06	1.98	1.86	1.18	1.83	2.09
Turnover of total capital employed	1952	1.41	1.78	1.42	1.36	1.91	2.76	1.92	1.93
	1954	1.12	1.67	1.28	1.14	1.79	2.44	1.91	2.04

1. Ratio definitions are shown on page 6.



# COMPARISON OF FINANCIAL STRUCTURE OF UNINCORPORATED CLOTHING STORES

## AVERAGE FINANCIAL POSITION AS AT DECEMBER 31, 1954



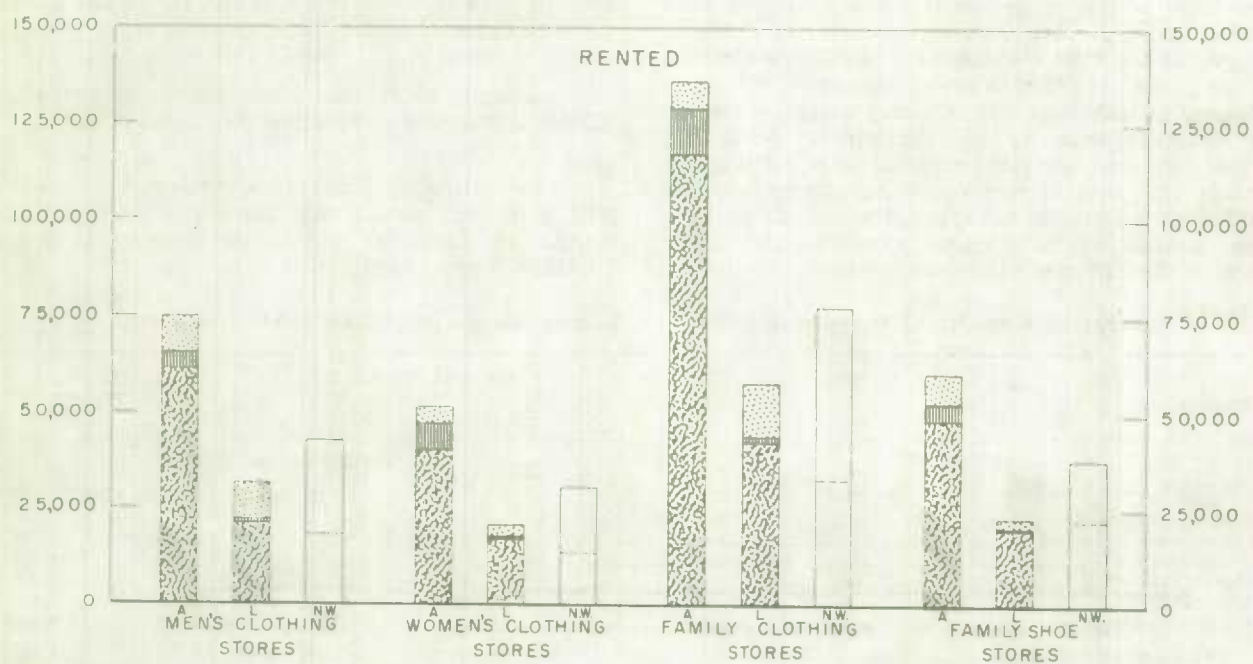
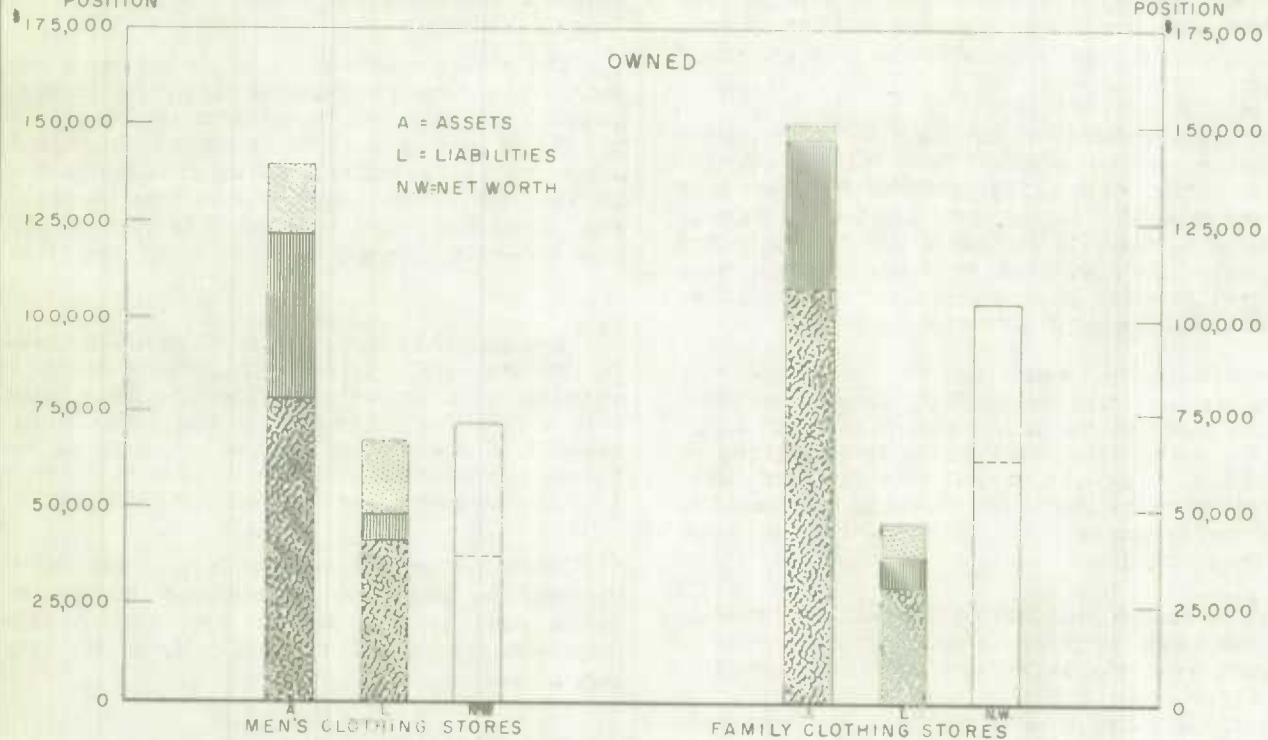
# COMPARISON OF FINANCIAL STRUCTURE OF INCORPORATED CLOTHING STORES

AVERAGE FINANCIAL POSITION AS AT DECEMBER 31, 1954

AVERAGE FINANCIAL POSITION

TOTAL ASSETS = TOTAL LIABILITIES + NET WORTH

AVERAGE FINANCIAL POSITION



CURRENT ASSETS OR LIABILITIES

FIXED ASSETS OR LIABILITIES

OTHER ASSETS OR LIABILITIES

SURPLUS CAPITAL STOCK } NET WORTH

## INDEPENDENT MEN'S CLOTHING STORES

Only retail establishments selling mainly men's and boys' ready-made clothing such as overcoats, top coats, suits and work clothing are used in this report. Hats, shoes, underwear, shirts, gloves, hosiery etc. may be carried but if sale of such accessories and furnishing exceeds 80% of total sales, such a store is classified as a "Furnishing" store.

Unincorporated and incorporated "single establishment" or "independent" firms only are covered. After careful editing, 363 questionnaires were used in the tabulation for the profit and loss of unincorporated stores (110 for owned and 253 for rented stores). The results of incorporated stores were derived from 144 properly completed questionnaires (17 for owned and 127 for rented stores).

Returns for which balance sheet data were properly completed numbered 301 for unincorporated stores and 140 for incorporated firms. Any change in the actual count from survey to survey may be attributed to changes in store classification, stores going out of business, the necessity of augmenting the survey list or simply to different non-response in the survey years.

Tabulation of balance sheet data was made on a sales-size range basis and, where possible, a further breakdown by number of years in business.

Compilation of profit and loss data was made for different sales-size categories. The response from large stores is generally better than that from smaller ones. To obtain proper ratios for total trade, weights of the 1951 Census were used. For example in response to this survey, independent stores between \$10,000 and \$19,999 may represent 5% of the business done by all respondents. According to the 1951 census, they might account for approximately 11% of total men's clothing store sales. To obtain ratios for total all sizes, the census weights were applied to the various expense and profit ratios of the different sales-size classes.

Summaries showing figures for years prior to 1952 and the charts do not show weighted ratios. For sake of comparability with previous years for which weights are not available, aggregate or un-weighted ratios were used.

The average gross profit expressed as a percentage of average net sales, increased for unincorporated clothing stores for the year 1954 compared to 1952. A more pronounced increase is registered in the operating expenses, with the final result of a decrease in net operating profit in 1954 compared with 1952. Only store supplies (0.58 per cent) in 1954 showed a decrease (0.65 per cent) from 1952.

A similar condition exists in incorporated stores in 1954 over 1952, all items of operating expenses increased to a greater extent than the gross profit with a resulting decrease in net operating profit. Salaries of management charged as operating expenses account for the low net profit ratio of incorporated stores compared to unincorporated stores.

Inventories were at a lower level at the end of the year for both unincorporated and incorporated stores down by 4.48 per cent and 4.42 per cent respectively compared with beginning of the year inventories.

The rate of stock turnover progressively increased with sales-sizes for owned and rented stores for both forms of organization.

Balance sheet ratios are shown historically, affording valuable comparison for further study.

The following summaries, tables and charts, will give more detail and information on operating results and financial position of independent Men's Clothing Stores, 1954.

### Operating Results of Independent Men's Clothing Stores 1952 and 1954 compared.

Item	Unincorporated		Incorporated	
	1952	1954	1952	1954
	(per cent of net sales)			
Gross profit .....	26.37	27.02	29.16	29.83
Operating expenses:				
Employees' salaries .....	6.21	6.43	14.79	15.75
Occupancy .....	5.01	5.74	5.76	6.09
Store supplies .....	0.65	0.58	0.65	0.67
Advertising .....	1.20	1.41	2.03	2.14
All other expenses .....	2.91	3.42	3.14	3.44
Total operating expenses .....	15.98	17.58	26.37	28.09
Net operating profit before deduction of income tax <sup>1</sup> .....	10.39	9.44	2.79	1.74

1. Proprietors' salaries included for unincorporated stores.

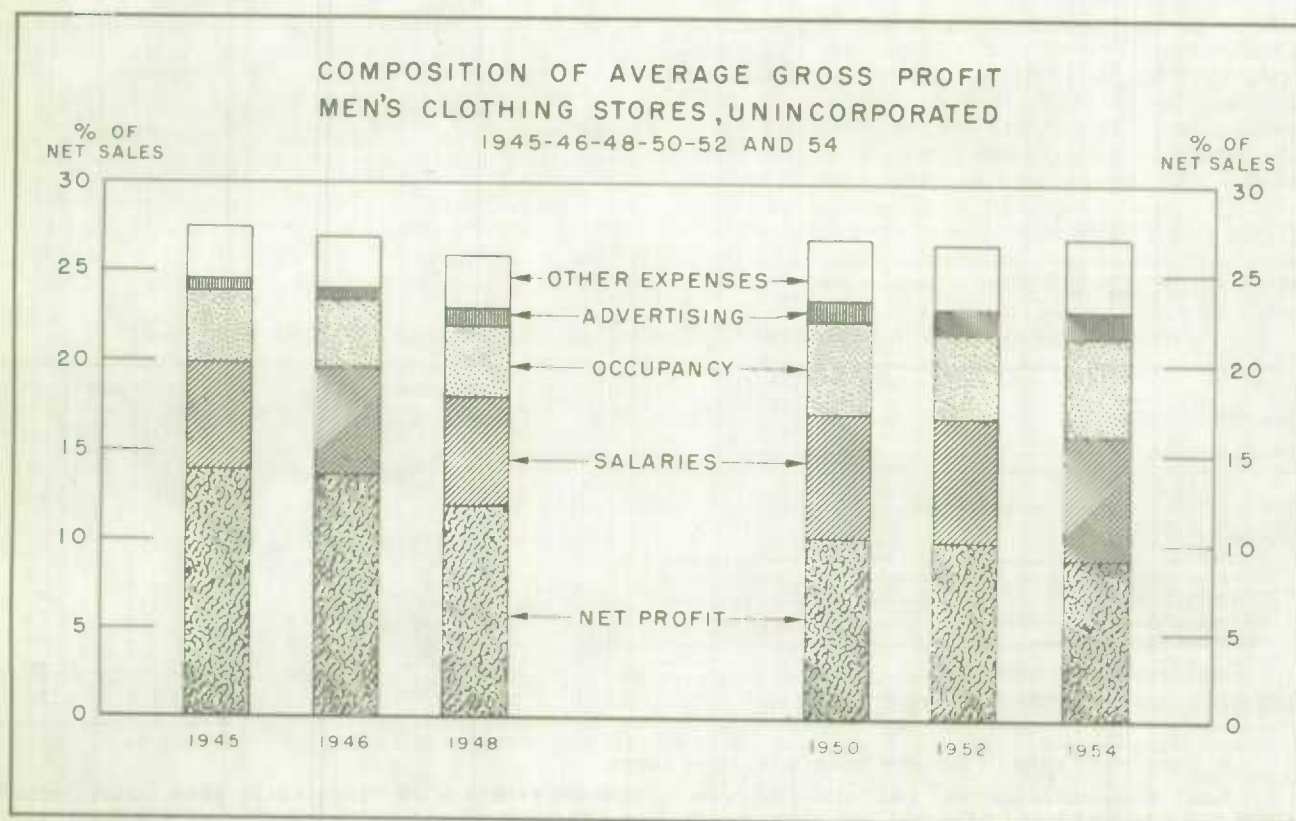
Note: These ratios are "weighted" according to the 1951 Census weights of the different sales sizes for independent stores and are shown here for the first time. They do not agree with ratios shown formerly for 1952 nor with those shown in historical tables.

