

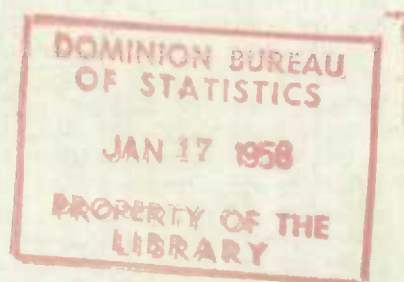
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CANADA

# OPERATING RESULTS AND FINANCIAL STRUCTURE RETAIL CLOTHING STORES 1956

(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

- 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 Store 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, Radio and Television Stores, 25¢
- N — Operating Results of Filling Stations and 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 Credit, 25¢

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- 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 1956.

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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.

**Purchases** — are taken at invoice value, less returns and allowances, cash and trade discounts. Added to the cost of merchandise are the following expenses: duty, inward freight, express and trucking, alterations etc.

**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).

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

**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, including rentals of warehouses and garages, etc.

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

**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.

**Office and 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.

**Non-trading income** — interest earned, revenues from rentals, other activities, carrying charges and investments.

**Non-trading expense** — interest expense, rental expense, any other expenses not pertaining to the business.

## 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 cost 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 (usually one year) 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

1956

(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. This 1956 report, for the first time, shows information on "other income" and "other expense". The segregation of these items improves the quality of the ratios for net operating profit in that there is little chance of a "net" of these two items being included in operating profit.

Balance sheet data, which were introduced in 1948, are continued in this 1956 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

Gross profits of the four clothing trades, expressed as percentages of net sales, showed an increase over the 1954 ratios. For unincorporated stores, these ratios ranged from 26.5% for family clothing stores to 29.6% for shoe stores. Operating expenses decreased in 1956 for men's and women's

clothing stores and increased for family clothing and shoe stores. The net operating profit ratios generally increased except for family clothing stores. In this trade operating expenses advanced at a more rapid rate than did gross profit over the 1954 ratios.

## MERCHANDISING AND SERVICES

**TABLE 1. 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
1956 .....	28.1	10.4	28.5	8.6	26.5	8.4	29.6	10.9

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

Incorporated stores followed the same pattern as the unincorporated clothing stores in that there was a general improvement in the ratio of gross profit which ranged from 30.6% of net sales for family clothing stores to 33.6% for shoe stores. Operating expenses decreased in relation to net sales except for shoe stores; in this trade the rate of increase over 1954 was not as great as the gain

in gross profit with the result that all trades obtained higher ratios of net operating profit in 1956. Executive salaries of incorporated stores are included in salary expense while proprietors' withdrawals of unincorporated stores are not. The latter are shown in net operating profit and cause the difference between the net operating profit ratios of the two types of organization.

**TABLE 2. 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
1956 .....	30.8	3.9	31.8	3.3	30.6	3.1	33.6	3.2

Note: Net profit before deduction of income tax.

The rate of stock turnover was more rapid in 1956 than in 1954 for men's clothing stores, slightly slower for women's clothing stores and approximately

the same for family clothing and shoe stores. This trend was common to both the unincorporated and the incorporated categories.



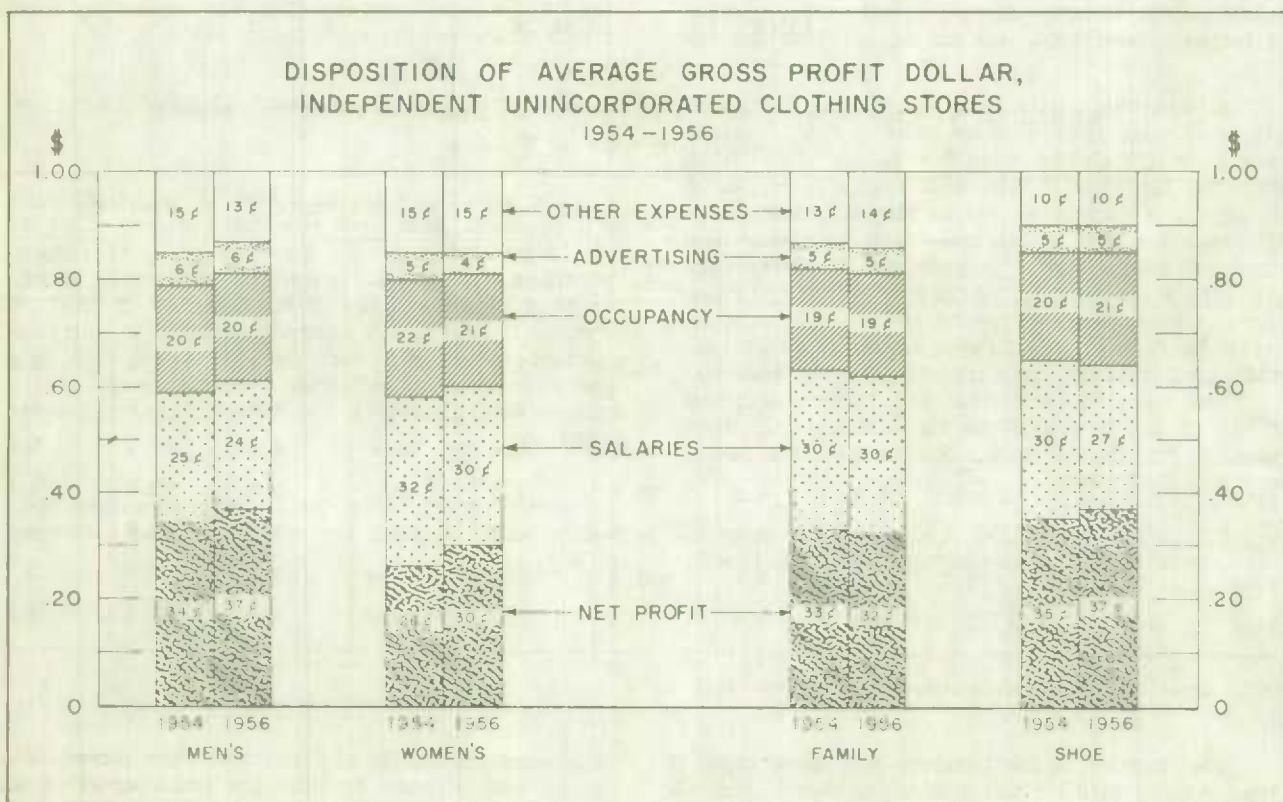
TABLE 3. Stock Turnover Rate<sup>1</sup> of Clothing Stores  
Historical Summary by Trades

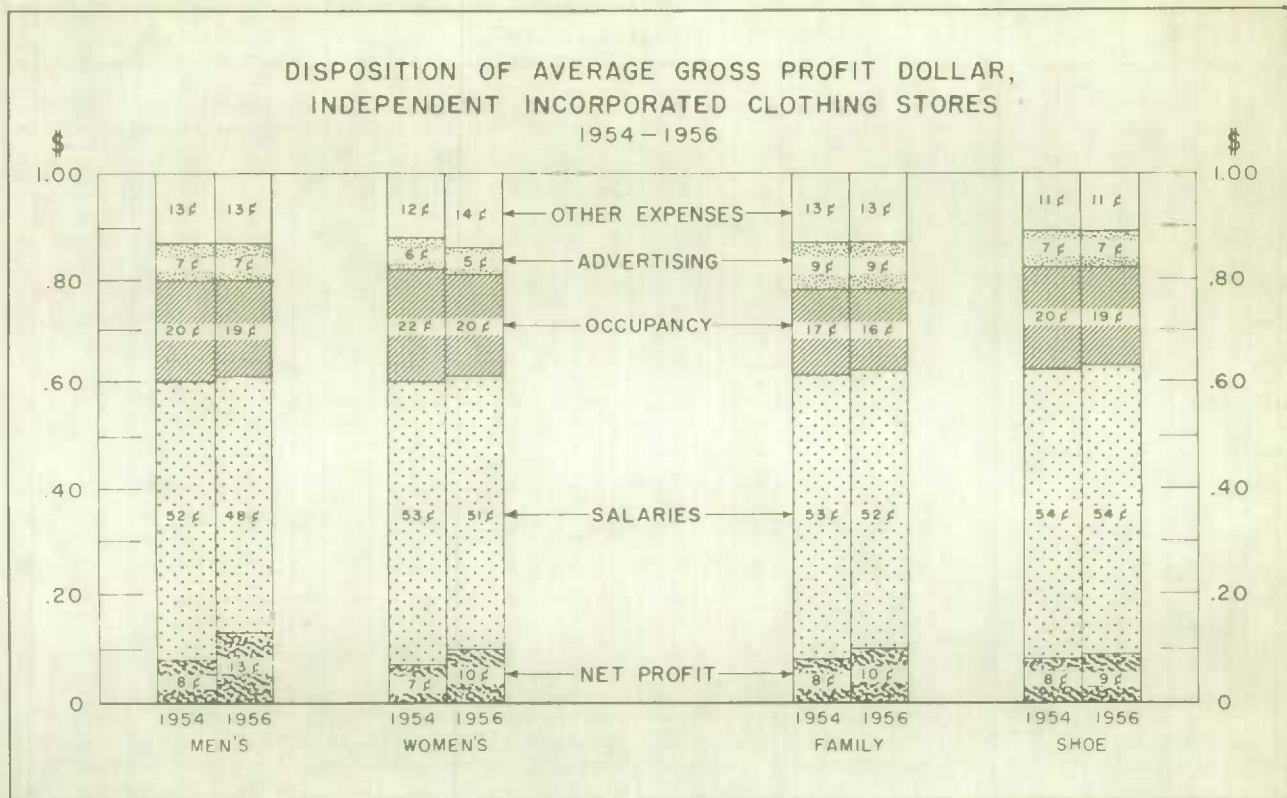
Year	Unincorporated				Incorporated			
	Men's clothing	Women's clothing	Family clothing	Shoes	Men's clothing	Women's clothing	Family clothing	Shoes
1941 .....	2.1	4.1	—	2.1	N/A.			
1944 .....	2.7	4.6	3.0	2.9				
1945 .....	3.5	4.8	3.1	3.0	4.1	5.7	3.7	4.2
1946 .....	3.6	4.6	3.2	2.9	4.1	5.2	4.0	4.0
1948 .....	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
1956 .....	2.2	3.3	2.1	1.8	2.4	4.4	2.7	1.8

1. Times per year.

The following charts on the disposition of the average gross profit dollar for independent clothing stores are self explanatory. Comparisons are made for unincorporated and incorporated clothing trades as to net operating profit and operating expenses for 1954 and 1956. No attempt was made to show

owned and rented stores separately. Their 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 have 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 three years, others for five years, biennially from 1948.

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

TABLE 4. Balance Sheet Ratios Independent Retail Clothing Stores as at December 31,

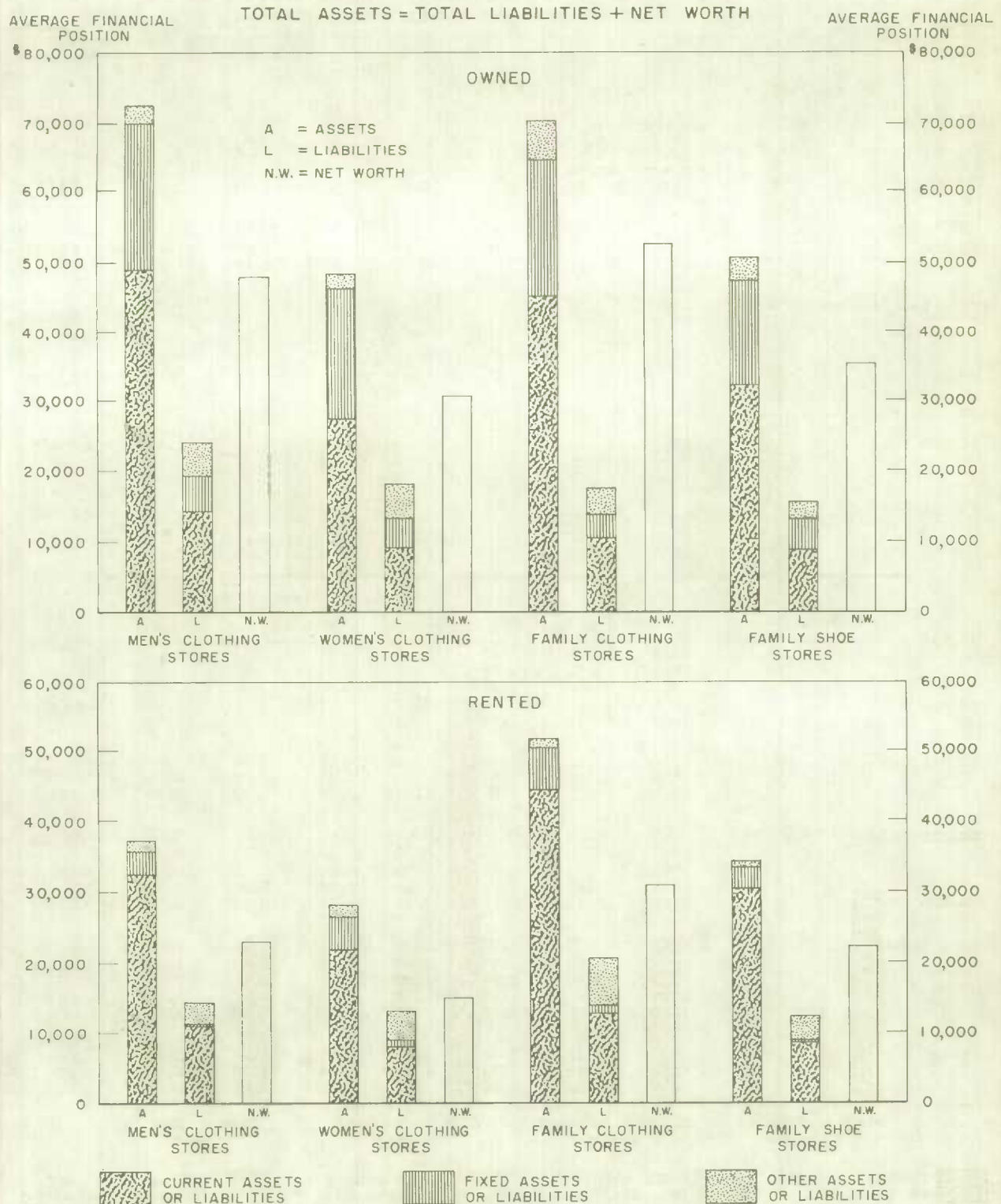
Items <sup>1</sup>		Owned				Rented			
		Men's clothing	Women's clothing	Family clothing	Shoe stores	Men's clothing	Women's clothing	Family clothing	Shoe stores
Incorporated									
Current ratio .....	1948	3.12	—	—	—	3.16	2.61	—	4.88
	1950	1.80	—	—	—	2.82	2.38	2.82	2.59
	1952	2.02	—	—	—	2.95	2.27	2.54	2.62
	1954	1.89	—	3.62	—	2.88	2.32	2.73	2.40
	1956	3.99	—	4.29	—	3.01	2.76	2.82	3.20
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
	1956	1.88	—	1.48	—	1.05	1.46	1.18	0.61
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
	1956	0.70	—	0.79	—	0.98	0.83	0.98	0.98
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
	1956	1.52	—	1.79	—	1.22	1.56	1.33	1.35
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
	1956	0.98	—	1.51	—	1.79	2.45	2.02	1.83
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
	1956	3.46	2.95	4.32	3.60	2.99	2.71	3.47	3.53
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
	1956	1.39	1.08	1.47	0.70	0.95	1.08	1.16	0.65
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
	1956	0.72	0.59	0.66	0.66	0.94	0.91	1.03	0.98
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
	1956	2.00	1.69	2.99	2.28	1.60	1.16	1.47	1.82
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
	1956	1.24	1.60	1.32	1.23	1.86	2.55	1.82	2.04

