Unified Enterprise Survey

2007 Annual Retail Store Survey

Si vous préférez recevoir ce document en français, veuillez nous appeler au numéro sans frais suivant : **1-888-881-3666**

Reporting Guide

What's new for 2007

Two new questions have been added to Part A of the questionnaire.

- In **Section B**, question **7**. **Revenue from rental of real estate**. Questionnaires from previous years included this item under **All other operating revenue**. This revenue item should now be reported separately. Subsequent questions in **Section B** have been renumbered.
- In **Section E**, question **2**. **Distribution of total operating revenue by method of sale**.

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This guide is designed to assist you as you complete the 2007 Annual Retail Store Survey. If you need more information, please call the Statistics Canada Help Line at the number below.

Statistics Canada Help Line: 1-888-881-3666

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Canada

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General information

Survey purpose

Statistics Canada uses your survey responses to compile operating and financial statistics for the retail sector, by province/territory and for Canada as a whole. By accurately reporting your business unit's activity, you contribute to measuring provincial/territorial and Canadian economic output—the gross domestic product (GDP). Data from the Annual Retail Store Survey are combined with data from the Annual Retail Chain Survey to provide an accurate portrait of the store retailing sector in Canada.

Retailers also make significant use of the data from these surveys to:

- track their performance against industry averages;
- evaluate expansion plans;
- prepare business plans for investors;
- determine payments with respect to performance based contracts;
- plan marketing strategies.

You were selected for this survey for one of two reasons. Either:

- you were selected randomly to represent other business units with similar revenue or number of employees; or
- your business unit was included because it contributes substantially to your industry or region.

In either case, your answers are very important for the calculation of final statistics.

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Your answers are confidential

Statistics Canada is prohibited by law from releasing any information from this survey which would identify a person, business, or organization, unless consent has been given. The confidentiality provisions of the *Statistics Act* are not affected by either the *Access to Information Act* or any other legislation. Therefore, for example, the Canada Revenue Agency cannot access identifiable survey data from Statistics Canada.

Information from this survey will be used for statistical purposes and will be published in aggregate form only.

Data-sharing agreements

To reduce respondent burden, Statistics Canada has entered into agreements with provincial and territorial statistical agencies and other government departments for the sharing of data. The data will be kept confidential and used for statistical purposes only by these organizations.

Section 11 of the *Statistics Act* provides for the sharing of information with provincial and territorial statistical agencies. They have been established under provincial or territorial legislation, have the legislative authority to collect the information from this survey and their legislation provides substantially the same provisions for confidentiality and penalties for disclosure of confidential information as the *Statistics Act*.

For this survey, there are **Section 11** agreements with the provincial and territorial statistical agencies of Newfoundland and Labrador, Nova Scotia, New Brunswick, Quebec, Ontario, Saskatchewan, Alberta, British Columbia and the Yukon.

The shared data will be limited to establishments located within the jurisdiction of the respective province or territory.

Section 12 of the *Statistics Act* provides for the sharing of information with other federal, provincial or territorial government departments. Under **Section 12**, you may refuse to share your information with any of these departments by writing a letter of objection to the Chief Statistician and returning it with the completed questionnaire. Please specify the departments with which you do not want to share your data.

For this survey there are **Section 12** agreements with the following departments: Prince Edward Island Department of the Provincial Treasury, Northwest Territories Bureau of Statistics and Nunavut Bureau of Statistics.

For agreements with provincial and territorial departments, the shared data will be limited to establishments located within the jurisdiction of the respective province or territory where the departments are located.

Questionnaire

This guide is designed to provide additional information and to assist you in completing the questionnaire. The Annual Retail Store Survey is divided into eight sections identified with capital letters A to H. Each of the eight sections is further subdivided into headings and question numbers. Guideline items in this guide correspond to sections and question numbers that are on the survey questionnaire.

The first step is to verify the coverage for this survey. Statistics Canada requests that you report for either your entire business unit or the part described in the preprinted area (hereafter referred to as the coverage statement) at the top of the first page.

Normally, each questionnaire covers a single business unit's operation in one industry. For example, men's and women's clothing stores are considered to be in different industries. If your business unit has operations in more than one industry, such as men's clothing retailing, women's

clothing retailing and wholesale distribution, then only report for the portion of your business unit listed in the coverage statement. The other parts of your business unit will either be covered by another questionnaire or will be represented by other similar business units.

If any of the information in the coverage statement and the preprinted address is not correct, please provide corrections in the spaces provided.

A - Introduction

The introduction includes information on the survey purpose, data-sharing agreements, coverage, confidentiality of the data provided, the return of the questionnaire and a warning about fax or other electronic transmission disclosure. **Please read this information**.