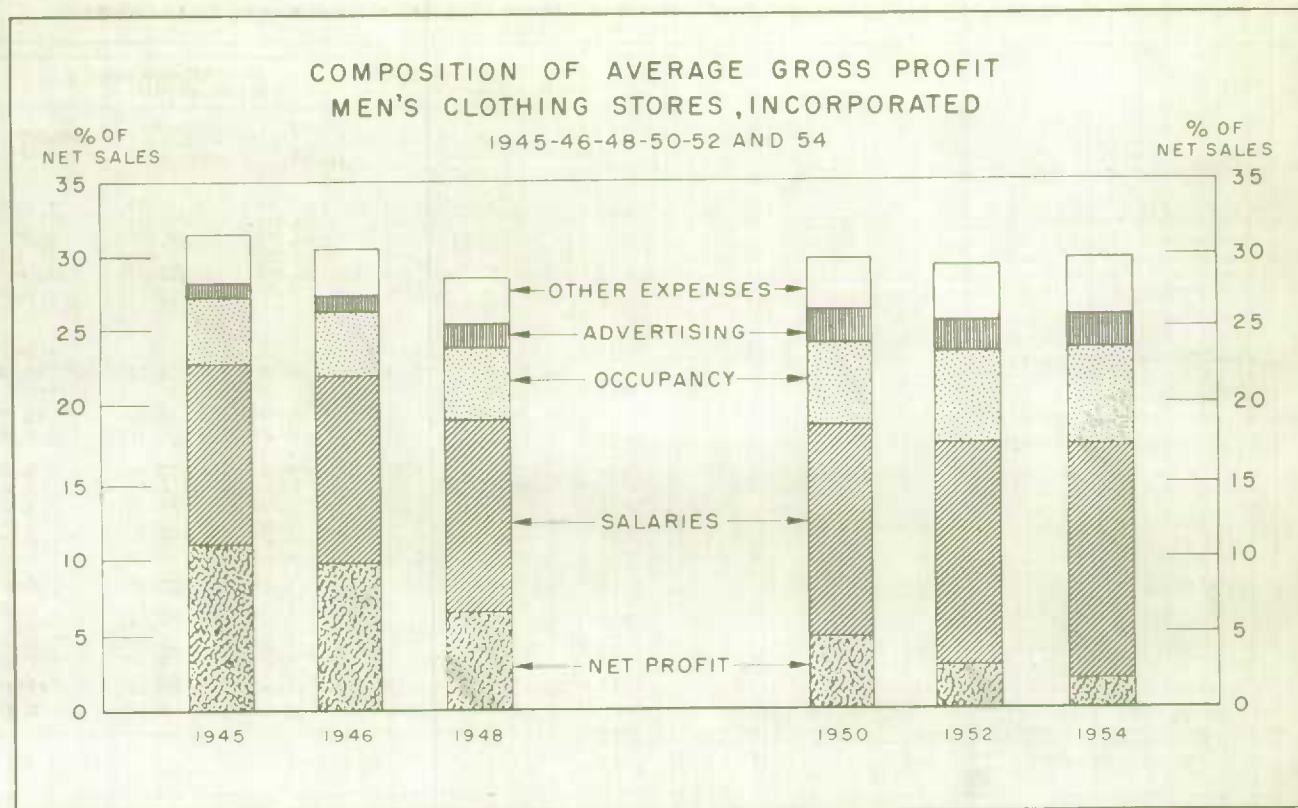


## Balance Sheet Ratios of Independent Men's Clothing Stores as at December 31, 1948-50-52-54

Item		Incorporated		Unincorporated	
		Owned	Rented	Owned	Rented
Current ratio .....	1948	3.12	3.16	2.58	2.87
	1950	1.80	2.82	2.87	2.67
	1952	2.02	2.95	3.33	2.66
	1954	1.89	2.88	3.09	3.12
Liquidity ratio.....	1952	0.82	1.01	1.22	0.86
	1954	0.71	0.96	1.09	0.96
Working capital to net worth ratio .....	1948	0.73	0.96	0.57	0.88
	1950	0.47	0.84	0.63	0.83
	1952	0.52	0.85	0.64	0.85
	1954	0.52	0.93	0.60	0.90
Worth debt ratio.....	1948	1.67	1.85	2.27	1.92
	1950	1.15	1.82	2.08	1.72
	1952	1.37	1.85	2.56	1.61
	1954	1.06	1.37	2.30	1.86
Turnover of total capital employed .....	1952	1.37	1.81	1.41	1.91
	1954	1.00	1.62	1.12	1.79

Note: See page 6 for definitions.





**TABLE 1. Independent Men's Clothing Stores — Operating Results of Unincorporated Stores by Sales Volume and Occupancy Basis, 1954**

Item	Owned stores with annual net sales of				Rented stores with annual net sales of			
	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over
Number of stores reporting .....	16	38	30	26	35	102	73	41
Average net sales per store.....\$	14,049	34,927	72,121	141,862	16,452	34,302	71,092	147,300
Average beginning inventory.....\$	10,152	15,417	30,441	51,893	8,273	14,311	27,564	47,295
Average inventory, end of year.....\$	9,360	14,455	29,356	49,943	8,662	13,937	25,811	44,736
Average cost of goods sold.....\$	10,421	25,427	53,374	104,796	11,561	24,820	52,086	106,981
Stock turnover (times per year).....	1.07	1.70	1.79	2.06	1.37	1.70	1.95	2.32
<b>Profit and Loss Data (Per cent of net sales)</b>								
<b>Gross profit .....</b>	<b>25.82</b>	<b>27.20</b>	<b>25.99</b>	<b>26.12</b>	<b>29.73</b>	<b>27.64</b>	<b>26.73</b>	<b>27.37</b>
<b>Operating expenses:</b>								
Employees' salaries and wages (except delivery).....	2.96	4.51	7.38	8.81	3.37	4.58	6.64	7.90
Delivery .....	0.52	0.37	0.35	0.22	0.48	0.38	0.59	0.26
<b>Occupancy expenses:</b>								
Taxes.....	2.20	1.20	0.86	0.75	0.62	0.41	0.36	0.31
Insurance .....	1.04	0.98	0.78	0.69	0.76	0.74	0.69	0.60
Rent.....	—	—	—	—	5.74	4.30	3.34	2.33
Heat, light and power.....	2.27	1.25	0.71	0.73	1.10	0.81	0.63	0.57
Repairs and maintenance.....	0.93	0.69	0.56	0.63	0.43	0.58	0.51	0.32
Depreciation allowances .....	2.24	1.04	1.26	1.33	0.39	0.69	0.57	0.63
<b>Total occupancy expenses.....</b>	<b>8.68</b>	<b>3.16</b>	<b>4.17</b>	<b>4.13</b>	<b>9.04</b>	<b>7.53</b>	<b>6.10</b>	<b>4.76</b>
Office or store supplies .....	0.59	0.56	0.54	0.54	0.75	0.51	0.57	0.69
Advertising.....	1.24	0.94	1.39	1.68	0.76	0.96	1.66	1.80
Net loss on bad debts.....	0.71	0.17	0.18	0.42	0.22	0.29	0.26	0.30
All other expenses .....	3.46	2.78	2.82	3.05	2.50	2.99	2.83	2.12
<b>Total operating expenses.....</b>	<b>18.16</b>	<b>14.49</b>	<b>16.83</b>	<b>18.85</b>	<b>17.12</b>	<b>17.24</b>	<b>18.65</b>	<b>17.83</b>
<b>Net operating profit before deduction of proprietors' salaries and income tax .....</b>	<b>7.66</b>	<b>12.71</b>	<b>9.16</b>	<b>7.27</b>	<b>12.61</b>	<b>10.40</b>	<b>8.08</b>	<b>9.54</b>

TABLE 2. Independent Men's Clothing Stores — Operating Results of Incorporated Stores by Sales Volume and Occupancy Basis, 1954

Item	Owned stores with annual net sales of		Rented stores with annual net sales of		
	Under \$100,000	\$100,000 and over	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over
Number of stores reporting .....	7	10	16	43	66
Average net sales per store .....	\$ 52,967	193,040	34,017	75,051	174,708
Average beginning inventory .....	\$ 28,949	70,382	15,171	30,608	58,873
Average inventory, end of year .....	\$ 26,592	63,895	14,772	28,716	57,193
Average cost of goods sold .....	\$ 37,648	134,204	23,805	53,643	122,055
Stock turnover (times per year) .....	1.36	2.00	1.59	1.81	2.10
PROFIT AND LOSS DATA (per cent of net sales)					
Gross profit .....	28.92	30.48	30.02	28.52	30.13
Operating expenses:					
Employees' salaries and wages (except delivery) .....	17.48	16.24	17.79	15.49	15.27
Delivery .....	0.27	0.20	0.43	0.18	0.23
Occupancy expenses:					
Taxes .....	1.27	1.21	0.50	0.44	0.34
Insurance .....	0.91	0.87	0.74	0.71	0.59
Rent .....	—	—	5.08	4.44	3.53
Heat, light and power .....	0.91	0.84	0.86	0.68	0.60
Repairs and maintenance .....	0.39	0.43	0.51	0.29	0.33
Depreciation allowances .....	0.28	1.71	0.75	0.49	0.62
Total occupancy expenses .....	3.76	5.06	8.44	7.05	6.01
Office or store supplies .....	1.08	0.83	0.47	0.58	0.63
Advertising .....	1.80	2.46	1.62	1.68	2.31
Net loss on bad debts .....	0.38	0.18	0.26	0.30	0.27
All other expenses .....	1.89	4.13	3.05	3.12	2.60
Total operating expenses .....	26.66	29.10	32.06	28.40	27.32
Net operating profit before provision for income tax .....	2.26	1.38	2.04 <sup>1</sup>	0.12	2.81

1. Net operating loss.

TABLE 3. Independent Men's Clothing Stores — Owned — Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of							Total all sizes \$20,000 and over
	\$20,000- \$49,999	\$50,000 - \$99,999			\$100,000 and over			
		Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
(average per store)								
Assets								
Current assets:								
Cash on hand and in bank .....	4,496	2,011	7,046	5,368	6,595	10,561	8,657	5,930
Accounts and notes receivable (net) .....	1,031	2,386	3,865	3,372	8,654	8,613	8,632	3,877
Merchandise inventory .....	14,335	28,423	29,802	29,342	51,701	49,516	50,565	29,064
Other current assets .....	6,662	1,851	5,310	4,157	4,524	9,646	7,188	6,050
Total current assets .....	26,524	34,671	46,023	42,239	71,474	78,336	75,042	44,921
Fixed assets (net):								
Used in the business .....	8,777	12,302	13,751	13,268	42,547	38,826	40,613	19,082
Not used in the business .....	8,616	2,143	1,006	1,385	2,448	5,355	3,959	5,114
Total fixed assets (net) .....	17,393	14,445	14,757	14,653	44,995	44,181	44,572	24,196
Other assets:								
Long term investments .....	4,856	22	—	7	175	6,891	3,867	3,051
Other assets .....	1,181	556	76	236	1,529	1,518	1,523	990
Total other assets .....	6,037	578	76	243	1,704	8,409	5,190	4,041
Total assets .....	49,954	49,694	60,856	57,135	118,173	130,928	124,804	73,158
Liabilities								
Current liabilities								
Accounts and notes payable .....	5,698	8,250	15,089	12,809	39,551	20,160	29,468	14,532
Fixed liabilities:								
Mortgages on fixed assets used in business .....	1,125	3,824	3,804	3,811	25,362	3,390	13,936	5,539
Mortgages on fixed assets not used in business .....	860	—	—	—	226	—	108	388
Total fixed liabilities .....	1,985	3,824	3,804	3,811	25,588	3,390	14,044	5,927
Other liabilities .....	725	1,479	787	1,017	3,128	4,561	3,873	1,698
Total liabilities .....	8,408	13,553	19,680	17,637	68,267	28,111	47,385	22,157
Net worth:								
Proprietor's or partners' equity in the business .....	41,546	36,141	41,176	39,498	49,906	102,815	77,419	51,001
Total liabilities and net worth .....	49,954	49,694	60,856	57,135	118,173	130,926	124,804	73,158
Average net sales of stores reporting .....	34,598	69,300	73,432	72,054	131,681	151,785	142,135	76,168
Number of stores reporting .....	37	9	18	27	12	13	25	89



**TABLE 4. Independent Men's Clothing Stores - Rented - Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954**

Item	Stores with annual net sales of									Total all sizes \$20,000 and over
	\$20,000-\$49,999			\$50,000-\$99,999			\$100,000 and over			
	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
(average per store)										
Assets										
Current assets:										
Cash on hand and in bank .....	2, 118	2, 944	2, 569	3, 000	6, 838	5, 399	7, 853	13, 055	11, 533	5, 263
Accounts and notes receivable .....	1, 799	1, 137	1, 438	3, 284	4, 178	3, 843	11, 159	8, 415	9, 218	3, 759
Merchandise inventory .....	13, 860	13, 650	13, 745	26, 883	25, 430	25, 975	38, 171	47, 450	44, 734	23, 892
Other current assets .....	366	1, 443	953	742	1, 354	1, 124	925	5, 316	4, 031	1, 607
<b>Total current assets .....</b>	<b>18, 143</b>	<b>19, 174</b>	<b>18, 705</b>	<b>33, 909</b>	<b>37, 800</b>	<b>36, 341</b>	<b>58, 108</b>	<b>74, 236</b>	<b>69, 516</b>	<b>34, 521</b>
Fixed assets (net):										
Used in the business .....	2, 230	1, 634	1, 905	2, 679	3, 290	3, 061	5, 016	3, 654	4, 053	2, 713
Not used in the business .....	64	1, 885	1, 057	70	3, 610	2, 282	785	2, 159	1, 757	1, 608
<b>Total fixed assets (net) .....</b>	<b>2, 294</b>	<b>3, 519</b>	<b>2, 962</b>	<b>2, 749</b>	<b>6, 900</b>	<b>5, 343</b>	<b>5, 801</b>	<b>5, 813</b>	<b>5, 810</b>	<b>4, 321</b>
Other assets:										
Long term investments .....	44	301	185	—	596	373	—	897	634	335
Other assets .....	174	138	154	562	1, 597	1, 209	1, 177	1, 184	1, 182	712
<b>Total other assets .....</b>	<b>218</b>	<b>439</b>	<b>339</b>	<b>562</b>	<b>2, 193</b>	<b>1, 582</b>	<b>1, 177</b>	<b>2, 081</b>	<b>1, 816</b>	<b>1, 047</b>
<b>Total assets .....</b>	<b>20, 655</b>	<b>23, 132</b>	<b>22, 006</b>	<b>37, 220</b>	<b>46, 893</b>	<b>43, 266</b>	<b>65, 086</b>	<b>82, 130</b>	<b>77, 142</b>	<b>39, 889</b>
Liabilities										
Current liabilities:										
Accounts and notes payable .....	7, 032	6, 160	6, 556	13, 945	10, 486	11, 784	22, 916	19, 864	20, 757	11, 078
Fixed liabilities:										
Mortgages on fixed assets used in business .....	151	381	276	2, 066	543	1, 114	2, 083	1, 045	1, 349	768
Mortgages on fixed assets not used in business .....	369	920	670	—	1, 045	653	124	386	310	595
<b>Total fixed liabilities .....</b>	<b>520</b>	<b>1, 301</b>	<b>946</b>	<b>2, 066</b>	<b>1, 588</b>	<b>1, 767</b>	<b>2, 207</b>	<b>1, 431</b>	<b>1, 659</b>	<b>1, 363</b>
Other liabilities .....	1, 581	834	1, 174	2, 672	1, 983	2, 241	414	1, 132	921	1, 487
<b>Total liabilities .....</b>	<b>9, 133</b>	<b>8, 295</b>	<b>8, 676</b>	<b>18, 683</b>	<b>14, 057</b>	<b>15, 792</b>	<b>25, 537</b>	<b>22, 427</b>	<b>23, 337</b>	<b>13, 928</b>
Net worth: proprietor's or partners' equity in the business .....	11, 522	14, 837	13, 330	18, 537	32, 836	27, 474	39, 549	59, 703	53, 805	25, 961
<b>Total liabilities and net worth .....</b>	<b>20, 655</b>	<b>23, 132</b>	<b>22, 006</b>	<b>37, 220</b>	<b>46, 893</b>	<b>43, 266</b>	<b>65, 086</b>	<b>82, 130</b>	<b>77, 142</b>	<b>39, 889</b>
Average net sales of stores reporting .....	33, 314	35, 363	34, 431	70, 171	71, 568	71, 044	147, 568	147, 189	147, 300	68, 694
Number of stores reporting .....	45	54	99	27	45	72	12	29	41	21