1. Ratio definitions are shown on page 6.



# COMPARISON OF FINANCIAL STRUCTURE OF UNINCORPORATED CLOTHING STORES

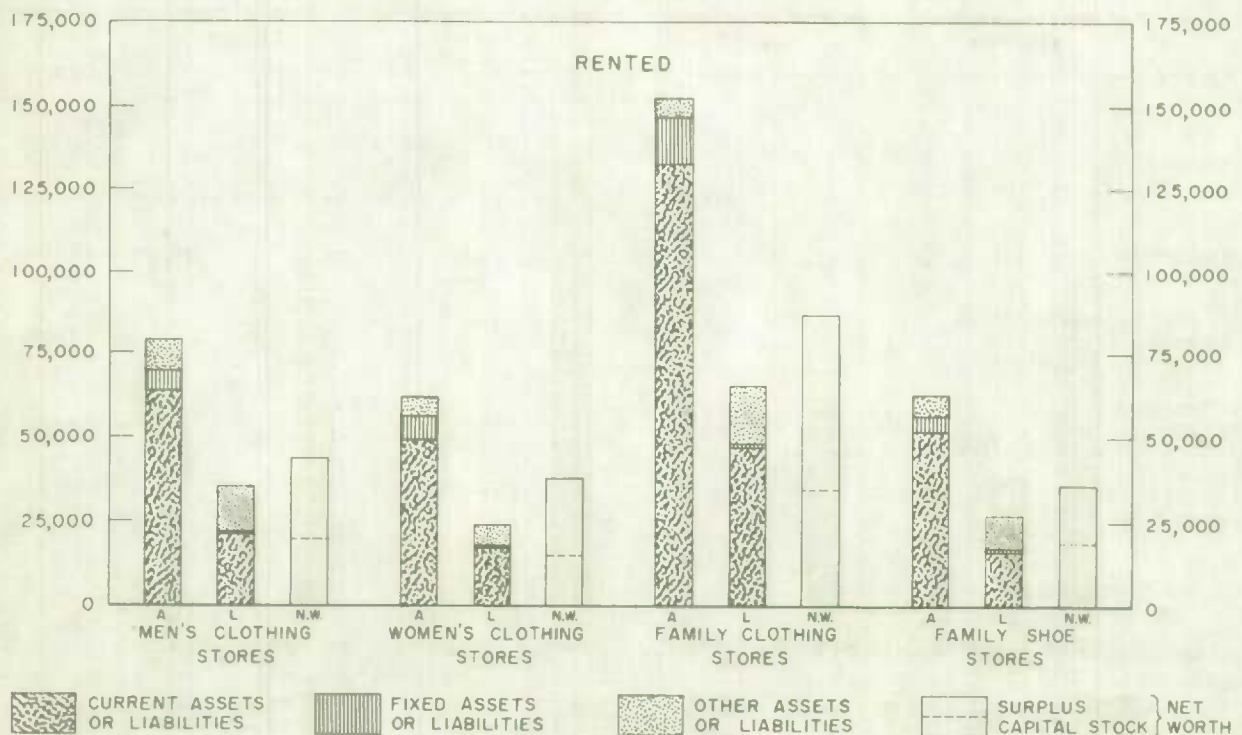
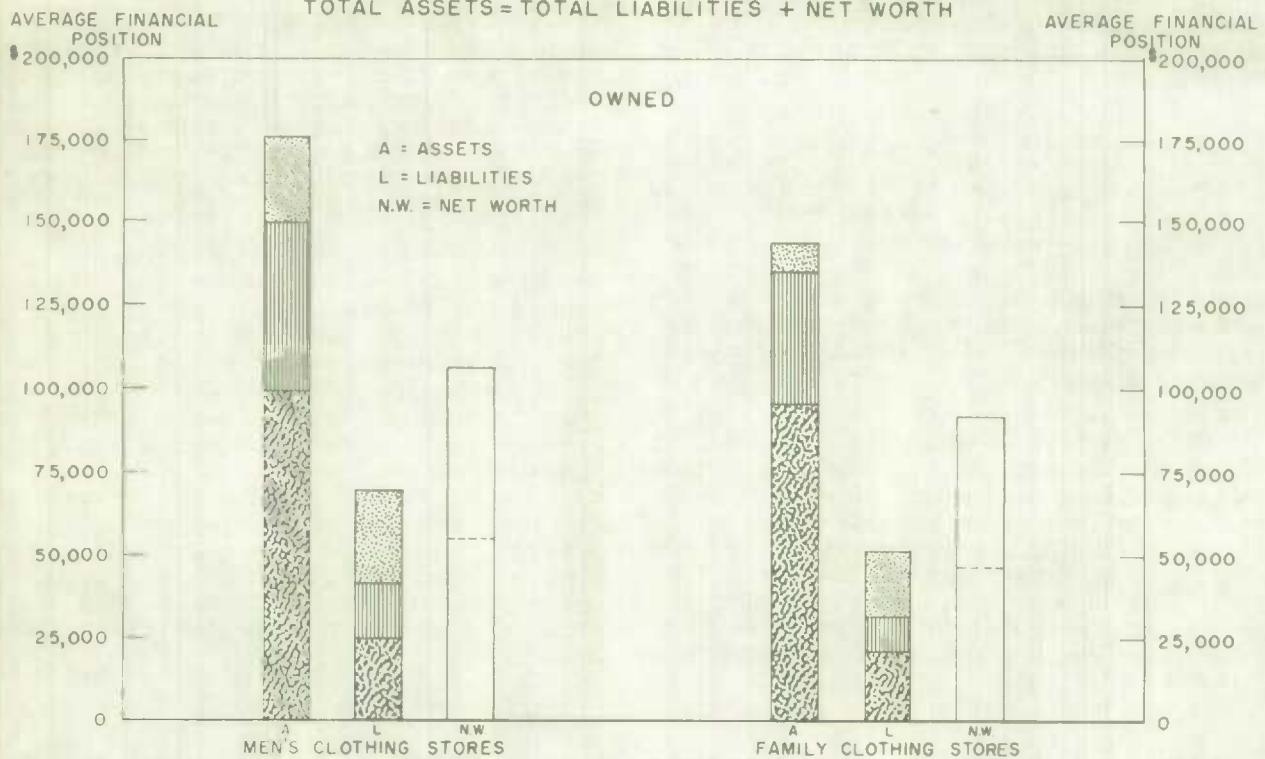
## AVERAGE FINANCIAL POSITION AS AT DECEMBER 31, 1956



## COMPARISON OF FINANCIAL STRUCTURE OF INCORPORATED CLOTHING STORES

AVERAGE FINANCIAL POSITION AS AT DECEMBER 31, 1956

TOTAL ASSETS = TOTAL LIABILITIES + NET WORTH



## INDEPENDENT MEN'S CLOTHING STORES

This survey of independent men's clothing stores includes only establishments selling mainly men's and boy's ready-made clothing such as overcoats, topcoats, suits and work clothing. Furnishings such as hats, shoes, underwear, shirts and gloves may be carried but not in excess of 80% of the total trade.

Separate tabulations were made of unincorporated and incorporated stores for both profit and loss ratios and balance sheet data. Reports used in this study numbered 391 in the unincorporated group and 189 in the incorporated class. A slightly smaller number was used in each for the balance sheet tabulation. Results are shown by sales-size categories and, where possible, a further breakdown was made in the balance sheet averages by number of years in business.

In compiling trade ratios for the "total, all sizes", the different sales-size ratios were combined by giving each size category its proper "weight" as obtained from the 1951 census. In this survey, the reporting is generally better in the larger size stores so that any aggregate of reporting firms would show a ratio biased toward the characteristics of large store operation. The use of weighting gives proper importance to small store operations

so that the ratios shown in the summary table below more truly represent the trade total.

Both unincorporated and incorporated men's clothing stores operated on higher gross profit ratios in 1956 than they did in 1954. Total operating expenses were lower in relation to net sales with a resulting improvement in net operating profit. Stores operated as proprietorships or partnerships increased their net profit from 9.44% in 1954 to 10.86%. Incorporated stores showed a substantial gain in net profit from 1.74% to 3.62%.

The end of the year inventories were at a higher level than at the beginning for both owned and rented unincorporated establishments. Incorporated stores showed higher inventories in the rented category but a lower level in the owned class. The rate of stock turnover increased progressively with sales size for owned and rented stores in both forms of organization. The over-all range was from 0.86 to 2.60 times per year.

Balance sheet ratios are shown historically affording valuable comparison for further study. The following summaries, tables and charts will give more detail on the operating results and financial structure of independent men's clothing stores for 1956.

**TABLE 5. Independent Men's Clothing Stores — Operating Results for 1954 and 1956 compared**

Item	Unincorporated		Incorporated	
	1954	1956	1954	1956
	(Per cent of net sales)			
<b>Gross profit</b> .....	<b>27.02</b>	<b>28.17</b>	<b>29.83</b>	<b>30.76</b>
<b>Operating expenses:</b>				
Employees' salaries .....	6.43	6.20	15.75	14.90
Occupancy .....	5.74	5.92	6.09	5.85
Office and store supplies .....	0.58	0.60	0.67	0.64
Advertising .....	1.41	1.43	2.14	2.06
All other expenses .....	3.42	3.16	3.44	3.69
<b>Total operating expenses</b> .....	<b>17.58</b>	<b>17.31</b>	<b>28.09</b>	<b>27.14</b>
<b>Net operating profit before deduction of income tax</b> <sup>1</sup> .....	<b>9.44</b>	<b>10.86</b>	<b>1.74</b>	<b>3.62</b>

1. Proprietors' salaries included for unincorporated stores.

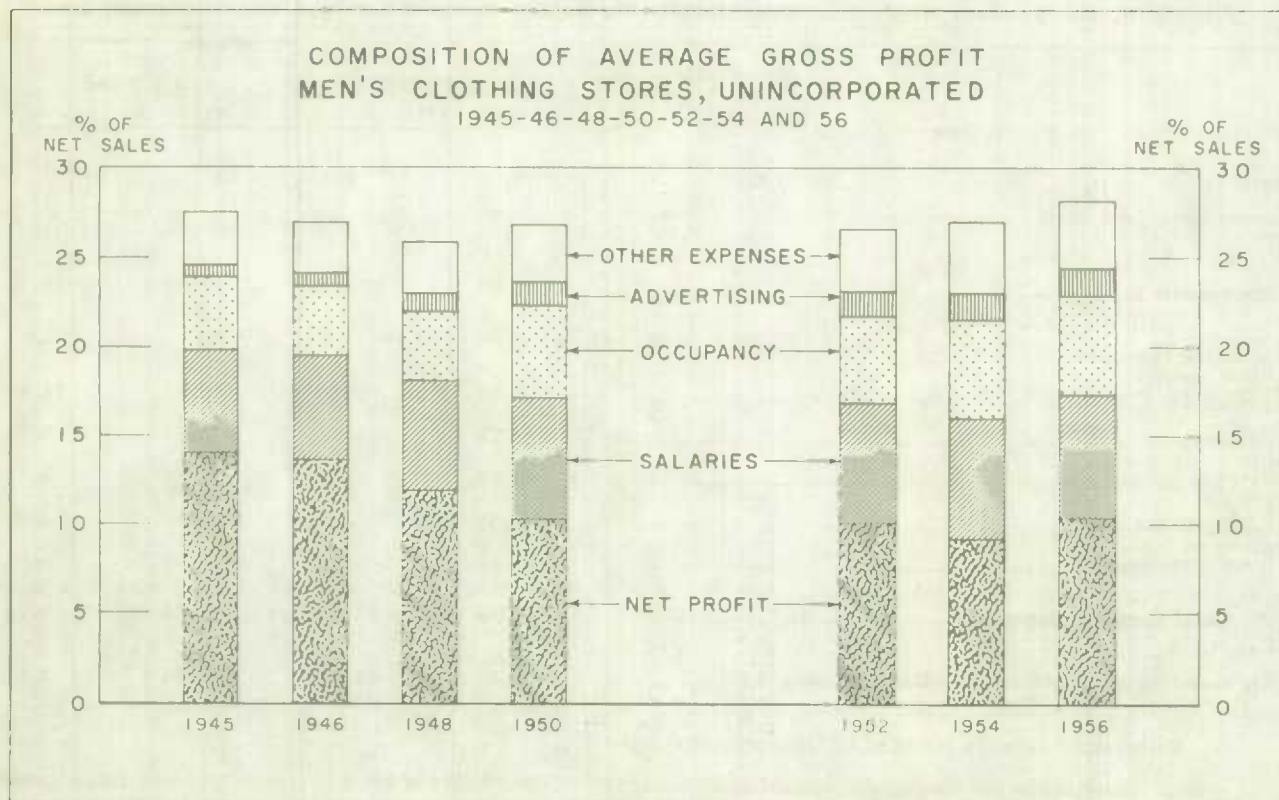
Note: These ratios are "weighted" according to the 1951 Census weights of the different sales sizes for independent stores. They do not agree with ratios shown in historical tables.



TABLE 6. Independent Men's Clothing Stores - Balance Sheet Ratios as at December 31

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
	1956	3.99	3.01	3.46	2.99
Liquidity ratio .....	1952	0.82	1.01	1.22	0.86
	1954	0.71	0.96	1.09	0.96
	1956	1.88	1.05	1.39	0.95
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
	1956	0.70	0.98	0.72	0.94
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
	1956	1.52	1.22	2.00	1.60
Turnover of total capital employed .....	1952	1.37	1.81	1.41	1.91
	1954	1.00	1.62	1.12	1.79
	1956	0.98	1.79	1.24	1.86

Note: See page 6 for definitions.



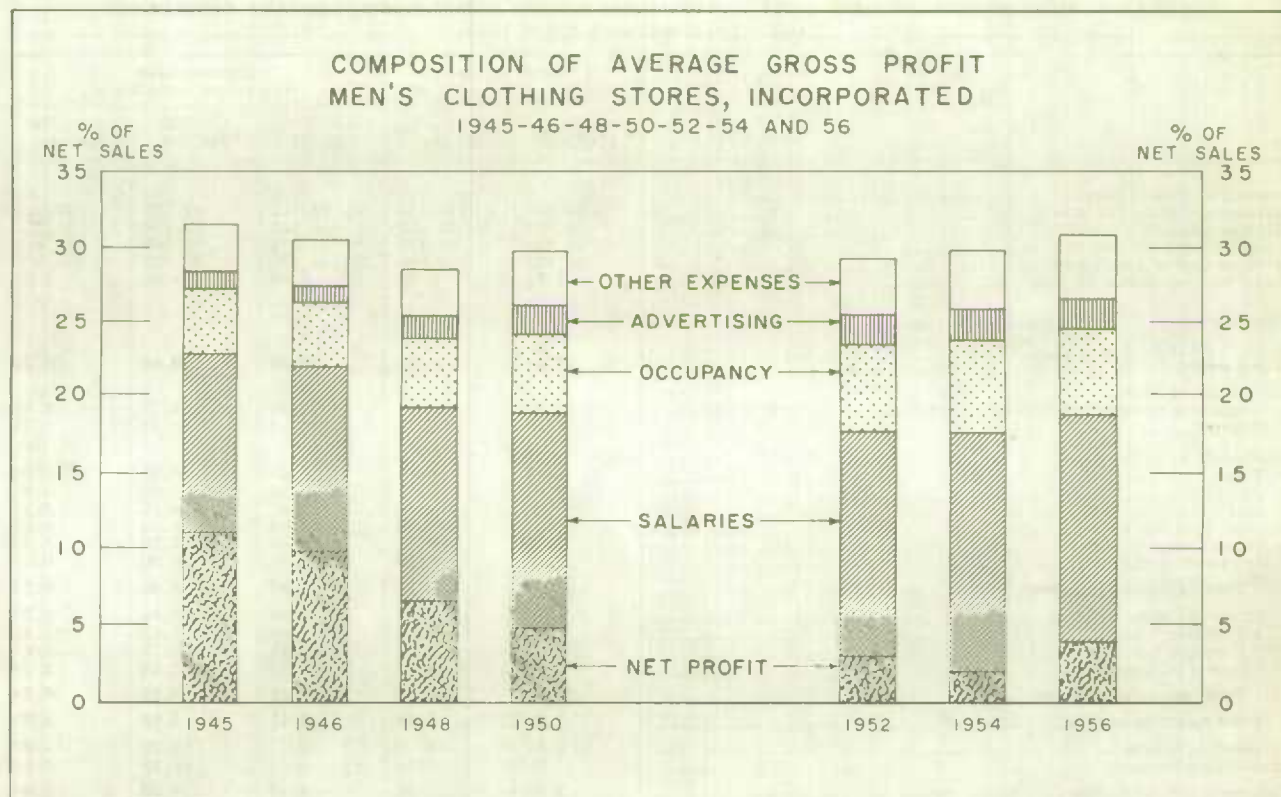


TABLE 7. Independent Men's Clothing Stores — Operating Results of Unincorporated Stores by Annual Sales Volume and Occupancy Basis 1956