If the name of the person completing the questionnaire is not the same as the one indicated in the preprinted area (on page 1), please provide the information requested at the bottom of page 1. Should there be any further questions about the information provided, Statistics Canada will then be able to contact the appropriate person.

Reporting Instructions

1. Please print in ink.
2. Please report all dollar amounts in **Canadian dollars (CAN$)**.
3. All dollar amounts reported should be rounded to the nearest whole dollar (e.g., $55,417.40 should be rounded to $55,417). All percentages reported should be rounded to the nearest whole percent (e.g., 37.3% to 37%, 75.8% to 76%).
4. **When precise figures are not available, please provide your best estimates.**

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Main business activity

1. **Is this business unit primarily a store retailer?**

   (yes - no)

This survey is intended for business units with retail store operations in Canada.

Store retailers operate fixed point-of-sale locations, located and designed to attract a high volume of walk-in customers. In general, retail stores have extensive displays of merchandise and use mass media advertising to attract customers. They typically sell merchandise to the general public for personal or household consumption, but some also serve business and institutional clients. If sales to individuals and households equal or exceed 10% of the total sales generated by the business unit, then that business unit is typically classified to the retail trade industry. These include business units such as office supply stores, computer and software stores, gasoline stations, building material dealers, plumbing supply stores and electrical stores.

Catalogue sales showrooms and mobile home dealers are considered store retailers.

If you answer "no", indicating that the business unit is not a store retailer as defined above, then **please call 1-881-3666** for further instructions.

2. **How many retail locations does this business unit cover?**

Please provide the number of stores included in this questionnaire.

3. **Is this business unit a franchise operation?**

   (yes - no)

Definition of a **franchise:** a person, group of persons, partnership or incorporated company granted a contractual privilege permitting the sale of a product, use of a trade name or provision of a service within a specific territory and/or in a specified manner.

4. **Main lines of merchandise and services**

Please list up to three principal lines of merchandise and services sold by this business unit and indicate the estimated percentage of total operating revenue associated with each one. This information is used to determine whether you have been correctly classified into one of 65 retail store industries.

Your principal lines of merchandise should be broadly described, (e.g., men's clothing; clothing accessories; new cars and trucks; and wide range of general merchandise).

Reporting period information

Please report for your fiscal year **ending between** April 1, 2007 and March 31, 2008. Indicate the start and end dates.

Revenue, cost of goods sold and expenses

Sections B, C and D are designed to gather information from your business unit's financial records. Not all the itemized details in the three sections apply to every business unit. Please report for those items that are relevant to your business unit.

Note:
If you are reporting for retail gasoline service stations, please see the Appendix to this guide for additional information specific to this industry.

B - Revenue

All revenue reported should be **net of returns, discounts, sales allowances, sales taxes (GST/HST, PST and TVQ). Do not deduct the value of trade-ins**.

1. Sales of all goods purchased for resale, net of returns and discounts

Include:

- sales of all goods purchased for resale.

Please report gross sales of new and used goods less returns and discounts.

- parts used in generating repair and maintenance revenue.

Report the labour portion of repair and maintenance at question 5 below.

Do not deduct the value of trade-ins.

Exclude:

- sales and revenue from concessions.

Please report commission revenue from concessions at question 2 below.

2. Commission revenue and fees earned from selling merchandise on account of others

Include:

- commission received for merchandise sold, such as used clothing, automobiles and gasoline;
- commission revenue from concessions.

A concession is a separately-owned business operated as a department within your premises, usually under licence or contractual agreement.

The value of the commission received, not the total value of the sale, should be reported here.

3. Commission revenue and fees earned from selling services on behalf of others

Include:

- commission revenue received from selling lottery tickets, bus tickets, phone cards, fax and/or photocopying services.

The value of the commission received, not the total value of the sale, should be reported here.

4. Sales of goods manufactured as a secondary activity by this retailing business unit

Revenue from sales of goods of own manufacture should be reported here.

5. Labour revenue from repair and maintenance

Include:

- labour revenue for installations, warranty and repair work.

Parts used in generating installation, repair and maintenance revenue are to be included at question 1 above.

6. Revenue from rental and leasing of goods and equipment

Include:

- video/computer game rental;
- rug shampoo equipment rental;
- tool rental.

7. Revenue from rental of real estate

Include:

- Revenue received from renting out or leasing property owned by this business unit.

8. All other operating revenue

Report all other operating revenue not specified and reported above.

Include:

- placement fees for displaying items on websites, store windows and catalogues;
- rental or leasing of office space and other real estate;
- revenue from shipping and handling charges that are not included in the price of the merchandise;
- fees and commissions from concessions;
- donations, subsidies and grants.

Exclude:

- interest and dividend income.

Please report this amount at question 10 below.

9. Total operating revenue

The sum of questions 1 to 8 in this section.