**TABLE 5. Independent Men's Clothing Stores - Owned - Financial Structure of Incorporated Stores by Size of Business as at December 31, 1954**

Item	Stores with annual net sales of		Total all sizes \$20,000 and over
	Under \$100,000	\$100,000 and over	
Assets	(average per store)		
Current assets:			
Cash on hand and in bank.....	9,232	10,739	10,080
Accounts and notes receivable (net).....	3,365	17,301	11,204
Merchandise inventory.....	26,681	66,728	49,208
Other current assets.....	5,536	10,401	8,272
Total current assets.....	44,814	105,169	78,764
Fixed assets (net):			
Used in the business.....	9,849	62,747	39,605
Not used in the business.....	—	6,534	3,675
Total fixed assets (net).....	9,849	69,281	43,280
Other assets:			
Long term investments.....	286	23,160	13,152
Other assets.....	34	7,948	4,466
Total other assets.....	320	31,108	17,638
Total assets.....	54,983	205,558	139,682
Liabilities			
Current liabilities:			
Accounts and notes payable.....	7,352	68,377	41,678
Fixed liabilities:			
Mortgages on fixed assets used in business.....	4,215	8,204	6,459
Mortgages on fixed assets not used in business.....	—	168	95
Total fixed liabilities.....	4,215	8,372	6,554
Other liabilities.....	330	34,368	19,476
Total liabilities.....	11,897	111,117	67,708
Net worth:			
Capital stock.....	17,004	53,548	37,560
Surplus and undivided profits.....	26,082	40,893	34,414
Total net worth.....	43,086	94,441	71,974
Total liabilities and net worth.....	54,983	205,558	139,682
Average net sales of stores reporting.....	52,967	201,299	136,404
Number of stores reporting.....	7	9	16

TABLE 6. Independent Men's Clothing Stores—Rented—Financial Structure of Incorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of							Total all sizes \$20,000 and over
	\$20,000— \$49,999	\$50,000 — \$99,999			\$100,000 and over			
		Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
(average per store)								
Assets								
Current assets:								
Cash on hand and in Bank .....	2,917	6,619	5,359	5,916	5,194	11,407	8,668	6,972
Accounts and notes receivable (net) .....	1,533	3,455	4,849	4,233	16,345	16,643	16,510	10,320
Merchandise inventory .....	14,663	32,680	25,593	28,725	52,219	58,370	55,626	41,012
Other current assets .....	491	1,761	2,474	2,159	1,880	7,070	4,755	3,304
Total current assets .....	19,604	44,515	38,275	41,033	75,638	93,550	85,559	61,608
Fixed assets (net):								
Used in the business .....	1,768	3,186	2,068	2,561	5,725	4,531	5,064	3,771
Not used in the business .....	—	—	1,736	989	145	74	106	391
Total fixed assets (net) .....	1,768	3,186	3,804	3,530	5,870	4,605	5,170	4,162
Other assets:								
Long term investments .....	—	619	2,638	1,834	1,964	7,505	5,033	3,274
Other assets .....	613	4,033	1,821	2,799	6,664	11,300	9,231	5,889
Total other assets .....	613	4,652	4,459	4,633	8,628	18,805	14,264	9,163
Total assets .....	21,985	52,353	46,538	49,196	90,136	116,960	104,993	74,933
Liabilities								
Current liabilities:								
Accounts and notes payable .....	9,306	12,054	12,359	12,225	33,469	28,089	30,478	21,316
Fixed liabilities:								
Mortgages on fixed assets used in business .....	175	—	668	372	263	243	252	284
Mortgages on fixed assets not used in business .....	—	—	—	—	—	—	—	—
Total fixed liabilities .....	175	—	668	372	263	243	252	284
Other liabilities .....	1,782	10,610	3,849	6,837	14,172	13,785	13,958	9,917
Total liabilities .....	11,263	22,664	16,876	19,434	47,904	42,097	44,688	31,517
Net worth:								
Capital stock .....	7,425	15,320	15,470	15,404	17,465	28,684	23,679	18,712
Surplus and undivided profits .....	3,297	14,569	14,192	14,358	24,787	46,179	36,626	24,604
Total net worth .....	10,722	29,889	29,662	29,762	42,232	74,863	60,305	43,316
Total liabilities and net worth .....	21,985	52,553	46,538	49,196	90,136	116,960	104,993	74,933
Average net sales of stores reporting .....	34,017	77,279	73,288	75,051	166,240	177,485	172,468	120,822
Number of stores reporting .....	16	19	24	43	29	36	65	124



## INDEPENDENT WOMEN'S CLOTHING STORES

Only retail establishments selling mainly women's ready-to-wear coats, suits and dresses, with or without women's accessories (hosiery, lingerie, millinery, etc.), were included in the survey. If piece goods are sold, sales must not exceed 50% of total net sales.

Unincorporated and incorporated "single establishment" or "independent" firms only are covered. After careful editing 310 questionnaires were used in the tabulation for the profit and loss of unincorporated stores (87 owned and 223 rented stores). The results of incorporated stores were derived from 94 properly completed questionnaires, all rented stores.

Returns for which balance sheet data were properly completed numbered 241 for unincorporated stores and 91 for incorporated firms. Any change in the actual count from survey to survey may be attributed to changes in store classification, stores going out of business, the necessity of augmenting the survey list or simply to different non-response in the survey years.

Tabulation of balance sheet data was made on a sales-size range basis and where possible, a further breakdown by number of years in business.

Classification of profit and loss data was made for different sales size categories. The response from large stores is generally better than that from smaller ones. To obtain proper ratios for total trade, weights of the 1951 Census were used. For example in response to this survey, independent stores between \$10,000 and \$19,999 may represent 5% of the business done by all respondents. According to the 1951 census, they might account for approximately 11% of total Women's clothing store sales. To obtain ratios for total all sizes, the census weights were applied to the various expense and profit ratios of the different sales-size classes.

Summaries showing figures for years prior to 1952 and the charts do not show weighted ratios. For sake of comparability with previous years for which weights are not available, aggregate or un-weighted ratios were used.

The average gross profit expressed as a percentage of average net sales increased in 1954 over 1952 for both unincorporated stores 26.78 to 27.38 per cent, incorporated stores 29.76 to 31.23 per cent respectively. Net profit decreased from 8.41 per cent in 1952 to 7.60 per cent in 1954 for unincorporated stores and from 2.51 per cent in 1952 to 2.00 per cent in 1954 for incorporated stores. The obvious result of the greater increase of operating expenses over gross profit increases is noticed in the net operating profit. Stores supplies expense held firm for incorporated stores and even decreased for unincorporated stores, while "all other" expenses are slightly down in 1954 in the incorporated category. Salaries of management of incorporated stores charged as operating expenses account for the low net profit ratio compared to unincorporated stores.

Inventories were at a lower level at the end of the year, down 1.7 per cent from beginning inventories for unincorporated stores. A higher level, up by 3.4 per cent at the end of the year was reached for incorporated stores, the only group with an increase in inventories in the clothing trades.

The rate of stock turnover increased with sale sizes, except for owned unincorporated stores with less than \$10,000 annual sales. Too few stores reported in the owned incorporated group to permit tabulation.

Balance sheet ratios are shown historically, affording valuable comparison for further study.

The following summaries, tables and charts give more detail and information on the operating results and financial position of independent Women's clothing stores, 1954.

### Operating Results of Independent Women's Clothing Stores 1952 and 1954 compared

Item	Unincorporated		Incorporated <sup>1</sup>	
	1952	1954	1952	1954
	(per cent of net sales)			
Gross profit .....	26.78	27.38	29.76	31.23
Operating expenses:				
Employees' salaries .....	7.61	8.09	15.50	16.57
Occupancy .....	5.93	6.44	6.43	7.08
Store Supplies .....	0.69	0.66	0.77	0.77
Advertising .....	0.97	1.10	1.36	1.63
All other expenses .....	3.17	3.49	3.19	3.18
Total operating expenses .....	18.37	19.78	27.25	29.23
Net operating profit before deduction of income tax <sup>2</sup> .....	8.41	7.60	2.51	2.00

1. Covers only rented stores.

2. Proprietors' salaries included for unincorporated stores.

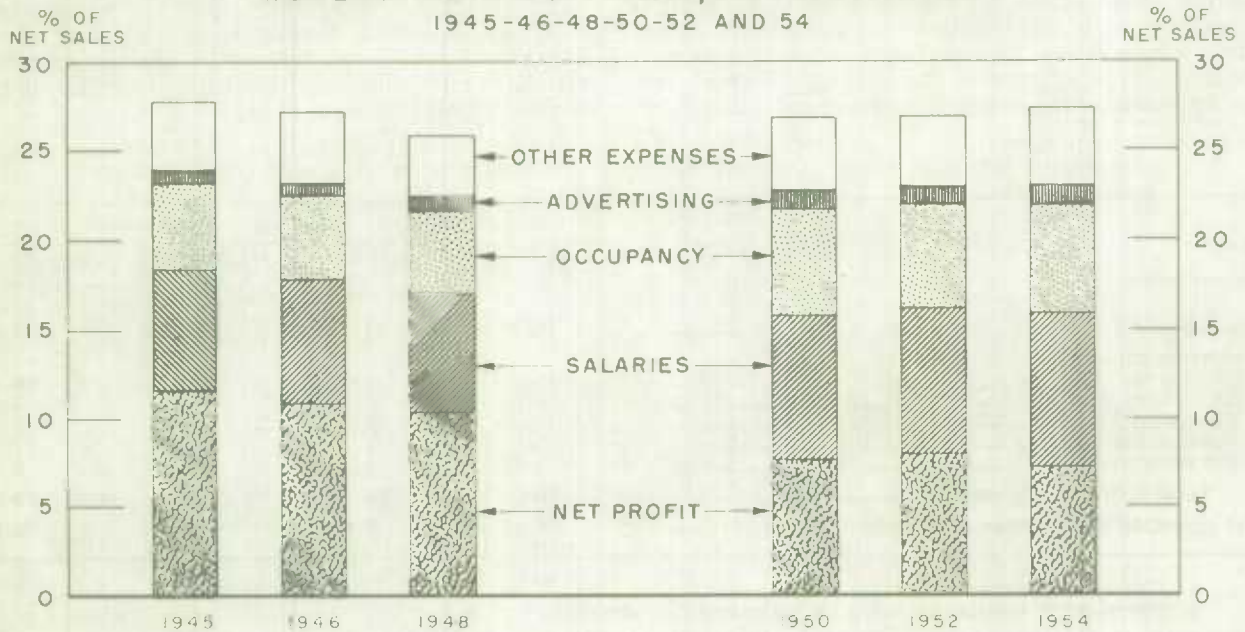
Note: These ratios are "weighted" according to the 1951 Census weights of the different sales sizes for independent stores and are shown here for the first time. They do not agree with ratios shown formerly for 1952 nor with those shown in historical tables.