Item	Owned stores with annual net sales of				Rented stores with annual net sales of				
	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over	Under \$10,000	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over
Number of stores reporting .....	12	36	30	28	7	27	123	86	40
Average net sales per store.....\$	14,431	31,885	71,227	169,503	7,723	15,997	34,689	69,446	156,563
Average beginning inventory .....	8,192	12,310	26,015	49,291	6,163	9,123	13,259	23,288	40,992
Average inventory, end of year .....	8,161	12,869	27,066	51,640	6,030	9,359	13,380	23,735	43,954
Average cost of goods sold .....	10,762	22,659	52,149	125,081	5,214	11,117	24,745	50,182	110,258
Stock turnover (times per year) .....	1.32	1.80	1.96	2.48	0.86	1.20	1.86	2.13	2.60
Profit and loss data (Per cent of net sales)									
Gross profit.....	25.43	28.94	26.79	26.21	32.48	30.50	28.66	27.74	29.57
Operating expenses:									
Executives' and employees' salaries and wages etc. (except delivery) .....	2.10	4.66	5.93	9.23	—	1.76	3.99	6.30	8.71
Delivery.....	0.20	0.27	0.29	0.23	—	0.98	0.29	0.30	0.35
Occupancy expenses:									
Taxes.....	1.86	1.44	0.99	0.75	0.82	0.74	0.46	0.40	0.32
Insurance.....	0.98	0.97	0.78	0.60	1.12	0.92	0.76	0.62	0.60
Rent.....	—	—	—	—	11.04	7.49	4.54	3.46	2.31
Heat, light and power .....	2.10	1.35	0.82	0.69	1.18	1.43	0.87	0.66	0.55
Repairs and maintenance .....	0.55	0.80	0.49	0.60	0.28	0.53	0.51	0.49	0.43
Depreciation allowances.....	0.95	1.07	1.01	1.12	0.08	0.91	0.67	0.55	0.64
Total occupancy expenses.....	6.44	5.63	4.09	3.76	14.52	12.02	7.81	6.18	4.85
Office and store supplies.....	0.79	0.54	0.49	0.55	0.25	0.60	0.59	0.60	0.72
Advertising.....	1.05	1.25	1.27	1.85	0.34	0.74	0.93	1.39	2.08
Net loss on bad debts.....	0.32	0.15	0.18	0.26	—	0.11	0.28	0.27	0.35
All other expenses.....	3.55	3.36	2.16	2.32	2.04	3.25	3.02	2.43	2.23
Total operating expenses.....	14.45	15.86	14.41	18.20	17.15	19.44	16.91	17.47	19.29
Net operating profit.....	10.98	13.08	12.38	8.01	15.33	11.06	11.75	10.27	10.28
Non-trading income .....	1.97	2.22	0.82	0.90	—	0.67	0.22	0.22	0.33
Non-trading expense .....	1.08	0.59	0.25	0.19	—	0.15	0.07	0.10	0.01
Net profit before deduction of proprietors' salaries and income tax.....	11.87	14.71	12.95	8.72	15.33	11.58	11.90	10.39	10.60



TABLE 8. Independent Men's Clothing Stores — Operating Results of Incorporated Stores by Annual Sales Volume and Occupancy Basis 1956

Item	Owned stores with annual net sales of		Rented stores with annual net sales of		
	Under \$100,000	\$100,000 and over	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over
Number of stores reporting.....	8	11	22	53	95
Average net sales per store.....	\$ 58,277	235,434	36,141	74,806	193,729
Average beginning inventory.....	\$ 24,575	63,932	16,047	25,474	51,004
Average inventory, end of year.....	\$ 23,679	64,479	15,674	26,363	55,415
Average cost of goods sold.....	\$ 41,934	159,985	25,437	52,052	134,011
Stock turnover (times per year).....	1.74	2.49	1.60	2.01	2.52
Profit and loss data (Per cent of net sales)					
Gross profit.....	28.04	32.04	29.62	30.42	30.83
Operating expenses:					
Executives' and employees' salaries and wages etc. (except delivery)....	15.64	15.69	15.20	14.75	14.60
Delivery.....	0.43	0.22	0.19	0.26	0.24
Occupancy expenses:					
Taxes.....	1.56	1.48	0.69	0.42	0.34
Insurance.....	0.88	0.68	0.74	0.60	0.46
Rent.....	—	—	5.46	4.13	3.22
Heat, light and power.....	1.02	0.70	1.00	0.72	0.60
Repairs and maintenance.....	0.61	0.52	0.35	0.38	0.31
Depreciation allowances.....	0.66	1.43	0.63	0.60	0.65
Total occupancy expenses.....	4.73	4.81	8.87	6.85	5.58
Office and store supplies.....	0.72	0.84	0.58	0.61	0.58
Advertising.....	1.28	2.32	1.06	1.69	2.30
Net loss on bad debts.....	0.21	0.22	0.12	0.17	0.42
All other expenses.....	2.74	4.68	3.19	2.83	2.76
Total operating expenses.....	25.75	28.78	29.21	27.16	26.48
Net operating profit.....	2.29	3.28	0.41	3.26	4.35
Non-trading income.....	0.64	1.12	0.22	0.28	0.43
Non-trading expense.....	—	0.24	0.15	0.15	0.09
Net profit before provision for income tax.....	2.93	4.14	0.48	3.39	4.69

TABLE 9. Independent Men's Clothing Stores — Owned — Financial Structure of Unincorporated Stores by Size and Age of business as at December 31, 1956

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 .....	6,653	3,286	3,979	16,091	13,518	14,376	13,584	10,292
Accounts and notes receivable (net) .....	1,227	1,447	1,402	1,939	3,244	2,809	12,865	5,350
Merchandise inventory .....	14,057	12,729	13,002	29,384	25,906	27,065	51,640	29,347
Other current assets .....	152	5,508	4,405	4,455	2,603	3,220	4,636	4,089
<b>Total current assets .....</b>	<b>22,089</b>	<b>22,970</b>	<b>22,788</b>	<b>51,869</b>	<b>45,271</b>	<b>47,470</b>	<b>82,725</b>	<b>49,078</b>
Fixed assets (net):								
Used in the business .....	14,638	7,372	8,868	19,077	7,857	11,598	36,311	18,110
Not used in the business .....	2,221	3,517	3,250	1,800	1,042	1,294	3,810	2,783
<b>Total fixed assets (net) .....</b>	<b>16,859</b>	<b>10,889</b>	<b>12,118</b>	<b>20,877</b>	<b>8,899</b>	<b>12,892</b>	<b>40,121</b>	<b>20,893</b>
Other assets:								
Long term investments .....	2,720	1,480	1,736	349	1,707	1,254	3,523	2,123
Other assets .....	1,216	182	395	500	—	167	240	273
<b>Total other assets .....</b>	<b>3,936</b>	<b>1,662</b>	<b>2,131</b>	<b>849</b>	<b>1,707</b>	<b>1,421</b>	<b>3,763</b>	<b>2,396</b>
<b>Total assets .....</b>	<b>42,884</b>	<b>35,521</b>	<b>37,037</b>	<b>73,596</b>	<b>55,877</b>	<b>61,783</b>	<b>126,609</b>	<b>72,367</b>
Liabilities								
Current liabilities:								
Accounts and notes payable .....	6,378	7,058	6,918	15,164	9,210	11,195	26,260	14,199
Fixed liabilities:								
Mortgages on fixed assets used in business .....	4,357	1,441	2,041	5,142	1,209	2,520	11,085	4,950
Mortgages on fixed assets not used in business .....	—	481	382	1,147	—	382	—	266
<b>Total fixed liabilities .....</b>	<b>4,357</b>	<b>1,922</b>	<b>2,423</b>	<b>6,289</b>	<b>1,209</b>	<b>2,902</b>	<b>11,085</b>	<b>5,216</b>
Other liabilities .....	5,029	1,462	2,197	2,301	1,541	1,794	10,944	4,728
<b>Total liabilities .....</b>	<b>15,764</b>	<b>10,442</b>	<b>11,538</b>	<b>23,754</b>	<b>11,960</b>	<b>15,891</b>	<b>48,289</b>	<b>24,143</b>
Net worth: Proprietor's or partners' equity in the business .....	27,120	25,079	25,499	49,841	43,917	45,892	78,320	48,224
<b>Total liabilities and net worth .....</b>	<b>42,884</b>	<b>35,521</b>	<b>37,037</b>	<b>73,596</b>	<b>55,877</b>	<b>61,783</b>	<b>126,609</b>	<b>72,367</b>
Average net sales of stores reporting .....	32,350	30,829	31,142	80,034	88,824	71,227	169,503	86,323
Number of stores reporting .....	7	27	34	10	20	30	28	92



TABLE 10. Independent Men's Clothing Stores — Rented — Financial Structure of Unincorporated Stores by Size and Age of business as at December 31, 1956

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 .....	2,175	2,575	2,371	3,533	6,776	5,268	6,558	12,969	11,526	4,893
Accounts and notes receivable (net) .....	2,385	1,011	1,710	3,020	4,289	3,699	12,897	12,624	12,686	4,210
Merchandise inventory .....	12,883	14,093	13,478	25,618	22,098	23,735	43,128	44,193	43,954	22,089
Other current assets .....	413	1,025	714	382	1,812	1,147	938	2,658	2,271	1,122
<b>Total current assets</b> .....	<b>17,856</b>	<b>18,704</b>	<b>18,273</b>	<b>32,553</b>	<b>34,975</b>	<b>33,849</b>	<b>63,521</b>	<b>72,444</b>	<b>70,437</b>	<b>32,314</b>
Fixed assets (net):										
Used in the business .....	1,601	1,082	1,346	2,192	2,332	2,267	5,039	5,699	5,550	2,360
Not used in the business .....	277	680	475	560	2,880	1,801	778	1,836	1,598	1,126
<b>Total fixed assets (net)</b> .....	<b>1,878</b>	<b>1,762</b>	<b>1,821</b>	<b>2,752</b>	<b>5,212</b>	<b>4,068</b>	<b>5,817</b>	<b>7,535</b>	<b>7,148</b>	<b>3,486</b>
Other assets:										
Long term investments .....	36	1,084	551	—	1,272	680	1,186	2,969	2,568	927
Other assets .....	36	156	95	196	262	231	389	2,297	1,868	434
<b>Total other assets</b> .....	<b>72</b>	<b>1,240</b>	<b>646</b>	<b>196</b>	<b>1,534</b>	<b>911</b>	<b>1,575</b>	<b>5,266</b>	<b>4,436</b>	<b>1,361</b>
<b>Total assets</b> .....	<b>19,806</b>	<b>21,706</b>	<b>20,740</b>	<b>35,501</b>	<b>41,721</b>	<b>38,828</b>	<b>70,913</b>	<b>85,245</b>	<b>82,021</b>	<b>37,161</b>
Liabilities										
Current liabilities: Accounts and notes payable .....	6,203	6,503	6,351	12,289	9,969	11,048	19,651	24,527	23,430	10,806
Fixed liabilities:										
Mortgages on fixed assets used in business .....	49	—	25	242	49	139	147	—	33	66
Mortgages on fixed assets not used in business .....	100	189	144	13	141	81	555	116	215	134
<b>Total fixed liabilities</b> .....	<b>149</b>	<b>189</b>	<b>169</b>	<b>255</b>	<b>190</b>	<b>220</b>	<b>702</b>	<b>116</b>	<b>248</b>	<b>200</b>
Other liabilities .....	2,760	2,316	2,541	3,218	2,914	3,056	4,723	6,263	5,917	3,276
<b>Total liabilities</b> .....	<b>9,112</b>	<b>9,008</b>	<b>9,061</b>	<b>15,762</b>	<b>13,073</b>	<b>14,324</b>	<b>25,076</b>	<b>30,906</b>	<b>29,595</b>	<b>14,282</b>
Net worth: Proprietor's or partners' equity in the business .....	10,694	12,698	11,679	19,739	28,648	24,504	45,837	54,339	52,426	22,879
<b>Total liabilities and net worth</b> .....	<b>19,806</b>	<b>21,706</b>	<b>20,740</b>	<b>35,501</b>	<b>41,721</b>	<b>38,828</b>	<b>70,913</b>	<b>85,245</b>	<b>82,021</b>	<b>37,161</b>
Average net sales of stores reporting .....	34,877	35,106	34,990	69,210	69,651	69,446	147,803	159,107	156,563	67,064
Number of stores reporting .....	50	58	118	40	45	85	2	31	40	244

TABLE 11. Independent Men's Clothing Stores — Owned — Financial Structure of Incorporated Stores by Size and Age of business as at December 31, 1956

Item	Stores with annual net sales of		Total all sizes \$20,000 and over
	Under \$100,000	\$100,000 and over	
	(Average per store)		
Assets			
Current assets:			
Cash on hand and in bank .....	6,744	9,365	8,346
Accounts and notes receivable (net) .....	6,593	45,400	30,308
Merchandise inventory .....	25,915	69,293	52,423
Other current assets .....	5,740	9,598	8,098
<b>Total current assets</b> .....	<b>44,992</b>	<b>133,656</b>	<b>99,175</b>
Fixed assets (net):			
Used in the business .....	10,410	69,782	46,693
Not used in the business .....	844	5,192	3,501
<b>Total fixed assets (net)</b> .....	<b>11,254</b>	<b>74,974</b>	<b>50,194</b>
Other assets:			
Long term investments .....	2,218	21,933	14,266
Other assets .....	1,434	18,682	11,975
<b>Total other assets</b> .....	<b>3,652</b>	<b>40,615</b>	<b>26,241</b>
<b>Total assets</b> .....	<b>59,898</b>	<b>249,245</b>	<b>175,610</b>
Liabilities			
Current liabilities: Accounts and notes payable .....	9,916	34,342	24,842
Fixed liabilities:			
Mortgages on fixed assets used in business .....	3,719	22,381	15,124
Mortgages on fixed assets not used in business .....	—	1,965	1,201
<b>Total fixed liabilities</b> .....	<b>3,719</b>	<b>24,346</b>	<b>16,325</b>
Other liabilities .....	4,770	43,481	28,427
<b>Total liabilities</b> .....	<b>18,405</b>	<b>102,169</b>	<b>69,594</b>
Net worth:			
Capital stock .....	14,667	80,624	54,974
Surplus and undivided profits .....	26,826	66,452	51,042
<b>Total net worth</b> .....	<b>41,493</b>	<b>147,076</b>	<b>106,016</b>
<b>Total liabilities and net worth</b> .....	<b>59,898</b>	<b>249,245</b>	<b>175,610</b>
Average net sales of stores reporting .....	64,237	235,434	168,858
Number of stores reporting .....	7	11	18

TABLE 12. Independent Men's Clothing Stores—Rented—Financial Structure of Incorporated Stores by Size and Age of Business as at December 31, 1956

