



Unified Enterprise Survey

2008 Annual Retail Trade 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 2008

The Annual Retail Chain Survey and the Annual Retail Store Survey have merged into **one questionnaire**, the Annual Retail Trade Survey.

For respondents who received the Annual Retail Store Survey in the past, there are now two parts to the questionnaire: **Part A** and **Part B**. You must now provide individual store location information on **Part B** of the Annual Retail Trade Survey.

For respondents who received the former Annual Retail Chain Survey, a question asking about whether the business unit is a franchise operation has been added to **Section A** of the questionnaire.

This guide is designed to assist you as you complete the 2008 Annual Retail Trade 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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General information

Survey purpose

Statistics Canada uses your survey responses to compile operating and financial statistics for the retail sector by province/territory and Canada as a whole. By accurately reporting your business units activity, you contribute to measuring provincial/territorial and Canadian economic output - the gross domestic product (GDP), as well as 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.

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, without their prior consent. 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.

These survey data will only be used for statistical purposes and will be published in an aggregate form only.

Data-sharing agreements

To reduce respondent burden, Statistics Canada has entered into data sharing agreements with provincial and territorial statistical agencies and other government organizations, who must keep the data confidential and use them only for statistical purposes. Statistics Canada will only share data from this survey with those organizations that have demonstrated a requirement to use the data.

Section 11 of the *Statistics Act* provides for the sharing of information with provincial and territorial statistical agencies that meet certain conditions. These agencies must have the legislative authority to collect the same information, on a mandatory basis, and the legislation must provide substantially the same provisions for confidentiality and penalties for disclosure of confidential information as the *Statistics Act*. Because these agencies have the legal authority to compel businesses to provide the

same information, consent is not requested and businesses may not object to the sharing of the data.

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, Manitoba, Saskatchewan, Alberta, British Columbia, and the Yukon.

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

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

For this survey, there are **Section 12** agreements with the statistical agencies of Prince Edward Island, the Northwest Territories and Nunavut.

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

Data Linkage

To enhance the data from this survey, Statistics Canada may combine it with information from other surveys or from administrative sources.

Questionnaire

This guide is designed to provide additional information and to assist you in completing the questionnaire.

The Annual Retail Trade Survey is comprised of 2 parts. Part A of the questionnaire requests information on revenue earned and expenses incurred by your business unit, information typically found on the income statement of the business unit. Part A is divided into six sections identified with capital letters A to F. Each section is further subdivided by headings and letters.

Part B of the questionnaire requests detailed information on individual locations. Part B serves 2 important purposes:

- First, if you operate in more than one province or territory, the data you provide are used to allocate your economic activity to the provinces/territories in which it actually takes place. This is important for measuring the GDP for each province/territory.

- Second, by having data on individual stores, aggregate performance measures can be developed that allow you to make comparisons of the performance of your company against industry standards for similar types of operations.

Electronic reporting

The Retail Trade questionnaire is available in both a paper and an electronic format. The electronic version is particularly useful for companies with a large number of locations and allows the location detail to be loaded from a variety of software formats. Should you wish to change from the paper questionnaire to the electronic questionnaire, or the reverse, please call the Help Line number on the front page. Guideline items in this guide correspond to sections and question numbers on the survey questionnaire.

Part A

The first step is to verify the business covered by this survey. Statistics Canada requests that you report for either your entire business unit or that part that is described in the pre-printed area (hereafter referred to as the coverage statement) at the top of the first page. This may include one or more banners in the same industry class and under the same legal ownership. If any of the information in the coverage statement and address information 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 data provided, return of the questionnaire and a warning about fax or other electronic transmission disclosure. **Please read this information.**

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.**

Main business activity

1. Is this business unit primarily a store retailer?

(yes - no)

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 treated as store retailers.

If you answer “no”, indicating that your business unit is not a store retailer as defined above, then **please call 1-888-881-3666** 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; wide range of general merchandise, etc).

Reporting period information

Please report for your fiscal year **ending between** April 1, 2008 and March 31, 2009. 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 of the itemized details in the three sections apply to every business unit. Please report for these items that are relevant to your business unit.

Notes:

If you are reporting for a retail gasoline service station, please see Appendix 1 to this guide for additional information specific to this industry.

If you are reporting for beer, wine and/or liquor stores and your company also completes the Monthly Survey on Sales and Inventory of Alcoholic Beverages, please see Appendix 2 to this guide for additional information on completing this questionnaire.