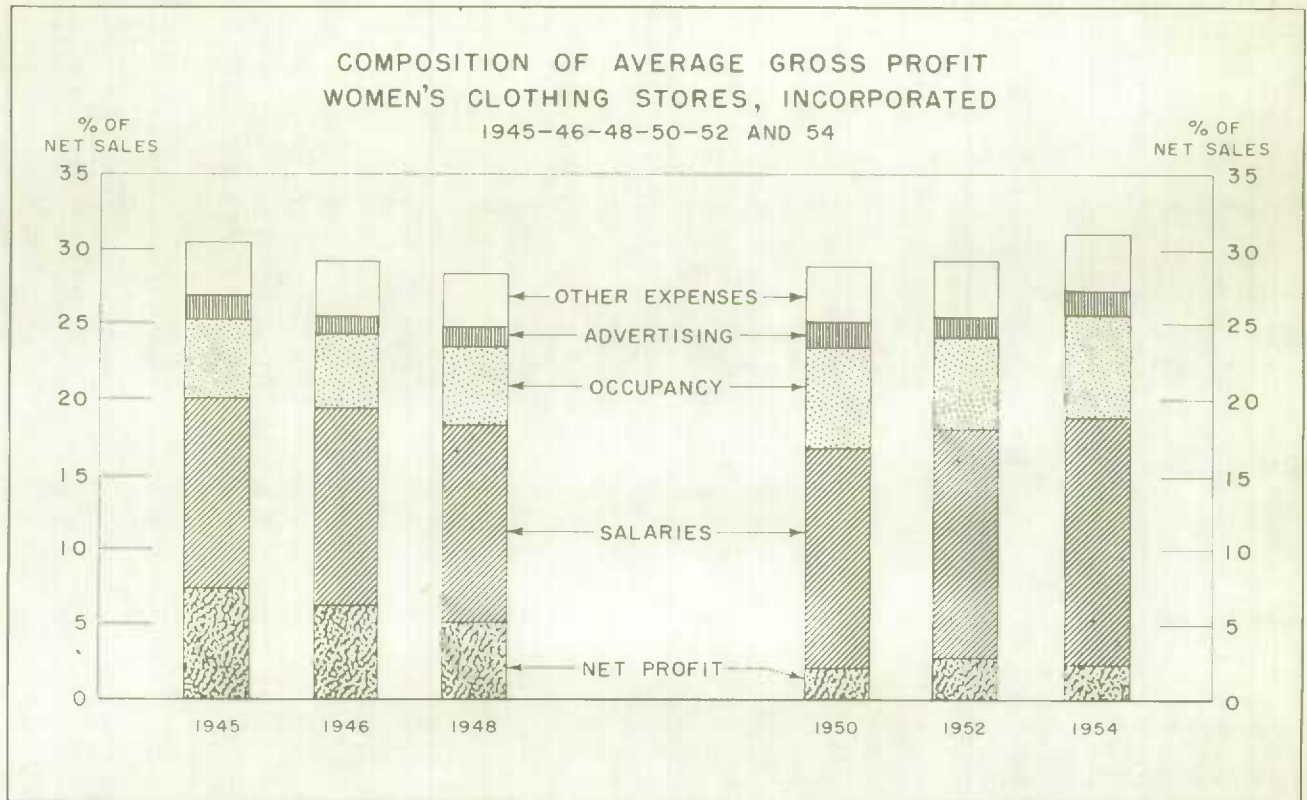


## Balance Sheet Ratios of Independent Women's Clothing Stores as at December 31, 1948-50-52-54

Item		Incorporated	Unincorporated	
		Rented	Owned	Rented
Current ratio .....	1948	2.61	2.43	2.73
	1950	2.38	2.65	2.19
	1952	2.27	2.73	2.55
	1954	2.32	2.66	2.17
Liquidity ratio .....	1952	1.18	1.19	1.07
	1954	1.18	0.99	0.92
Working capital to net worth ratio .....	1948	0.80	0.51	0.86
	1950	0.78	0.49	0.79
	1952	0.80	0.51	0.86
	1954	0.74	0.54	0.79
Worth debt ratio .....	1948	1.69	1.75	1.75
	1950	1.54	2.17	1.27
	1952	1.45	2.39	1.58
	1954	1.49	1.96	1.18
Turnover of total capital employed .....	1952	2.70	1.78	2.76
	1954	2.64	1.67	2.44

COMPOSITION OF AVERAGE GROSS PROFIT  
WOMEN'S CLOTHING STORES, UNINCORPORATED  
1945-46-48-50-52 AND 54





**TABLE 7. Independent Women's Clothing Stores — Operating Results of Unincorporated Stores by Sales Volume and Occupancy Basis, 1954**

Item	Owned stores with annual net sales of					Rented stores with annual net sales of				
	Under \$10,000	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over	Under \$10,000	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over
Number of stores reporting .....	8	13	35	21	10	7	28	89	66	33
Average net sales per store .....	\$ 7,217	14,739	33,933	76,359	157,006	7,717	15,981	34,208	71,035	142,476
Average beginning inventory .....	\$ 3,074	6,190	12,406	16,147	21,790	3,016	6,319	9,402	12,857	23,799
Average inventory, end of year .....	\$ 2,878	6,660	12,139	16,046	23,020	2,948	6,311	9,449	12,106	23,105
Average cost of goods sold .....	\$ 5,485	10,498	24,562	56,343	114,978	4,922	11,532	24,772	51,160	104,224
Stock turnover (times per year) .....	1.84	1.63	2.00	3.50	5.13	1.65	1.83	2.63	4.10	4.44
<b>Profit and Loss Data (Per cent of net sales)</b>										
<b>Gross profit .....</b>	<b>23.99</b>	<b>28.77</b>	<b>26.44</b>	<b>26.21</b>	<b>26.77</b>	<b>36.22</b>	<b>27.84</b>	<b>27.58</b>	<b>27.98</b>	<b>26.84</b>
Operating expenses:										
Employees' salaries and wages (except delivery) .....	2.36	7.85	6.84	9.40	9.53	7.34	4.07	6.94	9.50	9.77
Delivery .....	0.39	0.99	0.39	0.34	0.52	0.08	0.35	0.48	0.49	0.31
Occupancy expenses:										
Taxes .....	2.11	1.45	1.03	0.96	0.61	0.87	0.51	0.34	0.40	0.30
Insurance .....	0.99	1.05	0.82	0.68	0.56	0.83	0.74	0.53	0.55	0.44
Rent .....	—	—	—	—	—	8.88	6.44	4.31	4.08	2.74
Heat, light and power .....	2.88	2.05	1.24	1.00	0.65	2.56	1.27	0.80	0.59	0.48
Repairs and maintenance .....	1.20	0.65	1.07	0.61	0.33	0.94	0.47	0.50	0.46	0.46
Depreciation allowances .....	2.41	1.06	1.47	1.34	1.56	0.93	0.35	0.58	0.75	0.87
<b>Total occupancy expenses .....</b>	<b>9.59</b>	<b>6.26</b>	<b>5.63</b>	<b>4.59</b>	<b>3.71</b>	<b>15.01</b>	<b>9.78</b>	<b>7.06</b>	<b>6.83</b>	<b>5.29</b>
Office or store supplies .....	0.90	0.56	0.75	0.61	0.66	0.74	0.88	0.64	0.56	0.69
Advertising .....	0.55	0.58	0.71	1.17	1.62	1.44	0.89	1.03	1.17	1.34
Net loss on bad debts .....	0.09	0.05	0.12	0.14	0.06	—	0.10	0.17	0.13	0.34
All other expenses .....	2.10	2.97	3.05	3.12	2.97	4.71	2.51	2.92	2.78	2.83
<b>Total operating expenses .....</b>	<b>15.98</b>	<b>19.26</b>	<b>17.49</b>	<b>19.37</b>	<b>19.07</b>	<b>29.32</b>	<b>18.58</b>	<b>19.24</b>	<b>21.46</b>	<b>20.57</b>
<b>Net operating profit before deduction of proprietors' salaries and income tax .....</b>	<b>8.01</b>	<b>9.51</b>	<b>8.95</b>	<b>6.84</b>	<b>7.70</b>	<b>6.90</b>	<b>9.26</b>	<b>8.34</b>	<b>6.52</b>	<b>6.27</b>

TABLE 8. Independent Women's Clothing Stores - Operating Results of Incorporated Rented Stores by Sales Volume, 1954

Item	Stores with annual net sales of		
	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over
Number of stores reporting .....	16	30	46
Average net sales per store .....	\$ 35,907	70,557	210,828
Average beginning inventory .....	\$ 8,679	13,537	26,387
Average inventory, end of year .....	\$ 8,305	14,360	27,391
Average cost of goods sold .....	\$ 23,821	49,360	144,859
Stock turnover (times per year) .....	2.80	3.54	5.39
<b>Profit and Loss Data</b> (Per cent of net sales)			
Gross profit .....	33.66	30.04	31.29
Operating expenses:			
Employees' salaries and wages (except delivery) .....	17.33	15.98	16.70
Delivery .....	0.79	0.40	0.45
Occupancy expenses:			
Taxes .....	0.85	0.70	0.44
Insurance .....	0.95	0.72	0.40
Rent .....	6.44	4.87	3.27
Heat, light and power .....	1.24	0.73	0.53
Repairs and maintenance .....	0.41	0.57	0.50
Depreciation allowances .....	0.39	1.05	0.96
Total occupancy expenses .....	10.28	8.64	6.10
Office or store supplies .....	0.63	0.66	0.83
Advertising .....	0.97	1.23	1.85
Net loss on bad debts .....	0.07	0.08	0.28
All other expenses .....	3.57	2.87	2.20
Total operating expenses .....	33.64	29.86	28.41
Net operating profit before provision for income tax .....	0.02	0.18	2.88

TABLE 9. Independent Women's Clothing Stores - Owned - Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of						\$100,000 and over	Total all sizes \$20,000 and over
	\$20,000-\$49,999			\$50,000-\$99,999				
	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total		
(Average per store)								
Assets								
Current assets:								
Cash on hand and in bank.....	1,710	3,473	2,725	1,824	4,523	3,752	4,829	3,392
Accounts and notes receivable (net).....	811	849	833	2,469	3,219	3,004	4,403	2,103
Merchandise inventory.....	14,596	10,464	12,217	16,480	15,889	16,058	23,020	15,165
Other current assets.....	493	1,834	1,285	962	4,125	3,221	11,355	3,483
Total current assets.....	17,610	16,620	17,040	21,735	27,756	26,035	43,607	24,143
Fixed assets (net):								
Used in the business.....	10,012	9,694	9,829	17,454	12,917	14,214	33,142	14,911
Not used in the business.....	116	1,670	1,011	2,750	—	786	7,182	1,901
Total fixed assets (net).....	10,128	11,364	10,840	20,204	12,917	15,000	40,324	16,812
Other assets:								
Long term investments.....	—	316	182	—	107	76	6,066	1,066
Other assets.....	6	45	28	125	53	74	114	57
Total other assets.....	6	361	210	125	160	150	6,180	1,123
Total assets.....	27,744	28,345	28,090	42,064	40,833	41,185	90,111	42,078
Liabilities								
Current liabilities:								
Accounts and notes payable.....	5,241	2,835	3,856	11,834	8,333	9,333	25,811	9,083
Fixed liabilities:								
Mortgages on fixed assets used in business.....	2,192	2,637	2,448	313	1,733	1,328	6,133	2,656
Mortgages on fixed assets not used in business.....	—	68	39	1,589	—	454	4,890	934
Total fixed liabilities.....	2,192	2,705	2,487	1,902	1,733	1,782	11,023	3,590
Other liabilities.....	1,725	2,368	2,096	408	1,213	983	958	1,553
Total liabilities.....	9,158	7,908	8,439	14,144	11,279	12,098	37,792	14,226
Net worth:								
Proprietor's or partners' equity in the business.....	18,586	20,437	19,651	27,920	29,554	29,087	52,319	27,852
Total liabilities and net worth.....	27,744	28,345	28,090	42,064	40,833	41,185	90,111	42,078
Average net sales of stores reporting.....	33,590	34,041	33,850	74,938	76,927	76,359	157,006	67,041
Number of stores reporting.....	14	19	33	6	15	21	10	64



TABLE 10. Independent Women's Clothing Stores - Rented - Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of									Total all sizes \$20,000 and over
	\$20,000-\$49,999			\$50,000-\$99,999			\$100,000 and over			
	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
(Average per store)										
Assets										
Current assets:										
Cash on hand and in bank .....	1,828	2,102	1,976	5,045	4,460	4,674	4,756	6,210	5,694	3,588
Accounts and notes receivable (net).....	1,087	1,259	1,180	4,637	4,387	4,478	12,874	8,879	10,296	3,950
Merchandise inventory .....	10,616	8,965	9,721	11,847	11,861	11,855	30,789	20,223	23,973	12,977
Other current assets .....	1,065	2,593	1,894	1,877	1,966	1,934	1,416	3,963	3,059	2,112
<b>Total current assets .....</b>	<b>14,596</b>	<b>14,919</b>	<b>14,771</b>	<b>23,406</b>	<b>22,674</b>	<b>22,941</b>	<b>49,835</b>	<b>39,275</b>	<b>43,022</b>	<b>22,627</b>
Fixed assets (net):										
Used in the business .....	1,587	1,127	1,337	4,315	4,120	4,191	12,163	5,332	7,756	3,477
Not used in the business .....	1,385	361	830	1,807	861	1,206	612	4,442	3,083	1,359
<b>Total fixed assets (net) .....</b>	<b>2,972</b>	<b>1,488</b>	<b>2,167</b>	<b>6,122</b>	<b>4,981</b>	<b>5,397</b>	<b>12,775</b>	<b>9,774</b>	<b>10,839</b>	<b>4,836</b>
Other assets										
Long term investment .....	384	—	176	—	529	336	—	48	31	207
Other assets .....	752	161	432	1,149	172	529	1,676	3,443	2,816	884
<b>Total other assets .....</b>	<b>1,136</b>	<b>161</b>	<b>608</b>	<b>1,149</b>	<b>701</b>	<b>865</b>	<b>1,676</b>	<b>3,491</b>	<b>2,847</b>	<b>1,091</b>
<b>Total assets .....</b>	<b>18,704</b>	<b>16,568</b>	<b>17,546</b>	<b>30,677</b>	<b>28,356</b>	<b>29,203</b>	<b>64,286</b>	<b>52,540</b>	<b>56,708</b>	<b>28,554</b>
Liabilities										
Current liabilities:										
Accounts and notes payable.....	5,655	5,843	5,757	10,479	11,093	10,869	27,400	19,156	22,081	10,435
Fixed liabilities:										
Mortgages on fixed assets used in business .....	354	139	237	1,527	821	1,079	7,843	1,100	3,493	1,107
Mortgages on fixed assets not used in business .....	567	—	260	448	—	163	54	500	342	240
<b>Total fixed liabilities .....</b>	<b>921</b>	<b>139</b>	<b>497</b>	<b>1,975</b>	<b>821</b>	<b>1,242</b>	<b>7,897</b>	<b>1,600</b>	<b>3,835</b>	<b>1,347</b>
Other liabilities .....	1,213	623	893	1,662	1,399	1,495	2,096	2,136	2,122	1,323
<b>Total liabilities .....</b>	<b>7,789</b>	<b>6,605</b>	<b>7,147</b>	<b>14,116</b>	<b>13,313</b>	<b>13,606</b>	<b>37,393</b>	<b>22,892</b>	<b>28,038</b>	<b>13,105</b>
Net worth:										
Proprietor's or partners' equity in the business .....	10,915	9,963	10,399	16,561	15,043	15,597	26,893	29,648	28,670	15,449
<b>Total liabilities and net worth.....</b>	<b>18,704</b>	<b>16,568</b>	<b>17,546</b>	<b>30,677</b>	<b>28,356</b>	<b>29,203</b>	<b>64,286</b>	<b>52,540</b>	<b>56,708</b>	<b>28,554</b>
Average net sales of stores reporting .....	33,078	35,126	34,188	72,529	71,056	71,593	140,300	142,254	141,560	66,307
Number of stores reporting .....	38	45	83	23	40	63	11	20	31	177