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 .....	706	3,870	2,363	4,389	5,280	4,766	8,287	12,724	10,364	7,615
Accounts and notes receivable (Net) .....	1,635	1,564	1,599	5,966	4,066	5,162	19,013	17,232	18,179	12,040
Merchandise inventory .....	14,880	16,199	15,571	25,772	27,095	26,331	51,257	60,087	55,390	41,335
Other current assets .....	99	5,550	2,954	1,096	1,229	1,153	2,017	4,807	3,324	2,601
Total current assets .....	17,320	27,183	22,487	37,223	37,670	37,412	80,574	94,850	87,257	63,591
Fixed assets (net):										
Used in the business .....	1,483	1,513	1,499	3,294	1,940	2,721	5,506	4,855	5,201	3,984
Not used in the business .....	—	—	—	760	959	844	1,328	6,132	3,577	2,276
Total fixed assets (net) .....	1,483	1,513	1,499	4,054	2,899	3,565	6,834	10,987	8,778	6,240
Other assets:										
Long term investments .....	—	4,101	2,148	1,779	2,234	1,972	7,778	2,302	5,214	3,819
Other assets .....	491	219	348	2,739	1,752	2,321	8,027	8,430	8,216	5,391
Total other assets .....	491	4,320	2,496	4,518	3,986	4,293	15,805	10,732	13,430	9,210
Total assets .....	19,294	33,016	26,482	45,795	44,555	45,270	103,213	116,569	109,465	79,041
Liabilities										
Current liabilities:										
Accounts and notes payable .....	7,801	9,074	8,468	12,517	12,499	12,509	28,013	29,554	28,734	21,133
Fixed liabilities:										
Mortgages on fixed assets used in business ..	—	—	—	—	—	—	—	—	—	—
Mortgages on fixed assets not used in business .....	260	—	124	—	—	—	167	568	355	215
Total fixed liabilities .....	260	—	124	—	—	—	167	568	355	215
Other liabilities .....	2,709	10,797	6,946	7,483	3,420	5,764	26,341	13,878	20,508	14,212
Total liabilities .....	10,770	19,871	15,538	20,000	15,919	18,273	54,521	44,000	49,597	35,560
Net worth:										
Capital stock .....	8,524	8,321	8,417	16,118	13,815	15,144	24,372	24,639	24,497	19,563
Surplus and undivided profits .....	—	4,824	2,527	9,677	14,821	11,853	24,320	47,930	35,371	23,918
Total net worth .....	8,524	13,145	10,944	25,795	28,636	26,997	48,692	72,569	59,868	43,481
Total liabilities and net worth .....	19,294	33,016	26,482	45,795	44,555	45,270	103,213	116,569	109,465	79,041
Average net sales of stores reporting .....	34,540	36,831	35,740	75,390	74,127	74,856	193,903	194,714	194,283	137,159
Number of stores reporting .....	10	11	21	30	22	52	50	44	94	167

## INDEPENDENT WOMEN'S CLOTHING STORES

This classification includes only retail stores selling mainly women's ready-to-wear, coats, suits and dresses, with or without accessories. Stores selling piece goods in excess of 50% were excluded as were stores specializing in single lines such as millinery or furs. Separate tabulations were made for unincorporated and incorporated independent stores for both profit and loss items and for balance sheet data. After careful editing, there were 341 reports from unincorporated stores and 112 from incorporated companies used for profit and loss ratios. A slightly smaller number was used in the balance sheet tabulations. Results are shown by sales-size categories and, where possible, a further breakdown was made in the balance sheet averages by number of years in business.

In compiling trade ratios for "total, all sizes", the different sales-size ratios were combined by giving each size category its proper "weight" as obtained from the 1951 census. In this survey, the reporting is generally better in the larger size stores so that any aggregate of reporting firms would show a ratio biased toward the characteristics of large store operation. The use of weighting gives proper importance to small store operations

so that the ratios shown in the summary table below more truly represent the trade total.

The 1956, gross profit, expressed as a percentage of net sales, showed a gain over the 1954 ratio for both unincorporated and incorporated stores. The first group increased from 27.38% in 1954 to 28.29%; incorporated stores improved their gross profit from 31.23% to 31.78% in 1956. Both groups experienced reduced ratios of operating expense with the resulting gain in net profit — unincorporated stores 7.60% in 1954 to 8.73% and incorporated firms from 2.00% to 3.17%

Inventories were practically the same at the end of the year as at the beginning for unincorporated stores while the incorporated class reported increased stock on hand at the end of the year. The rate of stock turnover increased with sales size, ranging from 1.15 to 5.40 times per year over both types of organization.

The following summaries, tables and charts are self-explanatory and give more complete information on the operating results and financial structure of independent women's clothing stores for 1956.

**TABLE 13. Independent Women's Clothing Stores — Operating Results for 1954 and 1956 compared**

Item	Unincorporated		Incorporated <sup>1</sup>	
	1954	1956	1954	1956
	(per cent of net sales)			
Gross profit.....	27.38	28.29	31.23	31.78
Operating expenses:				
Employees' salaries .....	8.09	7.78	16.57	15.85
Occupancy.....	6.44	6.49	7.08	7.02
Office and store supplies.....	0.66	0.69	0.77	0.83
Advertising.....	1.10	1.05	1.63	1.62
All other expenses.....	3.49	3.55	3.18	3.29
Total operating expenses.....	19.78	19.56	29.23	28.61
Net operating profit before deduction of income tax <sup>2</sup> .....	7.60	8.73	2.00	3.17

1. Covers only rented stores.

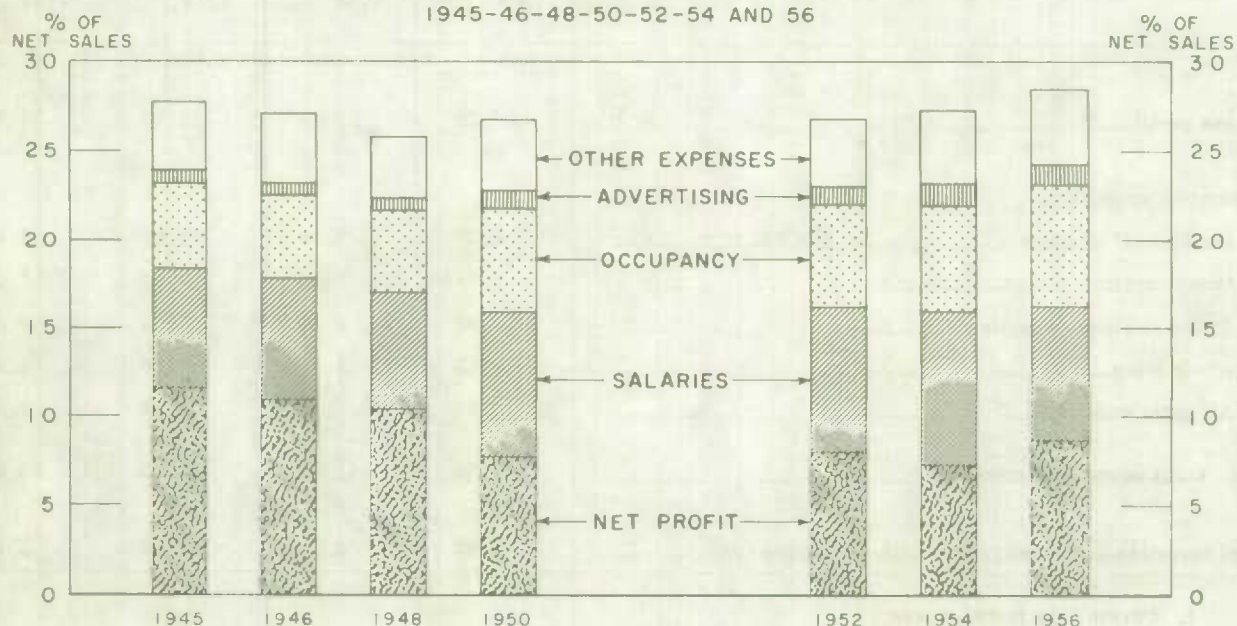
2. Proprietors' salaries included for unincorporated stores.

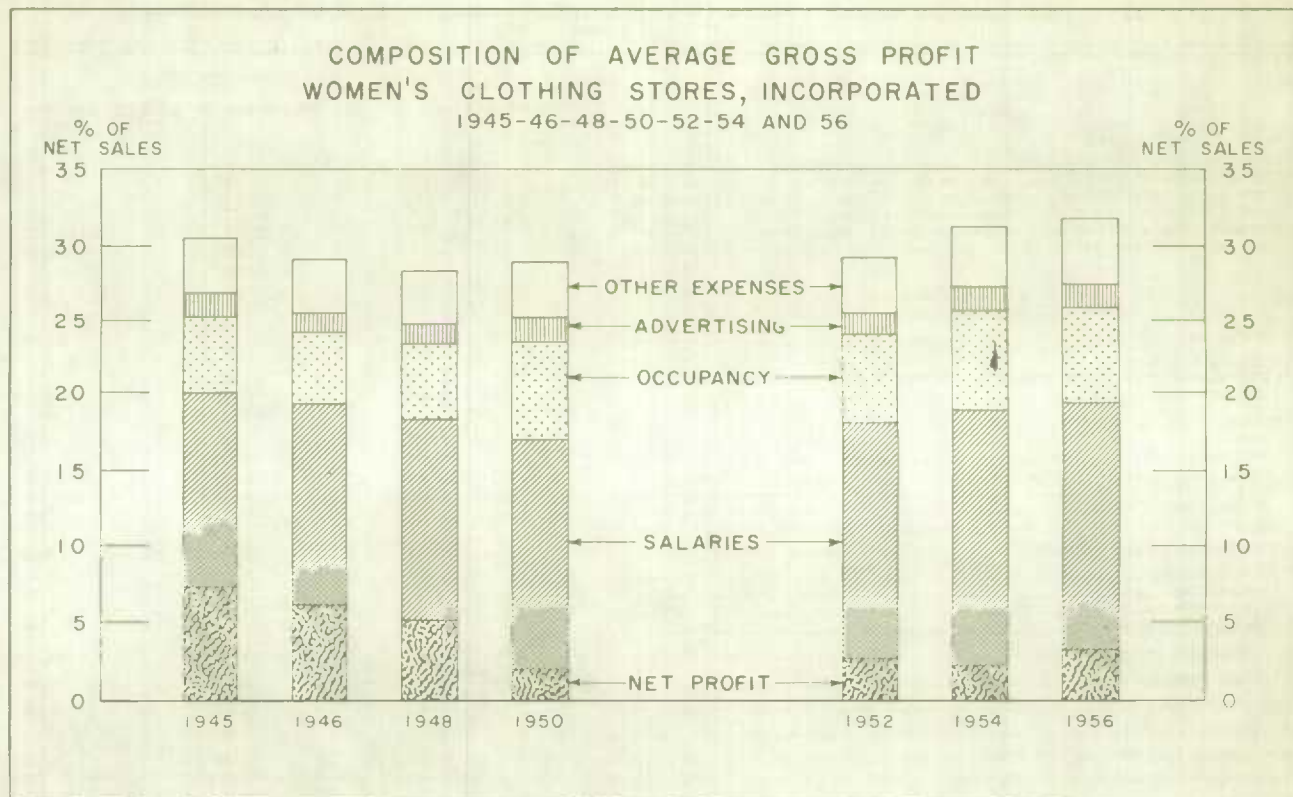
Note: These ratios are "weighted" according to the 1951 Census weights of the different sales sizes for independent stores. They do not agree with ratios shown in historical tables.



TABLE 14. Balance Sheet Ratios of Independent Women's Clothing Stores as at December 31

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
	1956	2.76	2.95	2.71
Liquidity ratio .....	1952	1.18	1.19	1.07
	1954	1.18	0.99	0.92
	1956	1.46	1.08	1.08
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
	1956	0.83	0.59	0.91
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
	1956	1.56	1.69	1.16
Turnover of total capital employed .....	1952	2.70	1.78	2.76
	1954	2.64	1.67	2.44
	1956	2.45	1.60	2.55

COMPOSITION OF AVERAGE GROSS PROFIT  
WOMEN'S CLOTHING STORES, UNINCORPORATED  
1945-46-48-50-52-54 AND 56



**TABLE 15. Independent Women's Clothing Stores — Operating Results of Unincorporated Stores by Annual Sales Volume and Occupancy Basis 1956**

Item	Owned stores with annual net sales of					Rented stores with annual net sales of				
	Under \$10,000	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over	Under \$10,000	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over
Number of stores reporting .....	8	17	33	28	15	8	37	100	64	31
Average net sales per store .....	\$ 7,885	15,391	31,789	74,097	164,027	6,300	15,612	33,464	73,848	148,361
Average beginning inventory .....	\$ 4,016	6,521	10,751	18,809	27,935	3,851	5,898	9,900	12,856	21,238
Average inventory, end of year .....	\$ 4,079	6,418	10,417	18,569	29,913	3,651	6,101	10,124	12,912	22,150
Average cost of goods sold .....	\$ 5,958	11,140	23,349	54,632	115,255	4,310	11,180	24,099	52,099	105,678
Stock turnover (times per year) .....	1.47	1.72	2.21	2.92	3.98	1.15	1.86	2.41	4.04	4.87
Profit and loss data (Per cent of net sales)										
<b>Gross profit .....</b>	<b>24.43</b>	<b>27.62</b>	<b>26.55</b>	<b>26.27</b>	<b>29.73</b>	<b>31.59</b>	<b>28.39</b>	<b>27.98</b>	<b>29.45</b>	<b>28.77</b>
Operating expenses:										
Executives' and employees' salaries and wages etc. (except delivery) .....	1.14	3.86	5.44	8.38	10.00	1.31	3.14	7.24	9.61	9.95
Delivery .....	0.15	0.05	0.51	0.49	0.39	0.10	0.05	0.53	0.37	0.33
Occupancy expenses:										
Taxes .....	1.96	1.36	1.12	0.96	0.66	0.82	0.70	0.38	0.32	0.31
Insurance .....	0.60	0.99	0.75	0.76	0.65	0.95	0.67	0.59	0.54	0.45
Rent .....	—	—	—	—	—	10.71	7.00	4.63	3.66	2.78
Heat, light and power .....	2.11	1.80	1.28	0.88	0.76	1.99	1.34	0.90	0.68	0.56
Repairs and maintenance .....	0.54	0.73	0.87	0.50	0.44	0.25	0.45	0.49	0.54	0.43
Depreciation allowances .....	1.82	1.49	1.41	1.32	1.17	0.27	0.54	0.56	0.75	0.76
Total occupancy expenses .....	7.03	6.37	5.43	4.42	3.68	14.99	10.70	7.55	6.49	5.29
Office and store supplies .....	0.42	0.82	0.66	0.50	0.74	0.60	0.78	0.69	0.70	0.72
Advertising .....	0.13	0.97	0.78	1.23	1.60	1.07	0.78	6.93	1.09	1.22
Net loss on bad debts .....	—	0.27	0.18	0.13	0.08	0.48	0.33	0.08	0.36	0.14
All other expenses .....	3.25	3.85	2.89	2.66	3.41	2.83	3.20	2.96	2.73	3.06
Total operating expenses .....	12.12	16.19	15.89	17.81	19.90	21.38	18.98	19.98	21.35	20.71
Net operating profit .....	12.31	11.43	10.66	8.46	9.83	10.21	9.41	8.00	8.10	8.06
Non-trading income .....	.01	0.75	1.39	4.51	0.31	0.18	0.62	0.20	0.48	0.49
Non-trading expense .....	—	0.64	0.73	3.94	0.17	—	0.01	0.04	0.14	0.19
<b>Net Profit before deduction of proprietors' sala- ries and income tax .....</b>	<b>12.32</b>	<b>11.54</b>	<b>11.32</b>	<b>9.03</b>	<b>9.97</b>	<b>10.39</b>	<b>10.02</b>	<b>8.16</b>	<b>8.44</b>	<b>8.36</b>

TABLE 16. Independent Women's Clothing Stores - Operating Results of Rented Incorporated Stores by Annual Sales Volume, 1956

