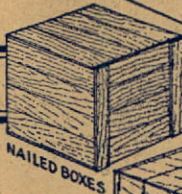
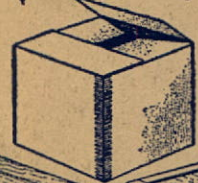


C
Stack

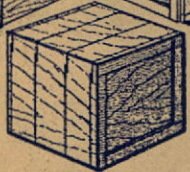
CORRUGATED CARTONS



NAILED BOXES

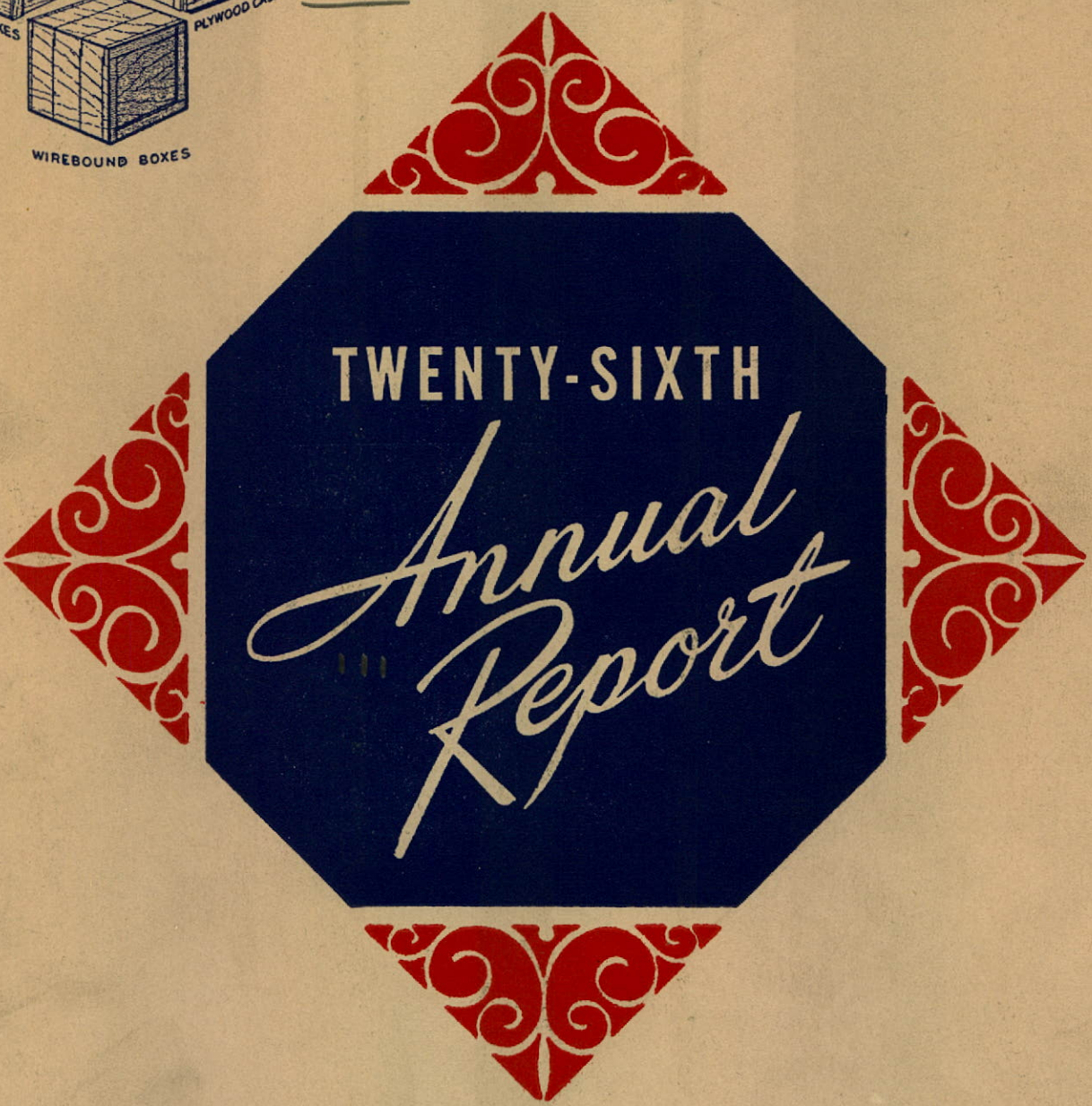


PLYWOOD CASES



WIREBOUND BOXES

CANADIAN WIREBOUND BOXES, LIMITED