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 behalf 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 commissions received and not the total value of sales 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 and not the total value of sales received should be reported here.

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

Please report revenue from sales of goods of own manufacture.

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

Please report all other operating revenue not specified and reported above.

Include:

- placement fees for displaying items on websites, store windows, catalogues;
- 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 these amounts at question 10 see next page.

9. Total operating revenue

The sum of questions 1 to 8 in this section.

10. Non-operating revenue

Non-production-related revenue by this business unit.

Include:

- interest and dividend income.

11. Total revenue

The sum of questions 9 and 10 in this section.

C - Cost of goods sold

1. Opening inventory and 3. Closing inventory

Please 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 inventory 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 commission 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:

- the cost of a receptionist or a filing clerk under direct contract to you;
- payments to employment agencies or personnel suppliers, e.g., pay for temporary workers paid through an agency and 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) contributions;
- 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 above breakdown.

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 fixtures.

Exclude:

- rental and leasing of vehicles, machinery and equipment with driver or operator; please report these items at question 8 below.

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.

6. Amortization and depreciation expenses

Include the amortization and depreciation expenses 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

Please 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 at question 10 below.

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 estimates.**

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 9) 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 and all other methods.

Data on your revenue by method of sale are used to measure the evolving means by which traditional store 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 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.

H - Comments

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

J - Contact information

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

Part B - Location details

This section serves two important purposes.

Part B appears in the form of an information grid. Information requested in the column headings about each store operation is to be reported in the rows of the grid.

The column headings are:

- North American Industrial Classification System (NAICS) code;
- name and address;
- total operating revenue;
- 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; includes both owned and leased areas);
- whether the store operated for only part of the year, and, if so, the dates of operation.

Please be advised that to reduce your burden of response, the questionnaire contains information you have provided in the past. We will continue to pre-fill the questionnaire unless otherwise notified. Please review this information and provide corrections, if necessary. Please add any new stores that you may have opened during the fiscal year covered by this questionnaire.

Please refer to Attachment 1 for the applicable NAICS codes for retail trade.

More information and detailed instructions are included in the Part B Survey.

APPENDIX 1 - 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), i.e., 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

Exclude:

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

Include:

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

II - Retail commissioned agent

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

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

Reporting instructions:

Section B - Revenue

Please 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 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)

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 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., he owns the inventories, he should report as an **independent dealer**.

If a lessee sells gasoline on consignment, i.e., he does not own the inventories, he 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.,

- company-owned;

or

- retail commissioned agent or lessee.

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.

APPENDIX 2 - BEER, WINE AND LIQUOR CHAINS

The information in this appendix applies, if and only if, your company is requested to complete the Monthly Survey on Sales and Inventory of Alcoholic Beverages.

If you are not sure whether your company receives the Monthly Survey on Sales and Inventory of Alcoholic Beverages, please call us at 1-888-881-3666 for clarification.

If you are primarily a retailer of beer, wine and/or liquor and your company also receives the Monthly Survey on Sales and Inventory of Alcoholic Beverages, you are requested to complete the entire questionnaire for both your retail and wholesale trade operations.

The definition of store retailers is included in Section A of this Guide under Main Business Activity. Your retail stores should be reported in Part B of the questionnaire with NAICS code 445310 - Beer, Wine and Liquor Stores.

Your wholesale distribution centres (i.e., distribution outlets that are not retail stores and that sell directly to commercial accounts) should be reported in Part B of the questionnaire with NAICS code 413220 - Alcoholic Beverage Wholesaler-Distributors.

If your company has transfer pricing between its wholesale and retail operations, these values should neither be included as revenue for the wholesale component nor as an expense for the retail component.

It is expected that the total operating revenue that you report on this questionnaire will be similar to the total sales, excluding taxes, that have been reported for the relevant months on the Survey on Sales and Inventory of Alcoholic Beverages. If there is a substantial difference and you have not provided an explanation in the Comments section, it is likely that Statistics Canada will telephone you in an attempt to understand the reasons for the differences.

ATTACHMENT 1 - INDUSTRIAL CLASSIFICATIONS FOR RETAIL TRADE

The North American Industrial Classification System (NAICS) code is requested for each of the locations reported in Part B of the questionnaire. Please refer to the NAICS codes included in the package, for the store component of Retail Trade.

Thank you!

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