Item	Rented stores with annual net sales of		
	\$20,000-\$49,999	\$50,000-\$99,999	\$100,000 and over
Number of stores reporting .....	19	31	62
Average net sales per store .....	36,122	75,214	226,013
Average beginning inventory .....	10,209	18,275	27,294
Average inventory, end of year .....	9,792	18,972	29,615
Average cost of goods sold .....	24,110	52,272	153,783
Stock turnover (times per year) .....	2.41	2.81	5.40
Profit and loss data (per cent of net sales)			
Gross profit .....	33.25	30.50	31.96
Operating expenses:			
Executives' and employees' salaries and wages etc. (except delivery) .....	14.47	15.68	16.12
Delivery .....	0.25	0.22	0.32
Occupancy expenses:			
Taxes .....	0.79	0.69	0.38
Insurance .....	0.66	0.68	0.38
Rent .....	6.43	4.88	3.28
Heat light and power .....	1.02	0.79	0.59
Repairs and maintenance .....	0.36	0.54	0.42
Depreciation allowances .....	0.38	1.06	1.07
Total occupancy expenses .....	9.64	8.64	6.10
Office and store supplies .....	0.88	0.65	0.91
Advertising .....	1.51	1.28	1.74
Net loss on bad debts .....	0.01	0.12	0.33
All other expenses .....	3.42	2.89	2.80
Total operating expenses .....	29.98	29.48	28.12
Net operating profit .....	3.27	1.02	3.84
Non-trading income .....	0.03	0.28	0.76
Non-trading expense .....	0.01	0.08	0.25
Net profit before provision for income tax .....	3.29	1.22	4.35

TABLE 17. Independent Women's Clothing Stores - Owned - Financial Structure of Unincorporated Stores by Size and Age of business as at December 31, 1956

Item	Stores with annual net sales of						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 .....	2,374	2,971	2,759	1,676	4,571	3,792	4,145
Accounts and notes receivable (net) .....	1,299	1,171	1,216	2,847	4,264	3,883	3,459
Merchandise inventory .....	8,126	11,772	10,479	12,098	20,625	18,329	17,362
Other current assets .....	624	1,478	1,175	235	2,890	2,175	2,461
Total current assets .....	12,423	17,392	15,629	16,856	32,350	28,179	27,427
Fixed assets (net):							
Used in the business .....	9,895	6,747	7,793	24,277	19,992	21,146	17,192
Not used in the business .....	4,547	1,012	2,266	4,394	1,540	2,308	1,809
Total fixed assets (net) .....	14,242	7,759	10,059	28,671	21,532	23,454	19,001
Other assets:							
Long term investments .....	2,614	100	992	—	1,836	1,341	1,283
Other assets .....	—	—	—	—	428	313	885
Total other assets .....	2,614	100	992	—	2,264	1,654	2,168
Total assets .....	29,279	25,251	26,680	45,527	56,146	53,287	48,596
Liabilities							
Current liabilities:							
Accounts and notes payable .....	4,387	4,016	4,147	12,668	7,290	8,736	9,282
Fixed liabilities:							
Mortgages on fixed assets used in business .....	2,227	1,641	1,849	10,442	1,915	4,211	3,896
Mortgages on fixed assets not used in business .....	727	117	334	1,261	79	397	287
Total fixed liabilities .....	2,954	1,758	2,183	11,703	1,994	4,608	3,983
Other liabilities .....	5,134	1,370	2,706	5,152	4,458	4,645	4,824
Total liabilities .....	12,475	7,144	9,036	29,523	13,742	17,991	18,889
Net worth: Proprietor's or partners' equity in the business .....	16,804	18,107	17,644	16,004	42,404	35,296	30,507
Total liabilities and net worth .....	29,279	25,251	26,680	45,527	56,146	53,287	48,596
Average net sales of stores reporting .....	31,832	32,650	32,360	75,538	73,887	74,331	74,947
Number of stores reporting .....	11	20	31	7	19	26	72



**TABLE 18. Independent Women's Clothing Stores — Rented — Financial Structure of Unincorporated Stores by Size and Age of business as at December 31, 1956**

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 .....	1,275	2,469	1,878	3,441	4,027	3,785	4,562	7,928	6,734	3,326
Accounts and notes receivable (net) .....	1,175	988	1,080	3,291	5,585	4,638	6,618	12,093	10,150	3,783
Merchandise inventory .....	10,373	10,086	10,229	13,859	12,514	13,069	25,461	20,330	22,151	13,161
Other current assets .....	289	1,196	748	728	3,444	2,323	2,672	2,581	2,613	1,588
Total current assets .....	13,112	14,739	13,935	21,319	25,570	23,815	39,313	42,932	41,648	21,858
Fixed assets (net):										
Used in the business .....	1,414	922	1,165	3,814	3,178	3,441	5,620	5,055	5,256	2,616
Not used in the business .....	1,103	2,934	2,028	2,655	1,160	1,777	—	4,927	3,178	2,134
Total fixed assets (net) .....	2,517	3,856	3,193	6,469	4,338	5,218	5,620	9,982	8,434	4,744
Other assets:										
Long term investments .....	143	1,580	869	462	229	325	—	1,240	800	674
Other assets .....	467	179	322	1,169	129	558	2,605	3,783	3,365	906
Total other assets .....	610	1,759	1,191	1,631	358	883	2,605	5,023	4,165	1,580
Total assets .....	16,239	20,354	18,319	29,419	30,266	29,916	47,538	57,937	54,247	28,182
Liabilities										
Current liabilities: Accounts and notes payable .....	4,177	4,043	4,110	7,815	9,882	9,029	14,154	20,170	18,035	8,075
Fixed liabilities:										
Mortgages on fixed assets used in business .....	218	60	138	923	62	417	3,616	111	1,355	434
Mortgages on fixed assets not used in business .....	249	1,269	764	293	—	121	362	2,150	1,516	672
Total fixed liabilities .....	467	1,329	902	1,216	62	538	3,978	2,261	2,871	1,106
Other liabilities .....	2,420	2,574	2,498	2,909	3,306	3,142	6,182	11,138	9,379	3,856
Total liabilities .....	7,064	7,946	7,510	11,940	13,250	12,709	24,314	33,569	30,285	13,037
Net worth: Proprietor's or partners' equity in the business .....	9,175	12,408	10,809	17,479	17,016	17,207	23,224	24,368	23,962	15,145
Total liabilities and net worth .....	16,239	20,354	18,319	29,419	30,266	29,916	47,538	57,937	54,247	28,182
Average net sales of stores reporting .....	34,447	33,618	34,028	72,390	74,723	73,760	145,871	149,731	148,361	66,368
Number of stores reporting .....	46	47	93	26	37	63	11	20	31	187

**TABLE 19. Independent Women's Clothing Stores — Rented — Financial Structure of Incorporated Stores by Size and Age of business as at December 31, 1956**

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, 186	5, 417	3, 547	2, 371	4, 482	3, 664	8, 861	18, 023	14, 329	9, 548
Accounts and notes receivable (net).....	1, 442	1, 255	1, 363	3, 181	7, 380	5, 754	13, 241	19, 938	17, 238	11, 366
Merchandise inventory.....	11, 703	7, 165	9, 792	19, 723	18, 498	18, 972	23, 897	33, 478	29, 615	23, 306
Other current assets.....	215	859	486	525	653	604	4, 566	11, 535	8, 725	5, 079
<b>Total current assets .....</b>	<b>15, 546</b>	<b>14, 696</b>	<b>15, 188</b>	<b>25, 800</b>	<b>31, 013</b>	<b>28, 994</b>	<b>50, 565</b>	<b>82, 974</b>	<b>69, 907</b>	<b>49, 299</b>
Fixed assets (net):										
Used in the business.....	1, 810	1, 912	1, 853	3, 896	2, 908	3, 291	8, 613	11, 518	10, 347	6, 953
Not used in the business .....	22	—	13	500	—	193	28	—	11	62
<b>Total fixed assets (net) .....</b>	<b>1, 832</b>	<b>1, 912</b>	<b>1, 866</b>	<b>4, 396</b>	<b>2, 908</b>	<b>3, 484</b>	<b>8, 641</b>	<b>11, 518</b>	<b>10, 358</b>	<b>7, 015</b>
Other assets:										
Long term investments .....	—	—	—	35	1, 531	952	1, 457	3, 733	2, 815	1, 822
Other assets .....	2, 422	3, 265	2, 777	1, 110	3, 014	2, 277	5, 571	4, 777	5, 097	3, 923
<b>Total other assets .....</b>	<b>2, 422</b>	<b>3, 265</b>	<b>2, 777</b>	<b>1, 145</b>	<b>4, 545</b>	<b>3, 229</b>	<b>7, 028</b>	<b>8, 510</b>	<b>7, 912</b>	<b>5, 745</b>
<b>Total assets .....</b>	<b>19, 800</b>	<b>19, 873</b>	<b>19, 831</b>	<b>31, 341</b>	<b>38, 466</b>	<b>35, 707</b>	<b>66, 234</b>	<b>103, 002</b>	<b>88, 177</b>	<b>62, 059</b>
Liabilities										
Current liabilities: Accounts and notes payable.....	5, 523	3, 894	4, 837	13, 014	7, 247	9, 479	22, 642	28, 242	25, 985	17, 829
Fixed liabilities:										
Mortgages on fixed assets used in business .....	—	—	—	114	461	327	—	—	—	90
Mortgages on fixed assets not used in business.....	—	—	—	—	—	—	—	—	—	—
<b>Total fixed liabilities .....</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>114</b>	<b>461</b>	<b>327</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>90</b>
Other liabilities .....	5, 050	1, 759	3, 665	6, 871	3, 822	5, 002	9, 605	6, 563	7, 789	6, 318
<b>Total liabilities .....</b>	<b>10, 573</b>	<b>5, 653</b>	<b>8, 502</b>	<b>19, 999</b>	<b>11, 530</b>	<b>14, 808</b>	<b>32, 247</b>	<b>34, 805</b>	<b>33, 774</b>	<b>24, 237</b>
Net worth:										
Capital stock .....	5, 049	9, 542	6, 941	6, 885	13, 667	11, 041	16, 275	20, 265	18, 656	14, 561
Surplus and undivided profits.....	4, 178	4, 678	4, 388	4, 457	13, 269	9, 858	17, 712	47, 932	35, 747	23, 261
<b>Total net worth.....</b>	<b>9, 227</b>	<b>14, 220</b>	<b>11, 329</b>	<b>11, 342</b>	<b>26, 936</b>	<b>20, 899</b>	<b>33, 987</b>	<b>68, 197</b>	<b>54, 403</b>	<b>37, 822</b>
<b>Total liabilities and net worth.....</b>	<b>19, 800</b>	<b>19, 873</b>	<b>19, 831</b>	<b>31, 341</b>	<b>38, 466</b>	<b>35, 707</b>	<b>66, 234</b>	<b>103, 002</b>	<b>88, 177</b>	<b>62, 059</b>
Average net sales of stores reporting.....	35, 241	37, 333	36, 122	74, 006	75, 977	75, 214	200, 359	243, 346	226, 013	152, 060
Number of stores reporting .....	11	8	19	12	19	31	25	37	62	112

## INDEPENDENT FAMILY CLOTHING STORES

Stores in this group sell mainly men's, women's and children's clothing and furnishings. Other items may include piece goods, notions, house furnishings and footwear. Only independent firms of unincorporated and incorporated forms of organization are covered. In the tabulation of profit and loss data there were 241 returns used in the unincorporated class and 87 in the incorporated group. A slightly smaller number was properly completed for balance sheet information, 199 and 86 respectively. Balance sheet compilations are made only for stores with annual net sales of \$20,000 and over. Tabulations were made in a sales-size basis and, where possible, a further breakdown for balance sheet averages by number of years in business.

In compiling trade ratios for "total, all sizes", the different sales-size ratios were combined by giving each size category its proper "weight" as obtained from the 1951 census. In this survey the reporting is generally better in the larger size stores so that any aggregate of reporting firms would show a ratio biased toward the characteristics of large store operation. The use of weighting gives proper importance to small store operations so that the ratios shown in the summary table below more truly represent the trade total.

In 1956, unincorporated stores increased their ratio of gross profit from 25.88% of net sales to 26.54%. Operating expenses increased, but at a slower rate, from 17.22% to 17.52%, with the result that net operating profit showed a favourable change, rising from 8.66% in 1954 to 9.02% in 1956. There was little change in the over-all profit and expense ratios of incorporated stores in this kind of business. Gross profit increased moderately, operating expenses, as percentages of net sales declined to a slight extent, and the resulting net operating profit rose from 2.33% in 1954 to 3.27%.

General increases were evident in year-end inventories compared to merchandise on hand at the beginning of the year. This held true for most categories in both the unincorporated and incorporated type of organization. The rate of stock turnover increased consistently with size of annual sales for owned and rented stores in both classes of family clothing stores, ranging from 1.17 times per year to 3.18 times.

Balance sheet ratios are shown historically, affording valuable comparisons. The following tables, charts and summaries give more detail and information on the operating results and financial structure of independent family clothing stores in 1956.

**TABLE 20. Independent Family Clothing Stores—Operating Results for 1954 and 1956 compared**

Item	Unincorporated		Incorporated	
	1954	1956	1954	1956
	(Per cent of net sales)			
<b>Gross profit</b> .....	<b>25.88</b>	<b>26.54</b>	<b>29.45</b>	<b>30.32</b>
<b>Operating expenses:</b>				
Employees' salaries .....	7.27	7.14	15.73	15.71
Occupancy .....	5.38	5.50	4.97	4.78
Office and store supplies .....	0.55	0.55	0.89	0.81
Advertising .....	1.17	1.27	2.46	2.56
All other expenses .....	2.85	3.06	3.07	3.19
<b>Total operating expenses</b> .....	<b>17.22</b>	<b>17.52</b>	<b>27.12</b>	<b>27.05</b>
<b>Net operating profit before deduction of income tax</b> <sup>1</sup> .....	<b>8.66</b>	<b>9.02</b>	<b>2.33</b>	<b>3.27</b>

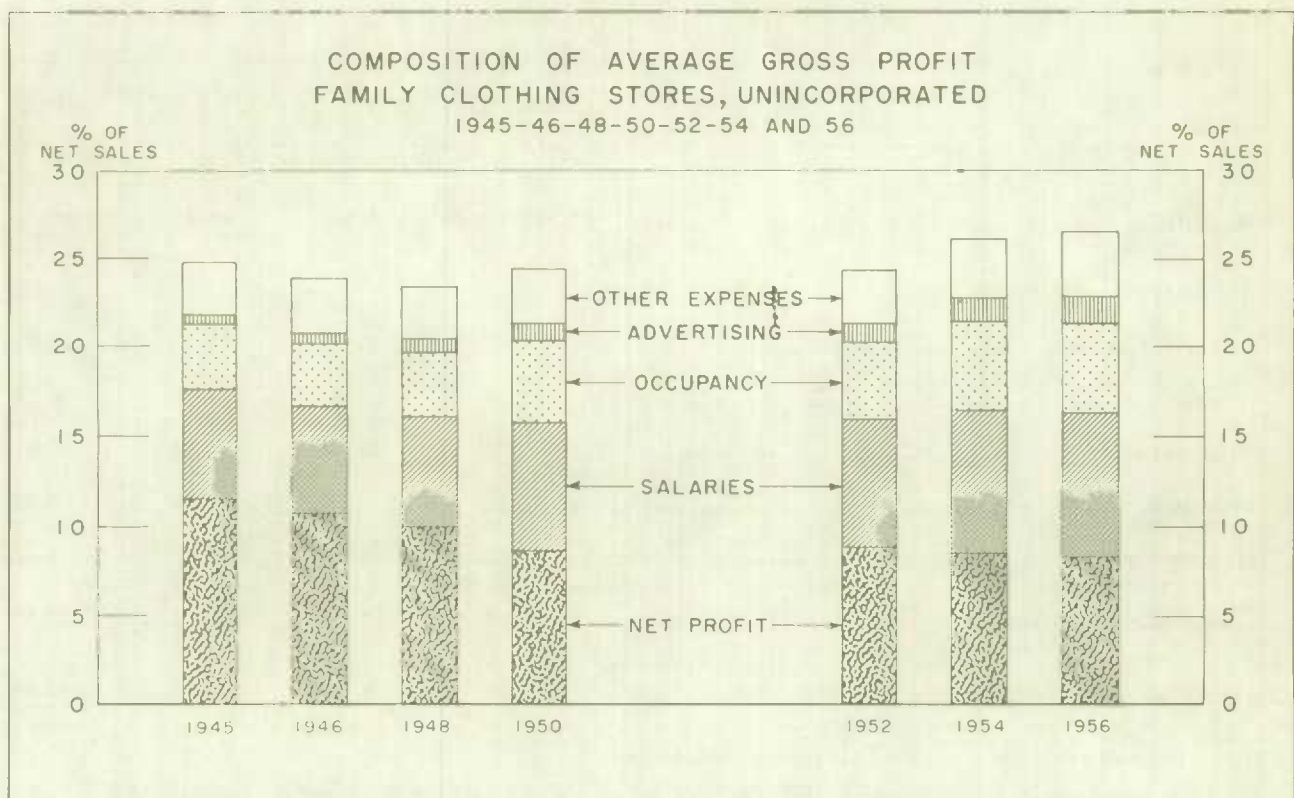
1. Proprietors' salaries included for unincorporated stores.