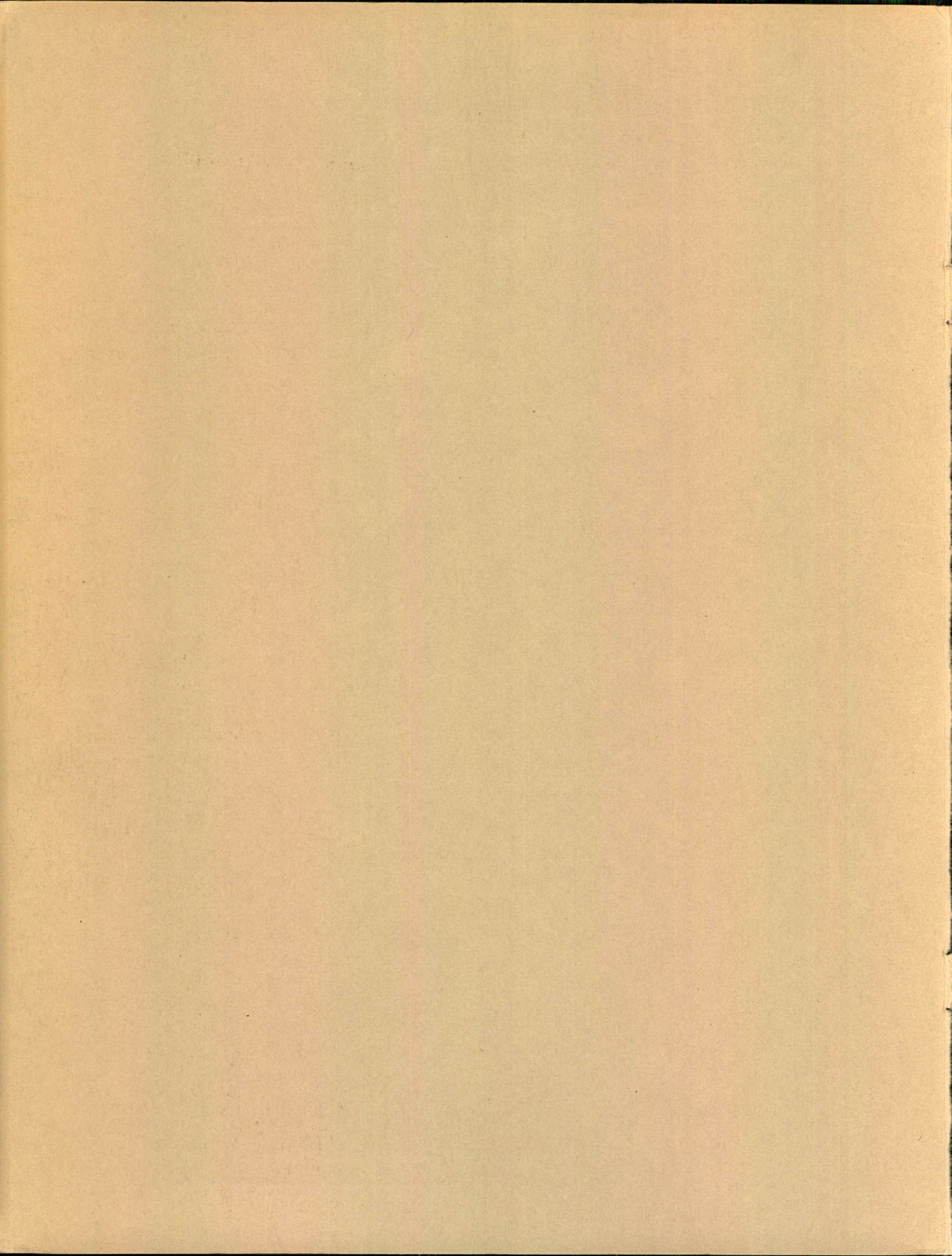


TWENTY-SIXTH

Annual Report

For the YEAR
ENDED APRIL 30,
1954

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CANADIAN WIREBOUND BOXES, LIMITED

HEAD OFFICE — 1000 GERRARD ST. E., TORONTO, ONT.

FACTORIES — TORONTO, ONT. AND MONTREAL, QUE.