TABLE 11. Independent Women's Clothing Stores - Rented - Financial Structure of Incorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of							Total all sizes \$20,000 and over	
	\$20,000-\$49,999	\$50,000-\$99,999			\$100,000 and over				
		Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total		
Assets		(Average per store)							
Current assets:									
Cash on hand and in bank .....		3,166	1,869	3,829	2,748	12,609	11,791	12,111	7,554
Accounts and notes receivable (net) .....		2,682	2,782	3,517	3,112	11,310	16,358	14,382	8,733
Merchandise inventory .....		8,306	15,056	14,012	14,588	26,232	28,135	27,391	19,955
Other current assets .....		472	728	567	656	7,068	7,951	7,605	4,137
Total current assets .....		14,626	20,435	21,925	21,104	57,219	64,235	61,489	40,379
Fixed assets (net):									
Used in the business .....		2,369	5,046	1,635	3,517	10,526	8,735	9,436	6,307
Not used in the business .....		269	436	710	559	146	1,395	906	683
Total fixed assets (net) .....		2,638	5,482	2,345	4,076	10,672	10,130	10,342	6,990
Other assets:									
Long term investments .....		—	1,256	—	692	2,813	2,910	2,872	1,673
Other assets .....		1,702	1,472	2,872	2,100	1,874	4,600	3,534	2,755
Total other assets .....		1,702	2,728	2,872	2,792	4,687	7,510	6,406	4,428
Total assets .....		18,966	28,645	27,142	27,972	72,578	81,875	78,237	51,797
Liabilities									
Current liabilities — accounts and notes payable .....		7,516	8,125	8,907	8,476	26,784	26,176	26,414	17,375
Fixed liabilities:									
Mortgages on fixed assets used in business .....		594	243	—	134	—	351	213	255
Mortgages on fixed assets not used in business .....		—	—	—	—	—	—	—	—
Total fixed liabilities .....		594	243	—	134	—	351	213	255
Other liabilities .....		677	4,955	2,389	3,805	3,276	3,783	3,585	3,143
Total liabilities .....		8,787	13,323	11,296	12,415	30,060	30,310	30,212	20,773
Net worth:— Capital stock .....		7,897	11,720	7,224	9,705	21,889	15,744	18,149	13,655
Surplus and undivided profits .....		2,282	3,602	8,622	5,852	20,629	35,821	29,876	17,369
Total net worth .....		10,179	15,322	15,846	15,557	42,518	51,565	48,025	31,024
Total liabilities and net worth .....		18,966	28,645	27,142	27,972	72,578	81,875	78,237	51,797
Average net sales of stores reporting .....		35,907	69,000	71,020	89,905	201,396	216,892	210,828	135,163
Number of stores reporting .....		16	16	13	29	18	28	46	91

## INDEPENDENT FAMILY CLOTHING STORES

Only retail establishments selling mainly men's, women's, children's and infants' clothing and furnishings are covered. Other items such as piece goods, notions, house furnishings, footwear, etc., must not exceed 50% of total sales.

Unincorporated and incorporated "single establishment" or "independent" firms only are included in this report. After careful editing 248 questionnaires were used in the tabulation for the profit and loss of unincorporated stores (115 owned and 133 rented stores). The results of incorporated stores were derived from 93 properly completed questionnaires (17 owned and 76 rented stores).

Returns for which balance sheet data were properly completed numbered 194 for unincorporated stores and 91 for incorporated firms. Any change in the actual count from survey to survey may be attributed to changes in store classification, stores going out of business, the necessity of augmenting the survey list or simply to different non-response in the survey years.

Tabulation of balance sheet data was made on a sales-size range basis and where possible, a further breakdown by number of years in business.

Compilation of profit and loss data was made for different sales-size categories. The response from large stores is generally better than that from smaller ones. To obtain proper ratios for total trade, weights of the 1951 Census were used. For example in response to this survey, independent stores between \$10,000 and \$19,999 may represent 5% of the business done by all respondents. According to the 1951 census, they might account for approximately 11% of total Family clothing store sales. To obtain ratios for total all sizes, the census weights were applied to the various expense and profit ratios of the different sales-size classes.

Summaries showing figures for years prior to 1952 and the charts do not show weighted ratios. For sake of comparability with previous years for which weights are not available, aggregate or unweighted ratios were used.

Only rented stores were used in the incorporated group in 1952 whereas sufficient reports were received from 'owned' stores in 1954 to produce results for this category. Comparing only rented incorporated stores the pattern of gross profit, operating expenses and net operating profit is the same as all the other clothing trades. Rented stores; gross profit 29.73 per cent 1952, 30.15 per cent in 1954; operating expenses 26.23 per cent in 1952, 27.58 per cent in 1954; net profit 3.50 per cent in 1952, 2.57 per cent in 1954. Unincorporated stores show an increase in average gross profit expressed as a percentage of net sales 24.45 per cent in 1952 to 25.88 per cent in 1954, a decrease in net profit 8.97 per cent in 1952 down to 8.66 per cent in 1954 means a higher increase in operating expense than in gross profit. Salaries of management charged as operating expenses account for the low net profit ratio compared to unincorporated stores.

Inventories were 0.01 per cent down from the beginning of the year for incorporated stores, and 2.68 per cent lower for unincorporated stores at the end of the year.

The rate of stock turnover progressively increased with sale -sizes for owned and rented stores for both types of organization.

Balance sheet ratios are shown historically, affording valuable comparison for further study.

The following summaries, tables and charts, will give more detail and information on the operating results and financial position of independent Family clothing stores, 1954

**Operating Results of Independent Family Clothing Stores 1952 and 1954 compared**

Item	Unincorporated		Incorporated <sup>1</sup>	
	1952	1954	1952	1954
	(Per cent of net sales)			
Gross profit .....	24.45	25.88	29.73	29.45
Operating expenses:				
Employees' salaries .....	6.53	7.27	14.65	15.73
Occupancy .....	4.93	5.38	4.71	4.97
Store Supplies .....	0.61	0.55	0.79	0.89
Advertising .....	0.95	1.17	2.55	2.46
All other expenses .....	2.46	2.85	3.53	3.07
Total operating expenses .....	15.48	17.22	26.23	27.12
Net operating profit before deduction of income tax <sup>2</sup> .....	8.97	8.66	3.50	2.33

1. 1952 covers only rented stores..

1954 covers owned and rented stores.

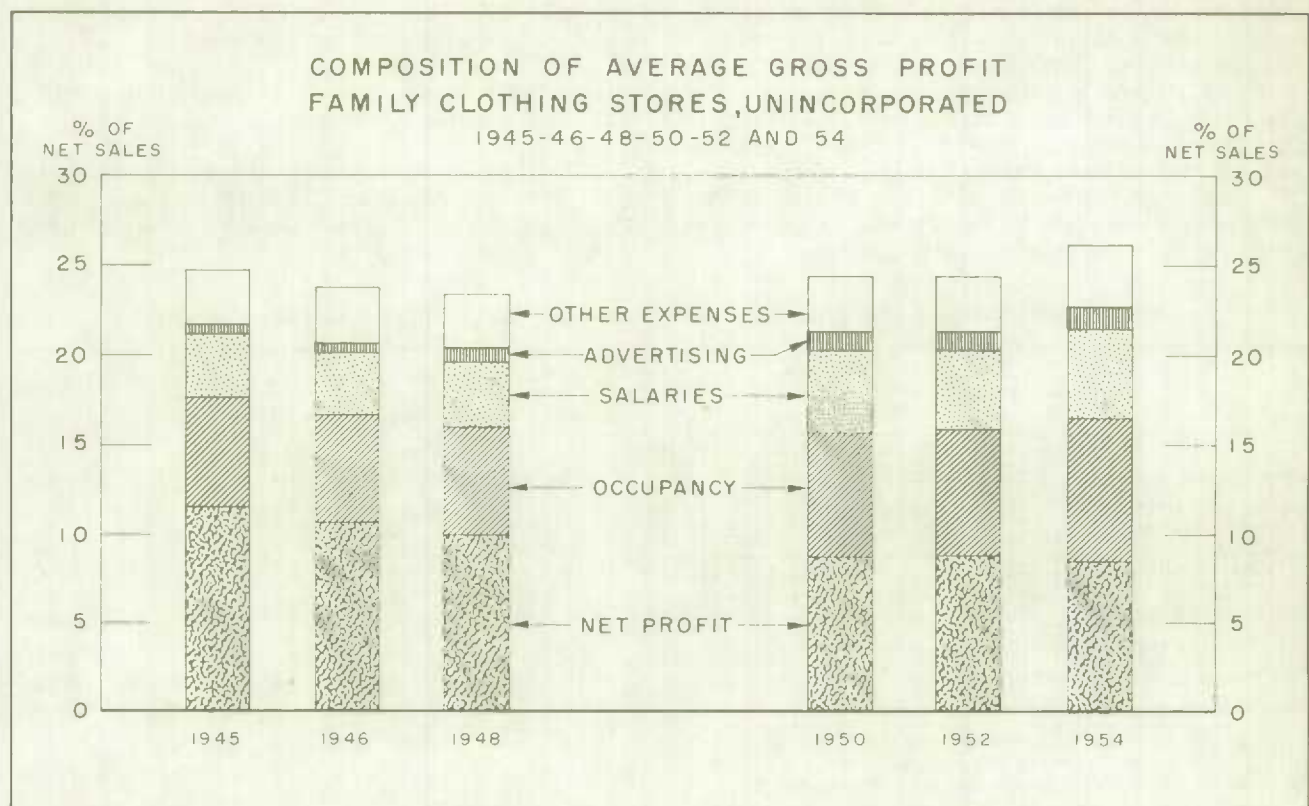
2. Proprietors' salaries included for unincorporated stores.

Note. These ratios are "weighted" according to the 1951 Census weights of the different sales sizes for independent stores and are shown here for the first time. They do not agree with ratios shown formerly for 1952 nor with those shown in historical tables.

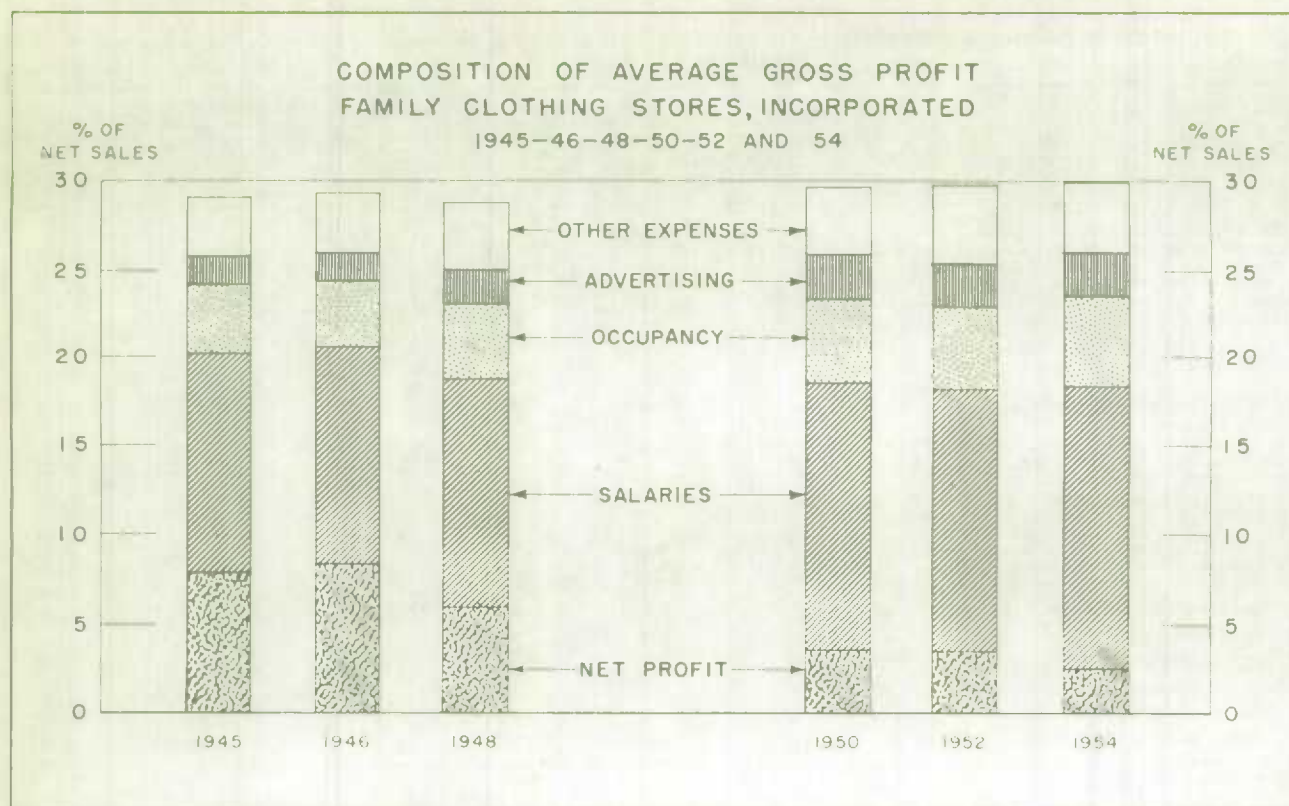


## Balance Sheet Ratios of Independent Family Clothing Stores as at December 31, 1948-50-52-54

Item		Incorporated		Unincorporated	
		Owned	Rented	Owned	Rented
Current ratio .....	1948	—	—	2.95	2.79
	1950	—	2.82	3.12	2.75
	1952	—	2.54	3.91	2.98
	1954	3.62	2.73	3.82	3.22
Liquidity ratio .....	1952	—	1.32	1.29	1.03
	1954	1.40	1.12	1.46	0.94
Working capital to net worth ratio .....	1948	—	—	0.67	0.90
	1950	—	0.89	0.70	0.91
	1952	—	0.86	0.73	0.87
	1954	0.75	0.95	0.64	0.91
Worth debt ratio .....	1948	—	—	2.13	1.73
	1950	—	1.75	2.00	1.54
	1952	—	1.59	2.84	1.86
	1954	2.24	1.32	3.06	1.83
Turnover of total capital employed .....	1952	—	1.85	1.42	1.92
	1954	1.58	1.85	1.28	1.91