Note. These ratios are "weighted" according to the 1951 Census weights of the different sales sizes for independent stores. They do not agree with ratios shown in historical tables.

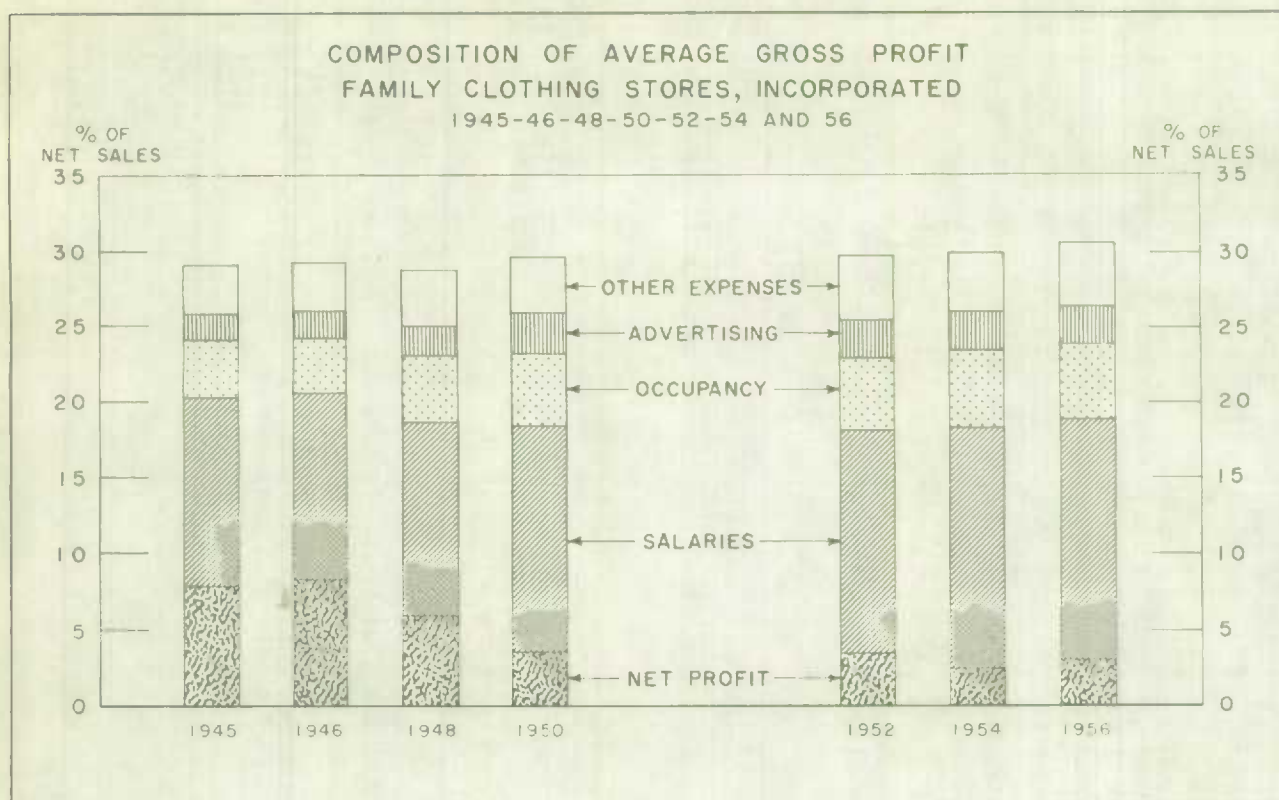


TABLE 21. Independent Family Clothing Stores — Balance Sheet Ratios as at December 31

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
	1956	4.29	2.82	4.32	2.82
Liquidity ratio .....	1952	—	1.32	1.29	1.03
	1954	1.40	1.12	1.46	0.94
	1956	1.48	1.18	1.47	1.18
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
	1956	0.79	0.98	0.66	0.98
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
	1956	1.79	1.33	2.99	1.33
Turnover of total capital employed .....	1952	—	1.85	1.42	1.92
	1954	1.58	1.85	1.28	1.91
	1956	1.51	2.02	1.32	1.83







**TABLE 22. Independent Family Clothing Stores—Operating Results of Unincorporated Stores by Annual Sales Volume and Occupancy Basis 1956**

Item	Owned stores with annual net sales of				Rented stores with annual net sales of			
	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over
Number of stores reporting .....	17	38	42	18	13	39	42	24
Average net sales per store .....	\$ 15,547	\$ 36,098	\$ 70,599	\$ 227,552	\$ 15,143	\$ 33,947	\$ 66,008	\$ 213,026
Average beginning inventory .....	9,553	18,863	26,460	61,138	7,427	15,019	24,946	56,989
Average inventory, end of year .....	9,623	18,459	27,241	61,319	7,483	15,462	25,180	58,462
Average cost of goods sold .....	\$ 11,234	\$ 26,932	\$ 52,983	\$ 168,578	\$ 10,975	\$ 24,891	\$ 48,432	\$ 153,336
Stock turnover (times per year) .....	1.17	1.44	1.97	2.75	1.47	1.63	1.93	2.66
Profit and loss data (per cent of net sales)								
Gross profit .....	27.74	25.38	24.95	25.92	27.52	26.68	26.62	28.02
Operating expenses:								
Executives' and employees' salaries and wages etc. (except delivery) .....	4.39	5.72	6.54	9.00	1.82	5.22	7.32	10.16
Delivery .....	0.53	0.29	0.13	0.22	0.27	0.43	0.36	0.23
Occupancy expenses:								
Taxes .....	2.21	1.07	0.78	0.69	0.59	0.66	0.39	0.37
Insurance .....	1.45	1.03	0.75	0.56	0.77	0.73	0.76	0.61
Rent .....	—	—	—	—	5.53	3.86	3.00	2.51
Heat, light and power .....	2.08	1.26	0.84	0.74	1.00	0.90	0.61	0.61
Repairs and maintenance .....	1.17	0.86	0.69	0.41	0.33	0.50	0.39	0.38
Depreciation allowances .....	1.66	1.16	1.08	0.97	0.38	0.48	0.67	0.69
Total occupancy expenses .....	8.57	5.38	4.14	3.37	8.60	7.13	5.82	5.17
Office and store supplies .....	0.68	0.52	0.41	0.46	0.69	0.51	0.52	0.69
Advertising .....	0.45	0.74	1.04	1.17	0.10	0.69	1.16	2.84
Net loss on bad debts .....	0.12	0.16	0.09	0.40	0.03	0.20	0.21	0.94
All other expenses .....	2.47	2.21	2.70	2.10	1.79	2.37	2.91	2.49
Total operating expenses .....	17.21	15.02	15.05	16.72	13.30	16.55	18.30	22.52
Net operating profit .....	10.53	10.36	9.90	9.20	14.22	10.13	8.32	5.50
Non-trading income .....	2.24	0.59	0.81	0.77	1.12	0.17	0.27	1.17
Non-trading expense .....	0.55	0.03	0.11	0.27	—	0.05	0.03	0.48
Net profit before deduction of proprietors' salaries and income tax .....	12.22	10.92	10.60	9.70	15.34	10.25	8.56	6.19

TABLE 23. Independent Family Clothing Stores — Operating Results of Incorporated Stores by Annual Sales Volume and Occupancy Basis 1956

Item	Owned stores with annual net sales of		Rented stores with annual net sales of			
	Under \$100,000	\$100,000 and over	\$20,000-\$99,999	\$100,000-\$199,999	\$200,000-\$399,999	\$400,000 and over
Number of stores reporting .....	8	14	15	14	20	16
Average net sales per store .....	\$ 65,223	301,162	51,096	130,942	299,012	700,747
Average beginning inventory .....	\$ 27,964	75,614	29,325	42,709	68,603	144,673
Average inventory, end of year .....	\$ 27,169	82,304	30,115	43,626	73,870	155,086
Average cost of goods sold .....	\$ 47,052	210,087	37,175	93,213	211,159	476,810
Stock turnover (times per year) .....	1.71	2.66	1.25	2.16	2.96	3.18
Profit and loss data (Per cent of net sales)						
Gross profit .....	27.86	30.24	27.24	28.81	29.38	31.95
Operating expenses:						
Executives' & employees' salaries and wages etc. (except delivery) .....	17.13	15.85	14.22	14.58	15.25	16.18
Delivery .....	0.21	0.22	0.38	0.28	0.19	0.29
Occupancy expenses:						
Taxes .....	1.40	0.79	0.64	0.54	0.36	0.36
Insurance .....	1.20	0.51	1.04	0.62	0.39	0.41
Rent .....	—	—	3.40	2.92	2.01	2.25
Heat, light and power .....	1.07	0.61	1.22	0.55	0.54	0.52
Repairs and maintenance .....	0.43	0.88	0.31	0.34	0.68	0.71
Depreciation allowances .....	1.58	1.02	0.72	0.71	0.74	1.04
Total occupancy expenses .....	5.68	3.81	7.33	5.68	4.72	5.29
Office and store supplies .....	0.48	0.68	0.44	0.58	0.86	1.08
Advertising .....	0.94	2.64	1.06	0.94	2.42	3.22
Net loss on bad debts .....	0.08	0.12	0.46	0.40	0.38	0.55
All other expenses .....	2.85	2.80	2.12	3.05	2.19	2.60
Total operating expenses .....	27.37	26.12	26.01	25.51	26.01	29.21
Net operating profit .....	0.49	4.12	1.23	3.30	3.37	2.74
Non-trading income .....	0.88	0.66	0.25	0.17	0.49	0.78
Non-trading expense .....	—	0.14	0.01	0.10	0.11	0.24
Net profit before provision for income tax .....	1.37	4.64	1.47	3.37	3.75	3.28

TABLE 24. Independent Family Clothing Stores — Owned — Financial Structure of Unincorporated Stores by Size and Age of business as at December 31, 1956

Item	Stores with annual net sales of						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 .....	1,568	5,022	4,113	2,866	7,681	6,507	12,511	6,684
Accounts and notes receivable (net) .....	1,758	1,464	1,541	2,195	6,121	5,163	16,951	5,932
Merchandise inventory .....	21,829	17,298	18,490	24,049	27,509	26,665	61,319	29,893
Other current assets .....	10	2,061	1,521	4,046	3,074	3,311	4,327	2,798
Total current assets .....	25,165	25,845	25,665	33,156	44,385	41,646	95,108	45,307
Fixed assets (net):								
Used in the business .....	8,491	5,131	6,015	25,330	10,626	14,212	30,376	14,000
Not used in the business .....	1,149	3,632	2,979	784	3,689	2,981	15,021	5,214
Total fixed assets (net) .....	9,640	8,763	8,994	26,114	14,315	17,193	45,397	19,214
Other assets:								
Long term investments .....	—	—	—	954	4,099	3,332	22,168	5,522
Other assets .....	120	253	218	—	367	278	89	219
Total other assets .....	120	253	218	954	4,466	3,610	22,257	5,741
Total assets .....	34,925	34,861	34,877	60,224	63,166	62,449	162,762	70,262
Liabilities								
Current liabilities:								
Accounts and notes payable .....	6,723	4,216	4,876	14,354	10,892	11,737	25,025	10,483
Fixed liabilities:								
Mortgages on fixed assets used in business .....	1,191	979	1,035	4,739	2,265	2,869	4,195	2,396
Mortgages on fixed assets not used in business .....	—	1,212	893	—	581	439	1,606	834
Total fixed liabilities .....	1,191	2,191	1,928	4,739	2,846	3,308	5,801	3,230
Other liabilities .....	1,581	1,177	1,282	4,082	2,661	3,007	5,363	3,911
Total liabilities .....	9,495	7,584	8,086	23,175	18,399	18,052	36,789	17,624
Net worth: Proprietor's or partners' equity in the business .....	25,430	27,277	26,791	37,049	46,767	44,397	125,973	52,638
Total liabilities and net worth .....	34,925	34,861	34,877	60,224	63,166	62,449	162,762	70,262
Average net sales of stores reporting .....	33,944	36,868	36,098	68,212	71,266	70,521	227,552	86,175
Number of stores reporting .....	10	28	38	10	31	41	18	97



TABLE 25. Independent Family Clothing Stores — Rented — Financial Structure of Unincorporated Stores by Size and Age of business as at December 31, 1956

and Age of business as at December 31, 1936										
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 .....	832	1,701	1,396	1,999	4,551	3,990	3,516	12,873	8,584	4,130
Accounts and notes receivable (net) .....	1,640	2,758	2,365	681	2,718	2,271	21,888	36,267	29,677	8,754
Merchandise inventory .....	12,582	17,033	15,469	27,282	24,430	25,056	46,069	68,948	58,462	29,438
Other current assets .....	684	910	831	689	3,466	2,856	629	3,616	2,247	1,978
<b>Total current assets .....</b>	<b>15,738</b>	<b>22,402</b>	<b>20,061</b>	<b>30,651</b>	<b>35,165</b>	<b>34,173</b>	<b>72,102</b>	<b>121,704</b>	<b>98,970</b>	<b>44,300</b>
Fixed assets (net):										
Used in the business .....	1,780	1,296	1,466	1,958	2,746	2,574	9,014	9,015	9,014	3,687
Not used in the business .....	1,036	4,700	3,413	618	3,182	2,619	385	94	228	2,345
<b>Total fixed assets (net) .....</b>	<b>2,816</b>	<b>5,996</b>	<b>4,879</b>	<b>2,576</b>	<b>5,928</b>	<b>5,193</b>	<b>9,399</b>	<b>9,109</b>	<b>9,242</b>	<b>6,032</b>
Other assets:										
Long term investments .....	771	86	326	67	410	335	2,688	682	1,602	630
Other assets .....	—	131	86	1,561	133	446	1,195	2,322	1,805	635
<b>Total other assets .....</b>	<b>771</b>	<b>217</b>	<b>412</b>	<b>1,628</b>	<b>543</b>	<b>781</b>	<b>3,883</b>	<b>3,004</b>	<b>3,407</b>	<b>1,265</b>
<b>Total assets .....</b>	<b>19,325</b>	<b>28,615</b>	<b>25,352</b>	<b>34,855</b>	<b>41,636</b>	<b>40,147</b>	<b>85,384</b>	<b>133,817</b>	<b>111,619</b>	<b>51,597</b>
Liabilities										
Current liabilities:										
Accounts and notes payable .....	5,195	5,343	5,291	13,934	10,183	11,006	24,257	29,747	27,231	12,751
Fixed liabilities:										
Mortgages on fixed assets used in business .....	—	289	187	—	—	—	—	—	—	68
Mortgages on fixed assets not used in business .....	519	783	691	157	2,246	1,788	—	—	—	969
<b>Total fixed liabilities .....</b>	<b>519</b>	<b>1,072</b>	<b>878</b>	<b>157</b>	<b>2,246</b>	<b>1,788</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,037</b>
Other liabilities .....	3,458	3,624	3,566	8,881	3,733	4,863	23,723	10,098	16,343	7,093
<b>Total liabilities .....</b>	<b>9,172</b>	<b>10,039</b>	<b>9,735</b>	<b>22,972</b>	<b>16,162</b>	<b>17,657</b>	<b>47,980</b>	<b>39,845</b>	<b>43,574</b>	<b>20,881</b>
Net worth:										
Proprietor's or partners' equity in the business .....	10,153	18,576	15,617	11,883	25,474	22,490	37,404	93,972	68,045	30,716
<b>Total liabilities and net worth .....</b>	<b>19,325</b>	<b>28,615</b>	<b>25,352</b>	<b>34,855</b>	<b>41,636</b>	<b>40,147</b>	<b>85,384</b>	<b>133,817</b>	<b>111,619</b>	<b>51,597</b>
Average net sales of stores reporting .....	34,172	34,868	34,623	61,566	67,519	66,212	155,959	261,313	213,026	89,863
Number of stores reporting .....	13	24	37	9	32	41	11	13	24	102