10. Non-operating revenue

Non-production-related revenue of this business unit.

Include, for example:

- interest and dividend income.

11. Total revenue

The sum of questions 9 and 10 in this section.

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C - Cost of goods sold

1. Opening inventory and **3. Closing inventory**

Report inventories at book value (i.e., the value maintained in the accounting records).

Include opening and closing inventories of all types, such as:

- goods purchased for resale;
- raw materials;
- goods in process;
- finished products;
- parts for use in generating repair and maintenance revenue.

Closing inventories should reflect all inventory adjustments.

Exclude:

- inventory held on consignment for others.

2. Purchases

Please report the purchases of new and used goods purchased for resale and, if applicable, raw materials.

Include:

- freight-in and the value of goods taken in trade, less returns and discounts.

4. Cost of goods sold

The sum of questions 1 and 2 **minus** question 3.

D - Expenses

1. Salaries and wages of employees

Please report all salaries and wages (including taxable allowances and employment commissions as defined on the T4 - Statement of Remuneration Paid) **before deductions**.

Include:

- vacation pay;
- bonuses (including profit sharing);
- commissions;
- taxable allowances (e.g., room and board, vehicle allowances, gifts such as air tickets for holidays);
- retroactive wage payments.

Exclude all payments and expenses associated with outside contract workers and casual labour for whom a T4 – Statement of Remuneration Paid was not issued such as:

- a receptionist or filing clerk under direct contract to you;
- pay for temporary workers paid through an agency;
- charges for personnel search services under direct contract to you.

Please report these amounts in this section, at question 8.

2. Employer portion of employee benefits

Include:

- employee life and extended health care insurance plans (e.g., medical, dental, drug and vision care plans);
- Canada Pension Plan (CPP) and Quebec Pension Plan (QPP);
- employer pension contributions;
- workers' compensation (provincial or territorial plan applicable to this business unit);
- employment insurance premiums (EI);
- retiring allowances or lump sum payments to employees at time of termination or retirement;
- all other employee benefits and supplementary unemployment benefit (SUB) plans;
- contributions to provincial and territorial health and education payroll taxes.

3. Total labour remuneration

The sum of questions 1 and 2 or the total if you cannot provide the breakdown above.

4. Rental and leasing expenses

Include:

- rent of office space or other real estate;
- motor vehicles (without driver);
- computers and peripherals (without operator);
- other machinery and equipment (without operator);
- furniture and lighting fixtures.

Exclude:

- rental and leasing of vehicles, machinery and equipment with driver or operator; these items should be reported in this section, at question 8.

5. Advertising and promotion

Include:

- planning, creating and placement services of advertising;
- purchase of sale of advertising space or time;
- other advertising services;
- trade fair and exhibition organization services.

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6. Amortization and depreciation expenses

Include the amortization and depreciation on this business unit's:

- capital assets;
- intangible assets;
- capital lease obligations.

Exclude:

- amortization and depreciation expenses on vehicles owned by this business unit that are leased to others.

7. Management fees and other service fees charged by head office and other business support units

Include:

- any management or service fees paid to head office.

8. All other operating expenses

Report all other operating expenses not specified and reported above.

Include:

- all payments and expenses associated with outside contract workers;
- rental and leasing of vehicles, machinery and equipment with driver or operator;
- goods transportation, warehousing and storage expenses;
- bad debt;
- donations.

Exclude:

- interest expenses.

Please report these amounts in this section, at question 10.

9. Total operating expenses

The sum of questions 3 to 8 in this section.

10. Other expenses

Include:

- interest expenses on capital lease obligations;
- interest on loans;
- the interest portion of mortgage payments.

11. Total expenses

The sum of questions 9 and 10 in this section.

E - Distribution of total operating revenue

Statistics Canada recognizes that this may be a difficult section to answer. **If precise numbers are not available, please provide your best estimate.**

1. By type of customer

In this section you are asked to indicate the percentage of total operating revenue (reported in **Section B**, at question 8) from individuals and households and from all other customers.

Data on your revenue by type of customer are used to determine the percentage of revenue in the retail trade sector that originates from end use consumption by individuals and households and the percentage that is derived from purchases for other uses.

2. By method of sale

In this section you are asked to indicate the percentage of total operating revenue earned from in-store sales, e-commerce, catalogue and mail-order, or all other methods.

Data on your revenue by method of sale are used to measure the evolving means by which traditional retailers reach their clientele.

F - Events that may have affected your business unit

In this section, in the space provided, please make note of any factors (e.g., strike, layoffs, weather) that affected your business unit as compared to last year. Your response reduces the likelihood of further inquiries seeking to understand significant changes from one year to the next in reported values.

G - Location details

Please provide details on each of your retail stores. The questions **include** the name and address of each store, the total operating revenue, the gross leasable area and whether each store is on a street, in a shopping centre or elsewhere.