**TABLE 12. Independent Family Clothing Stores—Operating Results of Unincorporated Stores by Sales Volume and Occupancy Basis, 1954**

Item	Owned stores with annual net sales of				Rented stores with annual net sales of			
	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over
Number of stores reporting .....	20	39	36	16	20	46	41	23
Average net sales per store .....	\$ 15,122	34,243	67,462	239,058	14,900	34,653	67,974	194,234
Average beginning inventory .....	\$ 9,968	15,664	29,864	65,068	7,236	16,385	25,954	53,037
Average inventory, end of year .....	\$ 9,885	15,666	29,132	59,498	7,149	16,283	25,448	52,236
Average cost of goods sold .....	\$ 11,284	26,030	51,354	172,562	11,182	25,707	50,822	141,392
Stock turnover (times per year) .....	1.14	1.66	1.74	2.77	1.55	1.57	1.98	2.69
<b>Profit and Loss Data (Per cent of net sales)</b>								
<b>Gross profit .....</b>	<b>25.38</b>	<b>23.98</b>	<b>23.88</b>	<b>27.82</b>	<b>24.95</b>	<b>25.82</b>	<b>25.23</b>	<b>27.21</b>
<b>Operating expenses:</b>								
Employees' salaries and wages (except delivery) .....	2.83	5.67	6.82	9.50	3.52	5.93	7.00	9.89
Delivery .....	0.49	0.40	0.36	0.21	0.30	0.46	0.26	0.14
<b>Occupancy expenses:</b>								
Taxes .....	1.94	1.15	0.75	0.71	0.68	0.53	0.33	0.31
Insurance .....	1.43	1.03	0.73	0.70	0.67	0.86	0.61	0.56
Rent .....	—	—	—	—	4.64	3.79	2.75	2.42
Heat, light and power .....	2.13	1.18	0.83	0.74	1.14	0.87	0.65	0.55
Repairs and maintenance .....	1.37	0.91	0.83	0.58	0.34	0.43	0.42	0.38
Depreciation allowances .....	2.27	1.21	0.96	0.97	0.26	0.53	0.55	0.85
<b>Total occupancy expenses .....</b>	<b>9.14</b>	<b>5.48</b>	<b>3.90</b>	<b>3.68</b>	<b>7.73</b>	<b>7.01</b>	<b>5.31</b>	<b>5.07</b>
Office or store supplies .....	0.65	0.44	0.39	0.69	0.69	0.42	0.44	0.70
Advertising .....	0.76	0.58	1.18	1.32	0.54	0.84	0.79	2.19
Net loss on bad debts .....	0.20	0.10	0.17	0.39	0.09	0.27	0.05	0.20
All other expenses .....	2.80	2.38	2.14	2.49	2.15	2.62	2.30	2.19
<b>Total operating expenses .....</b>	<b>16.87</b>	<b>15.05</b>	<b>14.96</b>	<b>18.28</b>	<b>15.02</b>	<b>17.55</b>	<b>16.15</b>	<b>20.38</b>
<b>Net operating profit before deduction of proprietors' salaries and income tax .....</b>	<b>8.51</b>	<b>8.93</b>	<b>8.92</b>	<b>9.54</b>	<b>9.93</b>	<b>8.27</b>	<b>9.08</b>	<b>6.83</b>

**TABLE 13. Independent Family Clothing Stores — Operating Results of Incorporated Stores by Sales Volume and Occupancy Basis, 1954**

Item	Owned stores with annual net sales of		Rented stores with annual net sales of		
	Under \$100,000	\$100,000 and over	\$20,000 to \$99,999	\$100,000 to \$399,999	\$400,000 and over
Number of stores reporting .....	8	9	27	33	16
Average net sales per store .....	\$ 60,312	369,649	58,304	208,995	653,626
Average beginning inventory .....	\$ 29,732	89,702	28,685	65,123	143,362
Average inventory, end of year .....	\$ 28,965	93,515	26,067	63,105	150,150
Average cost of goods sold .....	\$ 42,176	264,808	42,393	148,076	448,432
Stock turnover (times per year) .....	1.44	2.89	1.55	2.31	3.06
<b>Profit and Loss Data</b> (Per cent of net sales)					
Gross profit .....	30.06	28.36	27.29	29.15	31.39
Operating expenses:					
Employees' salaries and wages (except delivery) .....	17.60	15.61	13.70	15.80	16.12
Delivery .....	—	0.34	0.35	0.16	0.26
Occupancy expenses:					
Taxes .....	1.21	0.84	0.46	0.54	0.27
Insurance .....	1.23	0.49	0.93	0.63	0.38
Rent .....	—	—	3.00	2.45	2.28
Heat, light and power .....	0.86	0.87	0.99	0.62	0.54
Repairs and maintenance .....	0.73	1.05	0.36	0.52	0.72
Depreciation allowances .....	1.14	0.99	0.69	0.81	0.88
<b>Total occupancy expenses</b> .....	<b>5.17</b>	<b>4.24</b>	<b>6.43</b>	<b>5.57</b>	<b>5.07</b>
Office or store supplies .....	0.50	0.95	0.61	0.67	1.01
Advertising .....	1.06	2.38	1.29	1.94	3.25
Net loss on bad debts .....	0.92	0.28	0.16	0.67	0.51
All other expenses .....	3.73	2.53	2.24	2.08	2.38
<b>Total operating expenses</b> .....	<b>28.98</b>	<b>26.33</b>	<b>24.78</b>	<b>26.89</b>	<b>28.60</b>
Net operating profit before provision for income tax .....	1.08	2.03	2.51	2.26	2.79

**TABLE 14. Independent Family Clothing Stores — Owned — Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954**

Item	Stores with annual net sales of					Total all sizes \$20,000 and over
	\$20,000-\$49,999			\$50,000- \$99,999	\$100,000 and over	
	Under 10 years	10 years and over	Total			
(Average per store)						
Assets						
Current assets:						
Cash on hand and in bank.....	2,590	2,895	2,831	7,238	15,365	6,822
Accounts and notes receivable (net).....	933	1,639	1,490	4,176	32,493	8,076
Merchandise inventory.....	15,019	15,839	15,667	29,138	59,498	28,848
Other current assets.....	2,440	1,552	1,739	2,503	7,504	3,070
<b>Total current assets.....</b>	<b>20,982</b>	<b>21,925</b>	<b>21,727</b>	<b>43,055</b>	<b>114,860</b>	<b>46,816</b>
Fixed assets (net):						
Used in the business.....	6,494	6,829	6,758	12,177	32,329	13,471
Not used in the business.....	5,213	3,130	3,568	5,673	14,439	6,343
<b>Total fixed assets (net).....</b>	<b>11,707</b>	<b>9,959</b>	<b>10,326</b>	<b>17,850</b>	<b>46,768</b>	<b>19,814</b>
Other assets:						
Long term investments.....	—	450	355	1,847	22,406	4,872
Other assets.....	211	1,366	1,123	169	262	588
<b>Total other assets.....</b>	<b>211</b>	<b>1,816</b>	<b>1,478</b>	<b>2,016</b>	<b>22,668</b>	<b>5,460</b>
<b>Total assets.....</b>	<b>32,900</b>	<b>33,700</b>	<b>33,531</b>	<b>62,921</b>	<b>184,296</b>	<b>72,090</b>
Liabilities						
Current liabilities:						
Accounts and notes payable.....	4,604	6,101	5,786	12,104	28,025	12,267
Fixed liabilities:						
Mortgages on fixed assets used in business.....	1,088	1,446	1,370	2,939	5,080	2,658
Mortgages on fixed assets not used in business.....	578	1,660	1,433	1,953	938	1,552
<b>Total fixed liabilities.....</b>	<b>1,666</b>	<b>3,106</b>	<b>2,803</b>	<b>4,892</b>	<b>6,018</b>	<b>4,210</b>
Other liabilities.....	18	416	332	2,165	1,539	1,280
<b>Total liabilities.....</b>	<b>6,288</b>	<b>9,623</b>	<b>8,921</b>	<b>19,161</b>	<b>35,582</b>	<b>17,757</b>
Net worth:						
Proprietor's or partners' equity in the business.....	26,612	24,077	24,610	43,760	148,714	54,333
<b>Total liabilities and net worth.....</b>	<b>32,900</b>	<b>33,700</b>	<b>33,531</b>	<b>62,921</b>	<b>184,296</b>	<b>72,090</b>
Average net sales of stores reporting.....	31,060	34,972	34,148	67,462	239,058	83,902
Number of stores reporting.....	8	30	38	36	16	90



**TABLE 15. Independent Family Clothing Stores — Rented — Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954**

Item	Stores with annual net sales of									Total all sizes \$20,000 and over
	\$20,000-\$49,999			\$50,000-\$99,999			\$100,000 and over			
	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
(Average per store)										
Assets										
Current assets:										
Cash on hand and in bank .....	1,475	1,424	1,441	5,037	4,116	4,340	6,153	17,874	12,268	4,867
Accounts and notes receivable (net) .....	2,176	2,458	2,362	1,464	1,952	1,833	12,110	10,663	11,355	4,162
Merchandise inventory .....	18,157	15,854	16,639	27,981	24,830	25,597	48,761	54,432	51,720	27,584
Other current assets .....	1,018	1,394	1,266	1,651	4,867	4,085	888	2,397	1,675	2,360
Total current assets .....	22,826	21,130	21,708	36,133	35,765	35,855	67,912	83,366	77,018	38,973
Fixed assets (net):										
Used in the business .....	2,038	1,153	1,454	2,963	2,244	2,419	9,291	4,905	7,003	3,025
Not used in the business .....	—	2,372	1,564	7,931	4,764	5,534	1,045	557	790	2,805
Total fixed assets (net) .....	2,038	3,525	3,018	10,894	7,008	7,953	10,336	5,462	7,793	5,830
Other assets:										
Long term investments .....	—	27	18	1,646	83	464	727	—	348	256
Other assets .....	302	412	374	582	484	506	2,778	898	1,797	736
Total other assets .....	302	439	392	2,228	567	970	3,505	898	2,145	986
Total assets .....	25,166	25,094	25,118	49,255	43,340	44,778	81,753	91,726	86,956	45,789
Liabilities										
Current Liabilities:										
Accounts and notes payable .....	6,160	6,141	6,147	16,168	10,305	11,731	24,989	23,176	24,043	12,092
Fixed liabilities:										
Mortgages on fixed assets used in business .....	1,134	—	386	2,611	702	1,166	1,682	—	804	756
Mortgages on fixed assets not used in business .....	650	655	654	656	767	740	492	—	235	592
Total fixed liabilities .....	1,784	655	1,040	3,267	1,469	1,906	2,174	—	1,039	1,348
Other liabilities .....	4,586	2,098	2,946	4,186	2,114	2,618	4,520	698	2,527	2,736
Total liabilities .....	12,530	8,894	10,133	23,621	13,888	16,255	31,683	23,874	27,609	16,176
Net worth:										
Proprietor's or partners' equity in the business .....	12,636	16,200	14,985	25,634	29,452	28,523	50,070	67,852	59,347	29,613
Total liabilities and net worth .....	25,166	25,094	25,118	49,255	43,340	44,778	81,753	91,726	86,956	45,789
Average net sales of stores reporting .....	35,702	34,519	34,923	72,247	67,495	68,651	185,908	201,866	194,234	82,154
Number of stores reporting .....	15	29	44	9	28	37	11	12	23	104

**TABLE 16. Independent Family Clothing Stores — Owned — Financial Structure of Incorporated Stores by Size as at December 31, 1954**

Item	Stores with annual net sales of		Total all sizes \$20,000 and over
	Under \$100,000	\$100,000 and over	
Assets	(Average per store)		
Current assets:			
Cash on hand and in bank .....	1,313	12,980	7,876
Accounts and notes receivable (net) .....	6,536	38,566	24,553
Merchandise inventory .....	31,745	93,515	66,491
Other current assets .....	608	16,650	9,631
<b>Total current assets .....</b>	<b>40,202</b>	<b>161,711</b>	<b>108,551</b>
Fixed assets (net):			
Used in the business .....	21,411	49,347	37,125
Not used in the business .....	—	797	448
<b>Total fixed assets (net) .....</b>	<b>21,411</b>	<b>50,144</b>	<b>37,573</b>
Other assets:			
Long term investments .....	—	933	525
Other assets .....	6,189	2,747	4,253
<b>Total other assets .....</b>	<b>6,189</b>	<b>3,680</b>	<b>4,778</b>
<b>Total assets .....</b>	<b>67,802</b>	<b>215,535</b>	<b>150,902</b>
Liabilities			
Current liabilities:			
Accounts and notes payable .....	12,919	43,237	29,973
Fixed liabilities:			
Mortgages on fixed assets used in business .....	2,150	12,246	7,829
Mortgages on fixed assets not used in business .....	—	—	—
<b>Total fixed liabilities .....</b>	<b>2,150</b>	<b>12,246</b>	<b>7,829</b>
Other liabilities .....	8,305	9,178	8,796
<b>Total liabilities .....</b>	<b>23,374</b>	<b>64,661</b>	<b>46,598</b>
Net worth:			
Capital stock .....	41,479	79,774	63,020
Surplus and undivided profits .....	2,949	71,100	41,284
<b>Total net worth .....</b>	<b>44,428</b>	<b>150,874</b>	<b>104,304</b>
<b>Total liabilities and net worth .....</b>	<b>67,802</b>	<b>215,535</b>	<b>150,902</b>
Average net sales of stores reporting .....	66,802	369,620	237,137
Number of stores reporting .....	7	9	16



**TABLE 17. Independent Family Clothing Stores—Rented—Financial Structure of Incorporated Stores by Size and Age of Business as at December 31, 1954**