TABLE 26. Independent Family Clothing Stores — Owned — Financial Structure of Incorporated Stores by Size and Age of business as at December 31, 1956

Item	Stores with annual net sales of		Total all sizes \$20,000 and over
	Under \$100,000	\$100,000 and over	
	(Average per store)		
Assets			
Current assets:			
Cash on hand and in bank.....	1,268	16,856	11,188
Accounts and notes receivable (net).....	7,138	28,151	20,510
Merchandise inventory.....	27,169	82,306	62,255
Other current assets.....	2,153	759	1,266
<b>Total current assets.....</b>	<b>37,728</b>	<b>128,072</b>	<b>95,219</b>
Fixed assets (net):			
Used in the business.....	22,010	49,446	39,469
Not used in the business.....	—	796	507
<b>Total fixed assets (net).....</b>	<b>22,010</b>	<b>50,242</b>	<b>39,976</b>
Other assets:			
Long term investments.....	1,243	6,760	4,754
Other assets.....	62	5,331	3,415
<b>Total other assets.....</b>	<b>1,305</b>	<b>12,091</b>	<b>8,169</b>
<b>Total assets.....</b>	<b>61,043</b>	<b>190,405</b>	<b>143,364</b>
Liabilities			
Current liabilities:			
Accounts and notes payable.....	12,492	27,734	22,191
Fixed liabilities:			
Mortgages on fixed assets used in business.....	2,188	13,316	9,289
Mortgages on fixed assets not used in business.....	—	—	—
<b>Total fixed liabilities.....</b>	<b>2,188</b>	<b>13,318</b>	<b>9,289</b>
Other liabilities.....	9,566	25,918	19,972
<b>Total liabilities.....</b>	<b>24,246</b>	<b>66,968</b>	<b>51,432</b>
Net worth:			
Capital stock.....	23,626	60,123	46,852
Surplus and undivided profits.....	13,171	63,314	45,080
<b>Total net worth.....</b>	<b>36,797</b>	<b>123,437</b>	<b>91,932</b>
<b>Total liabilities and net worth.....</b>	<b>61,043</b>	<b>190,405</b>	<b>143,364</b>
Average net sales of stores reporting.....	65,223	301,162	215,366
Number of stores reporting.....	8	14	22



**TABLE 27. Independent Family Clothing Stores — Rented — Financial Structure of Incorporated Stores by Size and Age of business as at December 31, 1956**

Item	Stores with annual net sales of				Total all sizes \$20,000 and over
	\$20,000- \$99,999	\$100,000- \$199,999	\$200,000- \$399,999	\$400,000 and over	
	(Average per store)				
Assets					
Current assets:					
Cash on hand and in bank .....	2,521	5,852	12,660	7,323	7,460
Accounts and notes receivable (net) .....	4,881	9,580	29,856	121,507	42,480
Merchandise inventory .....	30,115	43,626	72,233	156,189	77,093
Other current assets .....	1,527	1,486	5,788	13,042	5,662
<b>Total current assets</b> .....	<b>39,044</b>	<b>60,544</b>	<b>120,537</b>	<b>298,061</b>	<b>132,695</b>
Fixed assets (net):					
Used in the business .....	1,329	3,852	9,380	34,876	12,658
Not used in the business .....	417	1,785	268	3,600	1,468
<b>Total fixed assets (net)</b> .....	<b>1,746</b>	<b>5,637</b>	<b>9,648</b>	<b>38,476</b>	<b>14,126</b>
Other assets:					
Long term investments .....	616	767	5,938	2,021	2,580
Other assets .....	1,617	3,966	4,149	3,098	3,253
<b>Total other assets</b> .....	<b>2,233</b>	<b>4,733</b>	<b>10,087</b>	<b>5,119</b>	<b>5,833</b>
<b>Total assets</b> .....	<b>43,023</b>	<b>70,914</b>	<b>140,272</b>	<b>341,656</b>	<b>152,654</b>
Liabilities					
Current liabilities:					
Accounts and notes payable .....	7,059	27,774	41,285	108,200	47,037
Fixed liabilities:					
Mortgages on fixed assets used in business .....	79	643	110	2,812	3,644
Mortgages on fixed assets not used in business .....	—	—	—	750	137
<b>Total fixed liabilities</b> .....	<b>79</b>	<b>643</b>	<b>110</b>	<b>3,562</b>	<b>3,781</b>
Other liabilities .....	13,474	8,993	20,312	25,340	17,491
<b>Total liabilities</b> .....	<b>20,612</b>	<b>37,410</b>	<b>61,707</b>	<b>137,102</b>	<b>68,309</b>
Net worth:					
Capital stock .....	15,074	18,746	35,469	63,485	34,035
Surplus and undivided profits .....	7,337	14,758	43,096	141,069	53,009
<b>Total net worth</b> .....	<b>22,411</b>	<b>33,504</b>	<b>78,565</b>	<b>204,554</b>	<b>87,044</b>
<b>Total liabilities and net worth</b> .....	<b>43,023</b>	<b>70,914</b>	<b>140,272</b>	<b>341,656</b>	<b>152,654</b>
Average net sales of stores reporting .....	51,096	130,942	301,488	700,747	305,310
Number of stores reporting .....	15	14	19	16	64

## INDEPENDENT FAMILY SHOE STORES

This classification includes stores selling mainly men's, women's and children's shoes, although other goods such as hosiery, gloves, handbags and luggage may be carried in small amounts. Specialty stores selling only men's or women's shoes are not included in this report. Separate tabulations were made for unincorporated stores and incorporated firms for both profit and loss and balance sheet data. There were 294 returns from unincorporated stores used in compiling the results, covering both "rented" and "owned" classes, and 72 properly completed reports from incorporated companies. A slightly smaller number was used in the balance sheet tabulations. Results are shown by sales-size categories, and where possible, a further breakdown was made in the balance sheet averages by number of years in business.

In compiling trade ratios for "total, all sizes", the different sales-size ratios were combined by giving each size category its proper "weight" as obtained from the 1951 census. In this survey, the reporting is generally better in the larger size stores so that any aggregate of reporting firms would show a ratio biased toward the characteristics

of large store operation. The use of weighting gives proper importance to small store operations so that the ratios shown in the summary table below more truly represent the trade total.

In 1956, the average gross profit, expressed as a percentage of net sales, increased for both forms of organization. The unincorporated stores showed a gain from 27.77% in 1954 to 29.43%; incorporated stores improved their gross profit position from 31.49% to 33.49%. In both cases operating expenses also increased but at a smaller rate than gross profit with the result that net operating profit rose from 10.22% of net sales to 11.25% for unincorporated stores and from 2.49% to 3.09% for the incorporated class.

Year-end inventories were slightly higher than at the beginning of the year. The rate of stock turnover increased with sales sizes and ranged from 1.12 to 2.37 times per year. The following summaries, tables and charts give more detail on the operating results and financial structure of independent shoe stores in 1956.

**TABLE 28. Independent Family Shoe Stores — Operating Results for  
1954 and 1956 compared**

Item	Unincorporated		Incorporated <sup>1</sup>	
	1954	1956	1954	1956
	(per cent of net sales)			
<b>Gross profit</b> .....	<b>27.77</b>	<b>29.43</b>	<b>31.49</b>	<b>33.49</b>
<b>Operating expenses:</b>				
Employees' salaries .....	7.74	7.46	16.98	18.13
Occupancy .....	5.76	6.42	6.54	6.55
Office and store supplies .....	0.47	0.53	0.59	0.56
Advertising .....	1.10	1.31	1.99	2.16
All other expenses .....	2.48	2.46	2.90	3.00
<b>Total operating expenses</b> .....	<b>17.55</b>	<b>18.18</b>	<b>29.00</b>	<b>30.40</b>
<b>Net operating profit before deduction of income tax</b> <sup>2</sup> .....	<b>10.22</b>	<b>11.25</b>	<b>2.49</b>	<b>3.09</b>

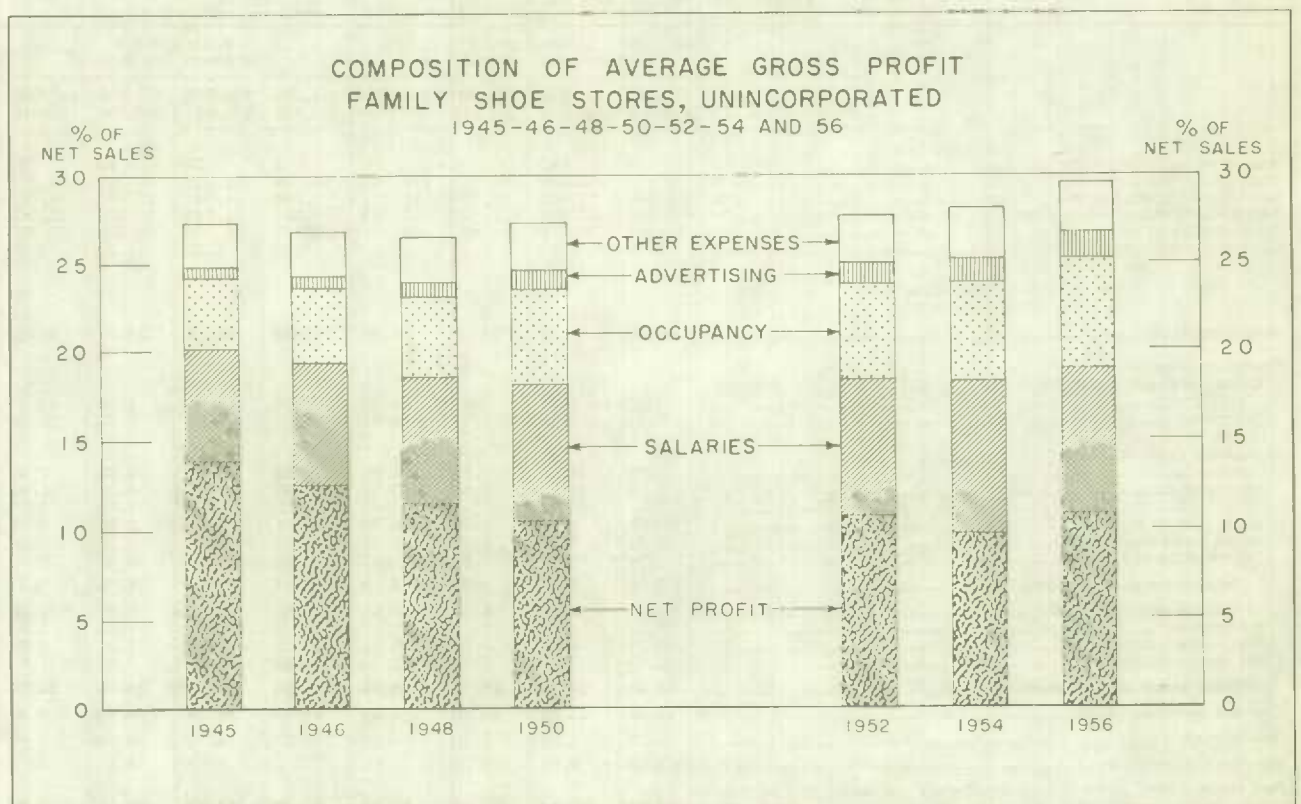
1. Covers only rented stores.

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. They do not agree with ratios shown in historical tables.

TABLE 29. Independent Family Shoe Stores - Balance Sheet Ratios as at December 31

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
	1956	3.20	3.60	3.53
Liquidity ratio .....	1952	0.55	0.92	0.75
	1954	0.45	0.80	0.63
	1956	0.61	0.70	0.65
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
	1956	0.98	0.66	0.98
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
	1956	1.35	2.28	1.82
Turnover of total capital employed .....	1952	1.89	1.36	1.93
	1954	1.85	1.14	2.04
	1956	1.83	1.23	2.04





COMPOSITION OF AVERAGE GROSS PROFIT  
FAMILY SHOE STORES, INCORPORATED  
1945-46-48-50-52-54 AND 56

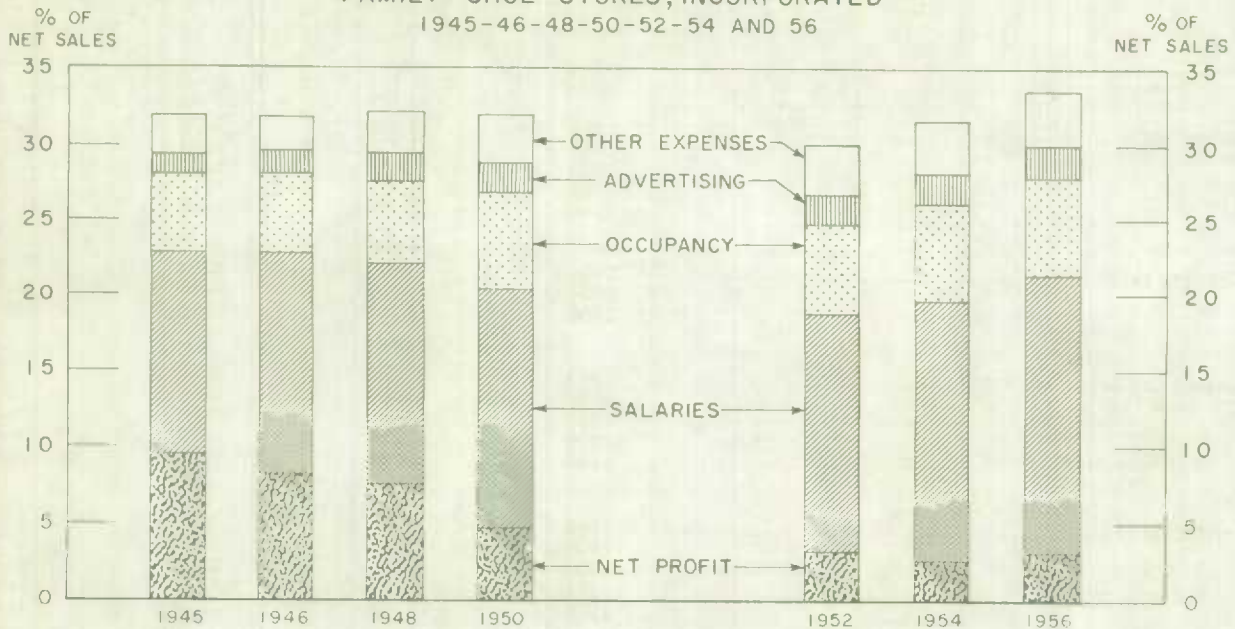


TABLE 30. Independent Family Shoe Stores - Operating Results of Unincorporated Stores by Annual Sales Volume and Occupancy Basis 1956