Section G serves two important purposes:

- First, if you operate in more than one province or territory, the data you provide here are used to allocate your economic activity to the provinces or territories in which it actually takes place. This is important for measuring the gross domestic product (GDP) for each province and territory.
- Second, by having data on individual stores, aggregate performance measures can be developed to compare the performance of your business unit against industry standards for similar types of operations.

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Gross leasable area

The portion of total floor area designed for tenants' occupancy and exclusive use, measured from the centreline of joint partitions and the centre of outside walls. This includes **both** owned and leased areas.

H - Comments

Statistics Canada invites you to comment on any aspect of the survey. All comments are appreciated and reviewed.

Appendix - Gasoline Service Station Guide

I. Independent retail dealer

An independent retail dealer purchases gasoline for resale from a supplier (e.g., an oil refinery or wholesaler). The independent retail dealer owns the inventories.

An independent dealership is a typical retail operation and should report all data as requested on the questionnaire.

A franchisee is usually an independent retail dealer.

Reporting instructions:

Section B - Revenue

Include:

- excise taxes;
- revenue from repairs, rentals, car washes and other services.

Exclude:

- provincial sales taxes (PST/TVQ);
- goods and services tax (GST) or harmonized sales tax (HST).

II. Retail commissioned agent

A retail commissioned agent sells petroleum products on consignment and does not own the inventory of gasoline; the agent may also purchase and carry inventories of other merchandise for resale.

A retailed commissioned agent also receives a commission or flat fee from supplier of products sold on consignement.

Reporting instructions:

Section B - Revenue

Report only the commissions or fees received for consignment sales, plus excise taxes, and total sales of other merchandise not on consignment, as well as revenue from repairs, rentals, car washes and other services.

Exclude:

- provincial sales taxes (PST/TVQ);
- goods and services tax (GST) or harmonized sales tax (HST).

Section C, questions 1, 2 and 3 (inventories and cost of goods sold)

Exclude:

- inventories and purchases of goods held on consignment.

Include:

- all other merchandise, preferably valued at cost price.

Section D, questions 1, 2 and 3 (labour remuneration)

Report labour remuneration as requested on questionnaire.

III. Lessee

For purposes of the survey, a lessee can be either an independent dealer or a retail commissioned agent.

If a lessee purchases gasoline for resale, i.e., the lessee owns the inventories, the lessee should report as an **independent** dealer.

If a lessee sells gasoline on consignment, i.e., the lessee does not own the inventories, the lessee should report as a retail commissioned agent.

IV. Oil refinery or other wholesale supplier

An oil-producing company, refinery or other wholesale supplier involved in gasoline retailing through:

a) company owned-and-operated gasoline service stations;

or

b) retail commissioned agents or lessees who sell company-owned gasoline on consignment.

Reporting instructions:

Report for each location, depending upon its type, i.e.,

a) company owned;

or

b) retail commissioned agents or lessee.

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Section B - Revenue

a) Company owned-and-operated stations

Include:

- total retail sales of petroleum products;
- sales of all other merchandise;
- receipts from repairs, rentals, car washes and **other services;**
- excise taxes.

Exclude:

- provincial sales taxes (PST and TVQ);
- goods and services tax (GST) or harmonized sales tax (HST).

b) Retail commissioned agents or lessees who sell on consignment

Include:

- only the value of retail sales of petroleum products sold on consignment, including excise taxes.

Exclude:

- commissions **or fees paid to agents or lessees;**
- provincial **sales taxes (PST and TVQ);**
- goods and services tax (GST) or harmonized sales tax (HST).

Section C, questions 1, 2 and 3 (inventories and cost of goods sold)

Report total inventories of petroleum products held at retail locations (both company owned-and-operated and retail commissioned agents or lessees), as well as at any other locations where the inventories are segregated pending sale on consignment or through company owned-and-operated outlets.

Inventories should be reported at transfer or wholesale value.

For company owned-and-operated stations, inventories of other merchandise held for resale (e.g., food, auto parts, etc.) should also be reported.

Section C, question 2 (purchases)

Report the transfer or wholesale value of all petroleum products sold on consignment or through company owned-and-operated stations.

Purchases of other merchandise sold through company owned-and-operated outlets should also be included, at cost of goods sold.

Section D, questions 1, 2 and 3 (labour remuneration)

Report for all employees of company owned-and-operated stations, plus a portion of the administrative salaries (overhead) applicable to both the company owned-and-operated outlets as well as to the stations operated by retail commissioned agent or lessees who sell on consignment.

Important

If none of the above categories applies to your service station business, please enclose a note with your questionnaire.

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Thank you for completing this questionnaire.
Please retain a copy for your records.