Item	Stores with annual net sales of									Total all sizes \$20,000 and Over
	\$20,000-\$99,999			\$100,000-\$399,999			\$400,000 and over			
	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
(Average per store)										
Assets										
Current assets:										
Cash on hand and in bank.....	2,486	5,104	3,795	7,074	14,484	12,687	7,628	20,080	14,632	10,020
Accounts and notes receivable (net).....	5,503	7,168	6,335	10,376	21,386	18,717	57,362	124,290	95,009	30,700
Merchandise inventory.....	24,261	27,358	25,809	39,697	70,887	63,326	135,111	164,471	151,627	69,158
Other current assets.....	796	1,026	912	5,070	10,232	8,981	4,095	20,541	13,346	7,114
Total current assets.....	33,046	40,656	36,851	62,217	116,989	103,711	204,196	329,382	274,614	116,992
Fixed assets (net):										
Used in the business.....	2,069	1,271	1,670	4,769	6,609	6,163	33,434	41,508	37,976	11,392
Not used in the business.....	—	—	—	—	945	716	1,304	2,000	1,696	677
Total fixed assets (net).....	2,029	1,271	1,670	4,769	7,554	6,879	34,738	43,508	39,672	12,069
Other assets:										
Long term investments.....	19	1,194	607	4,619	4,204	4,304	2,468	1,110	1,704	2,468
Other assets.....	3,269	439	1,854	301	7,729	5,929	14,069	5,108	9,028	5,177
Total other assets.....	3,288	1,633	2,461	4,920	11,933	10,233	16,537	6,218	10,732	7,645
Total assets.....	38,403	43,560	40,982	71,906	136,476	120,823	255,471	379,108	325,018	136,706
Liabilities										
Current liabilities:										
Accounts and notes payable.....	5,978	11,173	8,576	21,321	41,968	36,963	78,553	135,504	110,588	42,829
Fixed liabilities:										
Mortgages on fixed assets used in business.....	633	338	486	1,750	2,760	2,515	—	—	—	1,275
Mortgages on fixed assets not used in business.....	—	49	24	—	68	52	—	1,334	750	191
Total fixed liabilities.....	633	387	510	1,750	2,828	2,567	—	1,334	750	1,466
Other liabilities.....	5,560	7,189	6,374	6,583	13,532	11,847	45,341	23,896	33,279	14,522
Total liabilities.....	12,171	18,749	15,460	29,654	58,328	51,377	123,894	160,734	144,617	58,817
Net worth:										
Capital stock.....	17,210	15,380	16,295	12,925	36,320	30,648	47,304	78,486	64,844	32,968
Surplus and undivided profits.....	9,022	9,431	9,227	29,327	41,828	38,798	84,273	139,888	115,557	44,921
Total net worth.....	26,232	24,811	25,522	42,252	78,148	69,446	131,577	218,374	180,401	77,889
Total liabilities and net worth.....	38,403	43,560	40,982	71,906	136,476	120,823	255,471	379,108	325,018	136,706
Average net sales of stores reporting.....	54,229	62,043	58,136	134,313	232,893	208,995	525,050	753,629	653,626	251,551
Number of stores reporting.....	13	13	26	8	25	33	7	9	16	75

## INDEPENDENT FAMILY SHOE STORES

Only retail establishments selling mainly combined, men's and boys', women's and misses' and children's and infants' footwear are included in this report.

Unincorporated and incorporated "single establishment" or "independent" firms only are covered. After careful editing 254 questionnaires were used in the tabulation for the profit and loss of unincorporated stores (77 for owned and 177 for rented stores). The results of incorporated stores were derived from 69 properly completed questionnaires, rented stores only.

Returns for which balance sheet data were properly completed numbered 207 for unincorporated stores and 69 for incorporated firms. Any change in the actual count from survey to survey may be attributed to changes in store classification, stores going out of business, the necessity of augmenting the survey list or simply to different non-response in the survey years.

Tabulation of balance sheet data was made on a sales-size range basis and, where possible, a further breakdown by number of years in business.

Compilation of profit and loss data was made for different sales-size categories. The response from large stores is generally better than that from smaller ones. To obtain proper ratios for total trade, weights of the 1951 census were used. For example, in response to this survey, independent stores between \$10,000 and \$19,999 may represent 5% of the business done by all respondents. According to the 1951 census, they might account for approximately 11% of total shoe store sales. To obtain ratios for total all sizes, the census weights were applied to the various expense and profit ratios of the different sales-size classes.

Summaries showing figures for years prior to 1952 and the charts do not show weighted ratios. For sake of comparability with previous years for which weights are not available, aggregate or unweighted ratios were used.

The average gross profit expressed as a percentage of average net sales increased in 1954 to 27.77 per cent from 27.21 in 1952. The operating expense increase more than doubled the increase in the gross profit, with a resulting decrease in net operating profit. Incorporated shoe stores cover only rented stores; their average gross profit increased from 30.06 per cent in 1952 to 31.49 in 1954, while the net operating profit decreased in 1954 to 2.49 per cent from 3.02 per cent in 1952. Salaries of management of incorporated firms charged as operating expenses account for the low net profit ratio compared with unincorporated stores.

The rate of stock turnover progressively increased with sales-sizes for owned and rented stores for both types of organization.

Inventories at the end of the year for both unincorporated and incorporated stores were down at the end of the year by 0.57 per cent and 1.32 per cent respectively.

Balance sheet ratios are shown historically, affording valuable comparison for further study.

The following summaries, tables and charts, will give more detail and information on the operating results and financial position of independent Shoe stores, 1954.

**Operating Results of Independent Family Shoe Stores 1952 and 1954 compared**

Item	Unincorporated		Incorporated <sup>1</sup>	
	1952	1954	1952	1954
	(per cent of net sales)			
Gross profit .....	27.21	27.77	30.06	31.49
Operating expenses:				
Employees salaries .....	7.07	7.74	15.74	16.98
Occupancy .....	5.33	5.76	6.15	6.54
Store supplies .....	0.51	0.47	0.49	0.59
Advertising .....	1.04	1.10	1.77	1.99
All other expenses .....	2.13	2.48	2.89	2.90
<b>Total Operating Expenses .....</b>	<b>16.08</b>	<b>17.55</b>	<b>27.04</b>	<b>29.00</b>
Net operating profit before deduction of income tax <sup>2</sup> .....	11.13	10.22	3.02	2.49

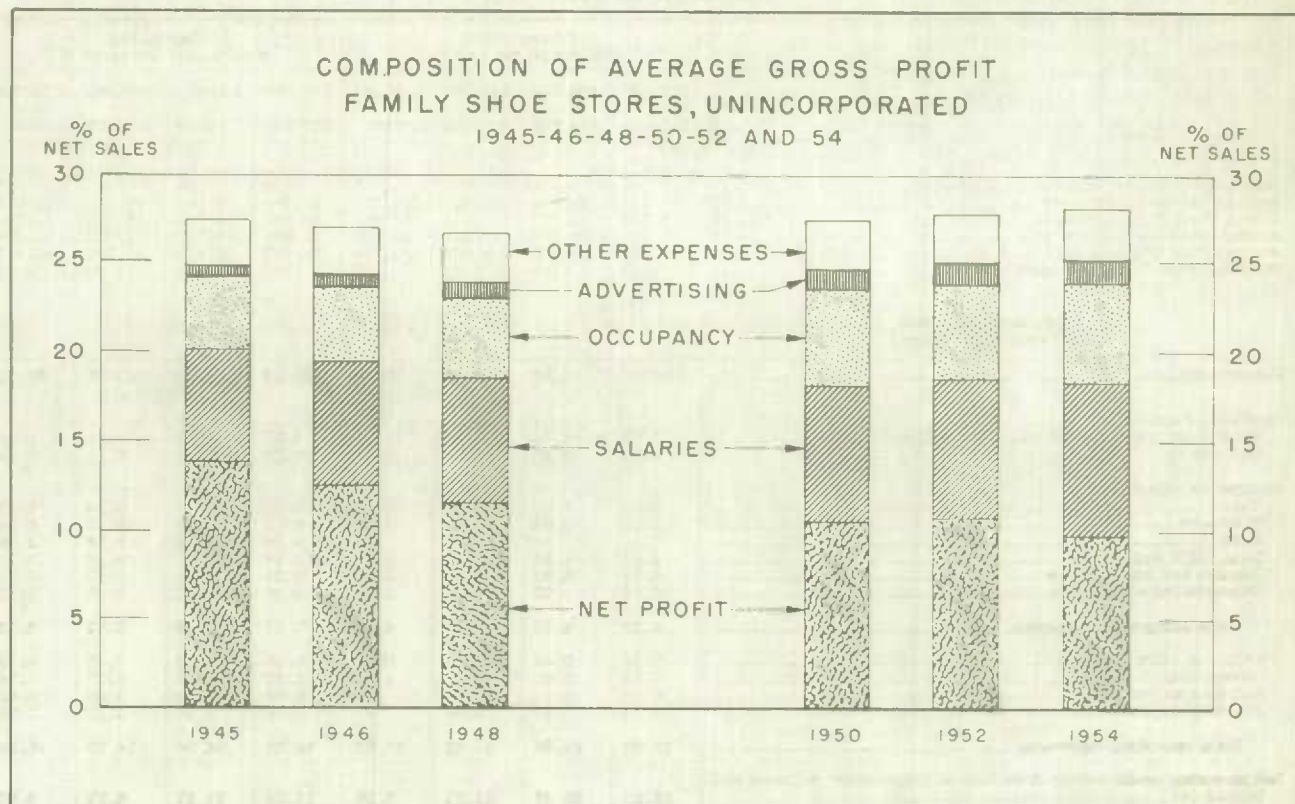
1. Covers only rented stores.

2. Proprietors' salaries included for unincorporated stores.

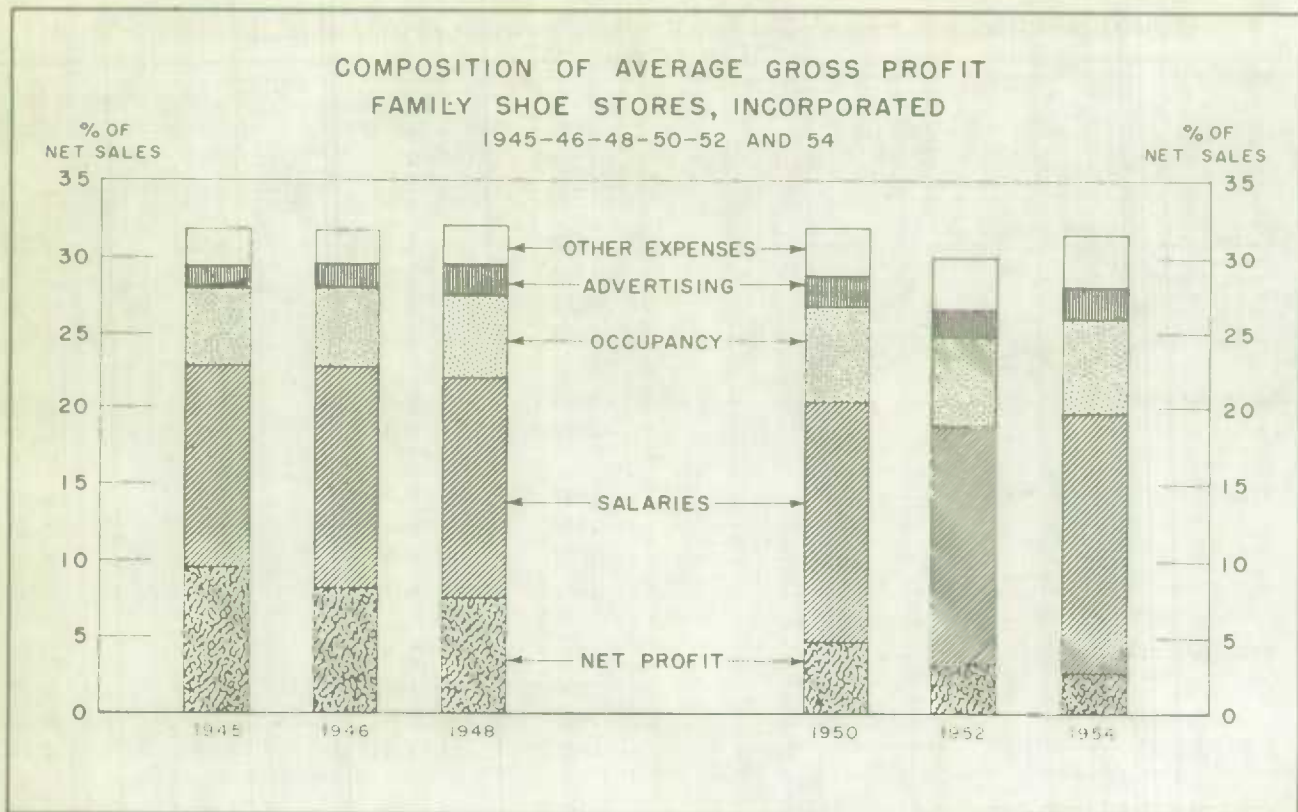
Note: These ratios are "weighted" according to the 1951 Census weights of the different sales sizes for independent stores and are shown here for the first time. They do not agree with ratios shown formerly for 1952 nor with those shown in historical tables.