Item	Owned stores with annual net sales of				Rented stores with annual net sales of			
	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over	\$10,000- \$19,999	\$20,000- \$49,999	\$50,000- \$99,999	\$100,000 and over
Number of stores reporting .....	16	42	22	9	19	79	69	32
Average net sales per store .....	\$ 14,623	\$ 32,869	\$ 70,115	\$ 153,765	\$ 14,739	\$ 34,019	\$ 71,110	\$ 142,228
Average beginning inventory .....	\$ 6,664	\$ 15,840	\$ 28,120	\$ 58,021	\$ 9,338	\$ 14,942	\$ 27,190	\$ 41,567
Average inventory, end of year .....	\$ 6,505	\$ 16,492	\$ 29,193	\$ 57,993	\$ 9,309	\$ 14,829	\$ 27,563	\$ 42,269
Average cost of goods sold .....	\$ 10,764	\$ 24,115	\$ 49,481	\$ 104,342	\$ 10,422	\$ 23,879	\$ 50,265	\$ 99,373
Stock turnover (times per year) .....	1.63	1.49	1.73	1.80	1.12	1.60	1.84	2.37
<b>Profit and loss data (Per cent of net sales)</b>								
<b>Gross profit .....</b>	<b>26.39</b>	<b>26.63</b>	<b>29.43</b>	<b>32.14</b>	<b>29.28</b>	<b>29.81</b>	<b>29.31</b>	<b>30.13</b>
Operating expenses:								
Executives' and employees' salaries and wages etc. (except delivery) .....	2.80	5.16	7.59	11.70	2.84	6.16	8.05	10.13
Delivery .....	0.37	0.20	0.19	0.06	0.52	0.23	0.35	0.26
Occupancy expenses:								
Taxes .....	1.62	1.08	0.92	0.86	0.94	0.54	0.38	0.41
Insurance .....	1.16	0.75	0.61	0.75	0.93	0.70	0.57	0.42
Rent .....	—	—	—	—	6.33	5.28	4.15	3.86
Heat, light and power .....	2.04	1.18	0.76	0.73	1.31	0.75	0.58	0.55
Repairs and maintenance .....	1.32	0.73	0.57	0.78	0.44	0.61	0.37	0.34
Depreciation allowances .....	1.94	0.97	1.03	1.07	0.26	0.52	0.49	0.58
<b>Total occupancy expenses .....</b>	<b>8.08</b>	<b>4.71</b>	<b>3.89</b>	<b>4.19</b>	<b>10.21</b>	<b>8.40</b>	<b>6.54</b>	<b>6.16</b>
Office and store supplies .....	0.35	0.57	0.47	0.60	1.08	0.46	0.62	0.38
Advertising .....	0.75	1.04	1.26	1.67	0.85	1.03	1.38	1.91
Net loss on bad debts .....	0.24	0.10	0.09	0.02	0.15	0.06	0.04	0.09
All other expenses .....	2.46	2.54	2.12	2.35	2.34	2.13	1.86	1.94
<b>Total operating expenses .....</b>	<b>15.05</b>	<b>14.32</b>	<b>15.61</b>	<b>20.59</b>	<b>17.99</b>	<b>18.47</b>	<b>18.84</b>	<b>20.87</b>
<b>Net operating profit .....</b>	<b>11.34</b>	<b>12.31</b>	<b>13.82</b>	<b>11.55</b>	<b>11.29</b>	<b>11.34</b>	<b>10.47</b>	<b>9.26</b>
Non-trading income .....	4.71	1.51	0.73	0.30	0.37	0.11	0.06	0.08
Non-trading expense .....	2.43	0.36	0.20	0.02	—	0.02	0.11	0.06
<b>Net profit before deduction of proprietors' salaries and income tax .....</b>	<b>13.62</b>	<b>13.46</b>	<b>14.35</b>	<b>11.83</b>	<b>11.66</b>	<b>11.43</b>	<b>10.42</b>	<b>9.28</b>

**TABLE 31. Independent Family Shoe Stores — Operating Results of Rented Incorporated Stores  
by Annual Sales Volume, 1956**

Item	Rented stores with annual net sales of		
	\$20,000-\$49,999	\$50,000-\$99,999	\$100,000 and over
Number of stores reporting .....	15	28	29
Average net sales per store .....	\$ 41,026	\$ 77,042	\$ 182,758
Average beginning inventory .....	\$ 20,155	\$ 29,641	\$ 61,490
Average inventory, end of year .....	\$ 19,374	\$ 29,565	\$ 64,073
Average cost of goods sold .....	\$ 28,348	\$ 51,278	\$ 120,709
Stock turnover (times per year) .....	1.43	1.73	1.92
<b>Profit and loss data (Per cent of net sales)</b>			
<b>Gross profit .....</b>	<b>30.90</b>	<b>33.44</b>	<b>33.95</b>
Operating expenses:			
Executives' and employees' salaries and wages etc. (except delivery) .....	17.38	18.03	18.30
Delivery .....	0.18	0.29	0.22
Occupancy expenses:			
Taxes .....	0.62	0.40	0.41
Insurance .....	0.75	0.49	0.55
Rent .....	5.00	4.53	3.61
Heat, light and power .....	0.93	0.71	0.52
Repairs and maintenance .....	0.43	0.46	0.26
Depreciation allowances .....	0.46	0.59	0.64
<b>Total occupancy expenses .....</b>	<b>8.19</b>	<b>7.18</b>	<b>5.99</b>
Office and store supplies .....	0.54	0.53	0.57
Advertising .....	1.68	1.60	2.50
Net loss on bad debts .....	0.03	0.04	0.10
All other expenses .....	2.97	2.14	2.90
<b>Total operating expenses .....</b>	<b>30.97</b>	<b>29.81</b>	<b>30.58</b>
<b>Net operating profit .....</b>	<b>0.07<sup>1</sup></b>	<b>3.63</b>	<b>3.37</b>
Non-trading income .....	—	0.12	0.15
Non-trading expense .....	—	0.11	0.03
<b>Net profit before provision for income tax .....</b>	<b>0.07<sup>1</sup></b>	<b>3.64</b>	<b>3.49</b>

1. Net operating loss.

**TABLE 32. Independent Family Shoe Stores — Owned — Financial Structure of Unincorporated Stores by Size  
and Age of business as at December 31, 1956**

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 .....	1,801	2,930	2,534	4,012	4,203	3,204
Accounts and notes receivable (net) .....	211	837	618	1,187	2,856	1,078
Merchandise inventory .....	17,260	16,283	16,625	29,193	57,993	25,763
Other current assets .....	421	621	551	2,302	7,461	1,970
<b>Total current assets .....</b>	<b>19,693</b>	<b>20,671</b>	<b>20,328</b>	<b>36,694</b>	<b>72,513</b>	<b>32,015</b>
Fixed assets (net):						
Used in the business .....	9,086	10,328	9,893	10,489	36,998	13,514
Not used in the business .....	1,256	1,971	1,721	1,016	5,287	1,954
<b>Total fixed assets (net) .....</b>	<b>10,342</b>	<b>12,299</b>	<b>11,614</b>	<b>11,505</b>	<b>42,285</b>	<b>15,468</b>
Other assets:						
Long term investments .....	214	1,629	1,134	1,827	4,898	1,826
Other assets .....	—	3,514	2,284	464	—	1,430
<b>Total other assets .....</b>	<b>214</b>	<b>5,143</b>	<b>3,418</b>	<b>2,291</b>	<b>4,898</b>	<b>3,256</b>
<b>Total assets .....</b>	<b>30,249</b>	<b>38,113</b>	<b>35,360</b>	<b>50,490</b>	<b>119,696</b>	<b>50,739</b>
Liabilities						
Current liabilities:						
Accounts and notes payable .....	5,662	3,980	4,568	9,636	26,262	8,888
Fixed liabilities:						
Mortgages on fixed assets used in business .....	3,092	2,187	2,503	2,446	13,712	3,907
Mortgages on fixed assets not used in business .....	—	530	345	—	1,100	333
<b>Total fixed liabilities .....</b>	<b>3,092</b>	<b>2,717</b>	<b>2,848</b>	<b>2,446</b>	<b>14,812</b>	<b>4,240</b>
Other liabilities .....	2,858	1,168	1,760	1,341	7,321	2,338
<b>Total liabilities .....</b>	<b>11,612</b>	<b>7,865</b>	<b>9,176</b>	<b>13,423</b>	<b>48,395</b>	<b>15,463</b>
Net worth: Proprietor's or partners' equity in the business .....	18,637	30,248	26,184	37,067	71,301	35,276
<b>Total liabilities and net worth .....</b>	<b>30,249</b>	<b>38,113</b>	<b>35,360</b>	<b>50,490</b>	<b>119,696</b>	<b>50,739</b>
Average net sales of stores reporting .....	34,295	32,965	33,431	70,115	153,765	60,051
Number of stores reporting .....	14	26	40	22	9	71



TABLE 33. Independent Family Shoe Stores - Rented - Financial Structure of Unincorporated Stores by Size and Age of business as at December 31, 1956

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 .....	1,586	1,960	1,783	3,221	2,848	2,973	8,207	10,438	9,359	3,563
Accounts and notes receivable (net) .....	266	500	398	688	751	730	2,325	1,828	2,068	818
Merchandise inventory .....	14,220	15,380	14,830	27,386	27,652	27,563	49,352	36,392	42,663	24,613
Other current assets .....	302	981	659	1,018	1,241	1,167	1,713	3,195	2,478	1,173
<b>Total current assets .....</b>	<b>16,394</b>	<b>18,821</b>	<b>17,670</b>	<b>32,313</b>	<b>32,492</b>	<b>32,433</b>	<b>61,597</b>	<b>51,853</b>	<b>56,568</b>	<b>30,167</b>
Fixed assets (net):										
Used in the business .....	2,333	712	1,481	1,980	1,650	1,760	3,780	3,263	3,513	1,943
Not used in the business .....	396	1,856	1,164	—	717	478	3,345	1,938	2,619	1,152
<b>Total fixed assets (net) .....</b>	<b>2,729</b>	<b>2,568</b>	<b>2,645</b>	<b>1,980</b>	<b>2,367</b>	<b>2,238</b>	<b>7,125</b>	<b>5,201</b>	<b>6,132</b>	<b>3,095</b>
Other assets:										
Long term investments .....	576	181	368	—	633	422	3,549	627	2,041	680
Other assets .....	319	30	167	537	240	339	176	591	390	272
<b>Total other assets .....</b>	<b>895</b>	<b>211</b>	<b>535</b>	<b>537</b>	<b>873</b>	<b>761</b>	<b>3,725</b>	<b>1,218</b>	<b>2,431</b>	<b>952</b>
<b>Total assets .....</b>	<b>20,018</b>	<b>21,600</b>	<b>20,850</b>	<b>34,830</b>	<b>35,732</b>	<b>35,432</b>	<b>72,447</b>	<b>58,272</b>	<b>65,131</b>	<b>34,214</b>
Liabilities										
Current liabilities: Accounts and notes payable .....	4,995	3,763	4,347	9,547	3,668	8,961	21,588	15,072	18,225	8,553
Fixed liabilities:										
Mortgages on fixed assets used in business .....	135	—	64	—	—	—	—	—	—	28
Mortgages on fixed assets not used in business .....	86	629	372	—	—	—	1,394	—	675	280
<b>Total fixed liabilities .....</b>	<b>221</b>	<b>629</b>	<b>436</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>1,394</b>	<b>—</b>	<b>675</b>	<b>308</b>
Other liabilities .....	3,068	1,319	2,149	5,552	2,541	3,545	10,207	1,066	5,488	3,272
<b>Total liabilities .....</b>	<b>8,284</b>	<b>5,711</b>	<b>6,932</b>	<b>15,099</b>	<b>11,209</b>	<b>12,506</b>	<b>33,189</b>	<b>16,138</b>	<b>24,388</b>	<b>12,133</b>
Net worth: Proprietor's or partners' equity in the business .....										
	11,734	15,889	13,918	19,731	24,523	22,926	39,258	42,134	40,743	22,081
<b>Total liabilities and net worth .....</b>	<b>20,018</b>	<b>21,600</b>	<b>20,850</b>	<b>34,830</b>	<b>35,732</b>	<b>35,432</b>	<b>72,447</b>	<b>58,272</b>	<b>65,131</b>	<b>34,214</b>
Average net sales of stores reporting .....	34,600	33,618	34,084	71,705	70,855	71,110	149,092	137,052	142,878	67,395
Number of stores reporting .....	37	41	78	23	46	69	15	16	31	178

TABLE 34. Independent Family Shoe Stores - Rented - Financial Structure of Incorporated Stores by Size and Age of business as at December 31, 1956

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 .....	1,358	4,262	5,020	4,612	5,087	10,583	8,877	5,682
Accounts and notes receivable (net) .....	570	1,950	1,152	1,582	1,812	3,516	2,987	1,947
Merchandise inventory .....	19,569	26,715	34,116	30,131	56,311	67,566	64,073	41,929
Other current assets .....	223	1,447	654	1,081	3,196	4,655	4,203	2,190
<b>Total current assets .....</b>	<b>21,720</b>	<b>34,374</b>	<b>40,942</b>	<b>37,406</b>	<b>66,406</b>	<b>86,320</b>	<b>86,146</b>	<b>51,746</b>
Fixed assets (net):								
Used in the business .....	1,951	2,866	1,850	2,397	4,484	7,012	6,227	3,888
Not used in the business .....	—	2,642	—	1,423	—	1,625	1,121	993
<b>Total fixed assets (net) .....</b>	<b>1,951</b>	<b>5,508</b>	<b>1,850</b>	<b>3,820</b>	<b>4,484</b>	<b>8,637</b>	<b>7,348</b>	<b>4,881</b>
Other assets:								
Long term investments .....	1,683	35	2,937	1,374	30	3,642	2,521	1,916
Other assets .....	1,023	1,251	1,672	1,445	3,587	11,123	8,784	4,395
<b>Total other assets .....</b>	<b>2,706</b>	<b>1,286</b>	<b>4,609</b>	<b>2,819</b>	<b>3,617</b>	<b>14,765</b>	<b>11,305</b>	<b>6,311</b>
<b>Total assets .....</b>	<b>26,377</b>	<b>41,168</b>	<b>47,401</b>	<b>44,045</b>	<b>74,507</b>	<b>109,722</b>	<b>96,793</b>	<b>62,940</b>
Liabilities								
Current liabilities: Accounts and notes payable .....	7,484	10,782	7,674	9,347	26,130	27,083	26,787	16,173
Fixed liabilities:								
Mortgages on fixed assets used in business .....	—	—	—	—	171	1,375	1,001	415
Mortgages on fixed assets not used in business .....	—	—	—	—	—	—	—	—
<b>Total fixed liabilities .....</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>171</b>	<b>1,375</b>	<b>1,001</b>	<b>415</b>
Other liabilities: .....	6,690	9,355	3,886	6,831	12,921	15,901	14,976	10,175
<b>Total liabilities .....</b>	<b>14,174</b>	<b>20,137</b>	<b>11,560</b>	<b>16,178</b>	<b>39,222</b>	<b>44,359</b>	<b>42,764</b>	<b>26,763</b>
Net worth:								
Capital stock .....	10,727	7,243	16,740	11,627	21,873	32,013	28,866	18,576
Surplus and undivided profits .....	1,476	13,786	19,101	16,240	13,412	33,350	27,163	17,601
<b>Total net worth .....</b>	<b>12,203</b>	<b>21,031</b>	<b>35,841</b>	<b>27,867</b>	<b>35,285</b>	<b>65,363</b>	<b>56,029</b>	<b>36,177</b>
<b>Total liabilities and net worth .....</b>	<b>26,377</b>	<b>41,168</b>	<b>47,401</b>	<b>44,045</b>	<b>74,507</b>	<b>109,722</b>	<b>96,793</b>	<b>62,940</b>
Average net sales of stores reporting .....	41,026	73,288	83,313	77,915	166,895	189,896	182,758	113,445
Number of stores reporting .....	15	14	12	26	9	20	29	70



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