## Balance Sheet Ratios of Independent Family Shoe Stores as at December 31, 1948-50-52-54

Item		Incorporated	Unincorporated	
		Rented	Owned	Rented
Current ratio .....	1948	4.88	3.25	3.00
	1950	2.59	3.02	2.81
	1952	2.62	3.88	3.21
	1954	2.40	3.41	3.39
Liquidity ratio.....	1952	0.55	0.92	0.75
	1954	0.45	0.80	0.63
Working capital to net worth ratio.....	1948	0.88	0.66	0.88
	1950	0.88	0.69	0.91
	1952	0.77	0.69	0.91
	1954	0.74	0.66	0.94
Worth debt ratio.....	1948	3.57	2.86	2.04
	1950	1.43	1.92	1.79
	1952	2.01	2.45	2.10
	1954	1.64	1.98	2.09
Turnover of total capital employed.....	1952	1.89	1.36	1.93
	1954	1.85	1.14	2.04







**TABLE 18. Independent Family Shoe Stores — Operating Results of Unincorporated Stores by Sales Volume and Occupancy Basis, 1954**

Item	Owned stores with annual net sales of				Rented stores with annual net sales of			
	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over	\$10,000 to \$19,999	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over
Number of stores reporting .....	16	35	16	8	20	64	61	32
Average net sales per store .....	15,015	30,744	68,427	151,997	16,008	34,083	69,320	141,635
Average beginning inventory .....	8,582	15,595	27,913	61,909	10,809	15,799	28,470	43,340
Average inventory, end of year .....	8,692	15,771	27,692	59,598	10,587	15,740	27,887	43,936
Average cost of goods sold .....	10,990	23,367	49,009	107,564	11,502	24,667	50,386	99,557
Stock turnover (times per year) .....	1.27	1.49	1.76	1.77	1.08	1.56	1.79	2.28
<b>Profit and Loss Data (Per cent of net sales)</b>								
<b>Gross profit .....</b>	<b>26.81</b>	<b>24.00</b>	<b>28.38</b>	<b>29.23</b>	<b>28.14</b>	<b>27.63</b>	<b>27.31</b>	<b>29.71</b>
Operating expenses:								
Employees' salaries and wages (except delivery) .....	2.88	4.90	9.13	11.30	4.97	5.93	8.61	9.95
Delivery .....	0.30	0.34	0.36	0.54	0.28	0.13	0.30	0.24
Occupancy expenses:								
Taxes .....	2.00	1.02	0.82	0.82	0.75	0.44	0.34	0.33
Insurance .....	1.12	0.94	0.67	0.61	0.74	0.64	0.57	0.44
Rent .....	—	—	—	—	4.50	4.56	3.58	3.38
Heat, light and power .....	2.04	1.08	0.73	0.64	1.18	0.67	0.56	0.42
Repairs and maintenance .....	0.86	0.62	0.54	0.59	0.24	0.47	0.37	0.28
Depreciation allowances .....	2.11	1.05	0.92	1.35	0.26	0.42	0.45	0.67
<b>Total occupancy expenses .....</b>	<b>8.13</b>	<b>4.71</b>	<b>3.68</b>	<b>4.01</b>	<b>7.67</b>	<b>7.20</b>	<b>5.87</b>	<b>5.52</b>
Office or store supplies .....	0.38	0.46	0.36	0.78	0.49	0.46	0.48	0.39
Advertising .....	0.64	0.92	0.77	1.43	0.57	0.74	1.27	1.76
Net loss on bad debts .....	0.18	0.11	0.25	—	0.05	0.02	0.09	0.03
All other expenses .....	2.78	2.42	2.06	1.87	2.29	1.86	2.17	2.00
<b>Total operating expenses .....</b>	<b>15.29</b>	<b>13.86</b>	<b>16.61</b>	<b>19.93</b>	<b>16.32</b>	<b>16.36</b>	<b>18.79</b>	<b>19.89</b>
<b>Net operating profit before deduction of proprietors' salaries and income tax .....</b>	<b>11.52</b>	<b>10.14</b>	<b>11.77</b>	<b>9.30</b>	<b>11.82</b>	<b>11.27</b>	<b>8.52</b>	<b>9.82</b>

TABLE 19. Independent Family Shoe Stores — Operating Results of Rented Incorporated Stores by Sales Volume, 1954

Item	Stores with annual net sales of		
	\$20,000 to \$49,999	\$50,000 to \$99,999	\$100,000 and over
Number of stores reporting .....	10	27	32
Average net sales per store .....	\$ 37,019	70,969	169,911
Average beginning inventory .....	18,798	28,282	55,998
Average inventory, end of year .....	18,953	29,206	54,036
Average cost of goods sold .....	25,779	48,538	116,144
Stock turnover (times per year) .....	1.37	1.69	2.11
Profit and Loss Data (Per cent of net sales)			
Gross profit .....	30.36	31.61	31.64
Operating expenses:			
Employees' salaries and wages (except delivery) .....	16.93	16.54	17.19
Delivery .....	0.34	0.34	0.32
Occupancy expenses:			
Taxes .....	0.61	0.45	0.39
Insurance .....	0.64	0.61	0.53
Rent .....	4.73	4.38	3.56
Heat, light and power .....	0.90	0.72	0.46
Repairs and maintenance .....	0.48	0.50	0.38
Depreciation allowances .....	0.91	0.61	0.59
Total occupancy expenses .....	8.27	7.27	5.91
Office or store supplies .....	0.43	0.62	0.61
Advertising .....	1.28	1.56	2.30
Net loss on bad debts .....	0.18	0.09	0.09
All other expenses .....	2.92	2.52	2.39
Total operating expenses .....	30.35	28.94	28.81
Net operating profit before provision for income tax .....	0.01	2.67	2.83

TABLE 20. Independent Family Shoe Stores — Owned — Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of					Total all sizes \$20,000 and over
	\$20,000-\$49,999			\$50,000- \$99,999	\$100,000 and over	
	Under 10 years	10 years and over	Total			
(average per store)						
Assets						
Current assets:						
Cash on hand and in bank .....	1,347	2,390	1,979	3,268	2,327	2,391
Accounts and notes receivable (net) .....	345	1,023	756	1,434	2,119	1,120
Merchandise inventory .....	14,391	16,787	15,843	27,655	64,114	25,252
Other current assets .....	968	4,778	3,277	2,880	11,787	4,227
<b>Total current assets</b> .....	<b>17,051</b>	<b>24,978</b>	<b>21,855</b>	<b>35,237</b>	<b>80,347</b>	<b>32,990</b>
Fixed assets (net):						
Used in the business .....	9,992	8,055	8,818	12,686	51,861	15,303
Not used in the business .....	2,632	1,275	1,810	2,326	6,650	2,562
<b>Total fixed assets (net)</b> .....	<b>12,624</b>	<b>9,330</b>	<b>10,628</b>	<b>15,012</b>	<b>58,511</b>	<b>17,865</b>
Other assets:						
Long term investments .....	289	545	445	1,167	7,073	1,480
Other assets .....	642	1,106	922	33	—	553
<b>Total other assets</b> .....	<b>931</b>	<b>1,651</b>	<b>1,367</b>	<b>1,200</b>	<b>7,073</b>	<b>2,033</b>
<b>Total assets</b> .....	<b>30,606</b>	<b>35,959</b>	<b>33,850</b>	<b>51,449</b>	<b>145,931</b>	<b>52,888</b>
Liabilities						
Current liabilities:						
Accounts and notes payable .....	4,619	5,333	5,052	8,865	33,403	9,685
Fixed liabilities:						
Mortgages on fixed assets used in business .....	2,680	2,372	2,493	4,236	20,410	5,231
Mortgages on fixed assets not used in business .....	192	909	627	635	4,074	1,060
<b>Total fixed liabilities</b> .....	<b>2,872</b>	<b>3,281</b>	<b>3,120</b>	<b>4,871</b>	<b>24,484</b>	<b>6,291</b>
Other liabilities .....	977	478	674	1,777	6,966	1,776
<b>Total liabilities</b> .....	<b>8,468</b>	<b>9,092</b>	<b>8,846</b>	<b>15,513</b>	<b>64,853</b>	<b>17,752</b>
Net worth: Proprietor's or partners' equity in the business .....	22,138	26,867	25,004	35,936	81,078	35,136
<b>Total liabilities and net worth</b> .....	<b>30,606</b>	<b>35,959</b>	<b>33,850</b>	<b>51,449</b>	<b>145,931</b>	<b>52,888</b>
Average net sales of stores reporting .....	28,436	32,941	31,166	68,428	155,593	57,366
Number of stores reporting .....	13	20	33	16	7	56



TABLE 21. Independent Family Shoe Stores - Rented - Financial Structure of Unincorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of									Total all sizes \$20,000 and over
	\$20,000-\$49,999			\$50,000-\$99,999			\$100,000 and over			
	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
Assets	(average per store)									
Current assets:										
Cash on hand and in bank.....	1,451	2,117	1,822	3,413	3,037	3,167	4,785	10,519	8,190	3,689
Accounts and notes receivable (net).....	914	276	558	514	1,656	1,262	838	921	887	898
Merchandise inventory.....	14,068	16,740	15,558	23,867	29,693	27,684	45,311	43,026	43,954	26,233
Other current assets .....	133	1,012	623	738	2,338	1,786	1,885	2,688	2,362	1,438
<b>Total current assets .....</b>	<b>16,566</b>	<b>20,145</b>	<b>18,561</b>	<b>28,532</b>	<b>36,724</b>	<b>33,899</b>	<b>52,819</b>	<b>57,154</b>	<b>55,393</b>	<b>32,258</b>
Fixed assets (net):										
Used in the business.....	1,367	687	988	1,974	1,819	1,872	5,237	4,322	4,693	2,113
Not used in the business .....	592	2,255	1,519	69	50	57	2,083	536	1,165	882
<b>Total fixed assets (net) .....</b>	<b>1,959</b>	<b>2,942</b>	<b>2,507</b>	<b>2,043</b>	<b>1,869</b>	<b>1,929</b>	<b>7,320</b>	<b>4,858</b>	<b>5,858</b>	<b>2,995</b>
Other assets:										
Long term investments .....	304	190	241	—	344	225	—	199	118	209
Other assets .....	40	134	92	29	41	37	—	353	210	96
<b>Total other assets .....</b>	<b>344</b>	<b>324</b>	<b>333</b>	<b>29</b>	<b>385</b>	<b>262</b>	<b>—</b>	<b>552</b>	<b>328</b>	<b>305</b>
<b>Total assets .....</b>	<b>18,869</b>	<b>23,411</b>	<b>21,401</b>	<b>30,604</b>	<b>38,978</b>	<b>36,090</b>	<b>60,139</b>	<b>62,564</b>	<b>61,579</b>	<b>35,558</b>
<b>Liabilities</b>										
Current Liabilities: Accounts and notes payable.....	5,836	4,350	5,008	9,985	10,191	10,120	22,603	13,225	17,035	9,520
Fixed liabilities:										
Mortgages on fixed assets used in business .....	81	—	36	1,254	1	433	192	768	534	294
Mortgages on fixed assets not used in business.....	148	660	433	—	—	—	376	869	669	317
<b>Total fixed liabilities.....</b>	<b>229</b>	<b>660</b>	<b>469</b>	<b>1,254</b>	<b>1</b>	<b>433</b>	<b>568</b>	<b>1,637</b>	<b>1,203</b>	<b>611</b>
Other liabilities .....	1,312	663	950	1,259	1,646	1,512	931	2,484	1,853	1,358
<b>Total liabilities .....</b>	<b>7,377</b>	<b>5,673</b>	<b>6,427</b>	<b>12,498</b>	<b>11,838</b>	<b>12,065</b>	<b>24,102</b>	<b>17,346</b>	<b>20,091</b>	<b>11,489</b>
Net worth: Proprietor's or partners' equity in the business.....	11,492	17,738	14,974	18,106	27,140	24,025	36,037	45,218	41,488	24,069
<b>Total liabilities and net worth .....</b>	<b>18,869</b>	<b>23,411</b>	<b>21,401</b>	<b>30,604</b>	<b>38,978</b>	<b>36,090</b>	<b>60,139</b>	<b>62,564</b>	<b>61,579</b>	<b>35,558</b>
Average net sales of stores reporting.....	34,779	33,986	34,337	71,263	69,189	69,904	141,145	141,970	141,635	70,737
Number of stores reporting .....	27	34	61	20	38	58	13	19	32	151

TABLE 22. Independent Family Shoe Stores - Rented - Financial Structure of Incorporated Stores by Size and Age of Business as at December 31, 1954

Item	Stores with annual net sales of							Total all sizes \$20,000 and over
	\$20,000-\$49,999	\$50,000-\$99,999			\$100,000 and over			
		Under 10 years	10 years and over	Total	Under 10 years	10 years and over	Total	
(average per store)								
Assets								
Current assets:								
Cash on hand and in bank .....	993	3,356	2,400	3,108	6,408	6,712	6,617	4,429
Accounts and notes receivable (net) .....	514	1,375	1,836	1,494	4,137	2,986	3,346	2,211
Merchandise inventory .....	18,953	28,872	30,729	29,354	39,889	60,466	54,035	39,293
Other current assets .....	869	1,324	428	1,092	2,740	4,369	3,860	2,343
Total current assets .....	21,329	34,927	35,393	35,048	53,174	74,533	67,858	48,276
Fixed assets (net):								
Used in the business .....	1,776	2,667	2,082	2,515	3,368	7,659	6,318	4,172
Not used in the business .....	67	466	—	345	—	959	659	450
Total fixed assets .....	1,843	3,133	2,082	2,860	3,368	8,618	6,977	4,622
Other assets:								
Long term investments .....	—	902	708	852	1,600	5,693	4,415	2,381
Other assets .....	2,354	2,077	2,741	2,249	15,528	7,046	9,696	5,718
Total other assets .....	2,354	2,979	3,449	3,101	17,128	12,739	14,111	8,099
Total assets .....	25,526	41,039	40,924	41,009	73,670	95,890	88,946	60,997
Liabilities								
Current Liabilities: Accounts and notes payable .....	10,935	14,489	12,825	14,058	26,685	28,657	28,041	20,090
Fixed liabilities:								
Mortgages on fixed assets used in business .....	136	882	—	654	—	—	—	276
Mortgages on fixed assets not used in business .....	897	88	—	65	—	—	—	155
Total fixed liabilities .....	1,033	970	—	719	—	—	—	431
Other liabilities .....	3,471	966	1,720	1,161	1,734	4,406	3,571	2,614
Total liabilities .....	15,439	16,425	14,545	15,938	28,419	33,063	31,612	23,135
Net worth:								
Capital stock .....	9,770	12,398	11,563	12,181	28,323	36,937	34,245	22,064
Surplus and undivided profits .....	317	12,216	14,816	12,890	16,928	25,890	23,089	15,798
Total net worth .....	10,087	24,614	26,379	25,071	45,251	62,827	57,334	37,862
Total liabilities and net worth .....	25,526	41,039	40,924	41,009	73,670	95,890	88,946	60,997
Average net sales of stores reporting .....	37,019	70,617	71,975	70,969	150,983	178,515	169,911	111,934
Number of stores reporting .....	10	20	7	27	10	22	32	69



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