DIRECTORS

A. K. CAMERON
A. M. DUNN
R. J. DUNN
C. HATCH
GORDON McMILLAN, Q.C.
STUART B. PLAYFAIR
H. L. TRAPP

ADVISORY COMMITTEE

A. M. DUNN GORDON McMILLAN, Q.C. STUART B. PLAYFAIR
R. S. McPHERSON

OFFICERS

A. M. DUNN PRESIDENT AND MANAGING DIRECTOR	T. J. BUTLER ASSISTANT MANAGER
STUART B. PLAYFAIR VICE-PRESIDENT	R. E. DIVEN DIRECTOR OF SALES
D. F. HAZELL SECRETARY	M. SUTCLIFFE PLANT MANAGER
F. H. ELLIS TREASURER	A. W. CAMERON MANAGER — MONTREAL PLANT

TRANSFER AGENT AND REGISTRAR

CHARTERED TRUST COMPANY
TORONTO, ONT.

AUDITORS

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS

BANKERS

THE BANK OF TORONTO
TORONTO, ONT.

DIRECTORS' REPORT

To the Shareholders,
CANADIAN WIREBOUND BOXES, LIMITED.

Your Directors take pleasure in presenting the twenty-sixth annual report of your Company for the year ended April 30, 1954.

Submitted herewith is the consolidated balance sheet as of that date, together with the report of the auditors. Also included are related comparative consolidated statements of profit and loss and earned surplus.

The following summary sets out in comparative form the operating results for the fiscal years ended in 1953 and 1954:

	Fiscal year ended	
	April 30, 1954	April 30, 1953
Profit before the following items	1,276,656.05	1,245,596.48
Interest earned on investments	34,909.94	40,847.62
	1,311,565.99	1,286,444.10
Allowance for depreciation	123,528.61	126,939.52
Interest on debentures	23,802.13	25,177.08
Directors' fees	7,500.00	8,250.00
	154,830.74	160,366.60
Profit before taxes on income	1,156,735.25	1,126,077.50
Taxes on income	572,000.00	573,000.00
<u>Net profit for year</u>	<u>\$584,735.25</u>	<u>\$553,077.50</u>

Sales for the year showed an increase over those for the same period ended in 1953 and the management looks forward with confidence to the future.

Working capital now stands at \$2,925,883.12 as compared with \$3,089,648.15 at April 30, 1953, a decrease of \$163,765.03.

The net additions to fixed assets during the period were \$70,639.79.

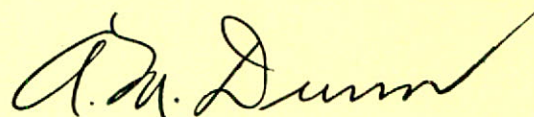
On December 1, 1953, \$50,000.00 of 2¾% Serial Debentures matured and were paid.

Four quarterly dividends at the rate of 37½c per share have been paid on the Class A shares and in addition provision has been made for the quarterly dividend due on July 1, 1954; dividends on the Class B shares have been paid at the rate of 5% per annum to date of redemption October 1, 1953 and \$1.00 per share has been paid on the common shares, totalling in all \$157,569.32.

All of the outstanding Class B preference shares having a par value of \$589,420.00 were redeemed and cancelled on October 1, 1953 plus accrued dividends to date of redemption.

The Directors wish to record their appreciation and thanks for the continued loyal support and co-operation of all employees of the company.

On behalf of the Board.



Toronto, Ontario, June 21, 1954.

President.

CANADIAN WIREBOUND BOXES, LIMITED

AND ITS WHOLLY OWNED SUBSIDIARY

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Year ended April 30, 1954

(With comparative figures as at April 30, 1953)

	1954	1953 Comparative Figures
Operating profit before taking into account the following items	1,276,656.05	1,245,596.48
Interest earned on investments	34,909.94	40,847.62
	<u>1,311,565.99</u>	<u>1,286,444.10</u>
Allowance for depreciation	123,528.61	126,939.52
Interest on debentures	23,802.13	25,177.08
Directors' fees	7,500.00	8,250.00
	<u>154,830.74</u>	<u>160,366.60</u>
Profit before taxes on income	1,156,735.25	1,126,077.50
Taxes on income	572,000.00	573,000.00
<u>Net profit for year</u>	<u>\$584,735.25</u>	<u>\$553,077.50</u>

CONSOLIDATED STATEMENT OF EARNED SURPLUS

Year ended April 30, 1954

(With comparative figures as at April 30, 1953)

Earned surplus, beginning of year	1,721,197.86	1,306,598.86
Net profit for year	584,735.25	553,077.50
	<u>2,305,933.11</u>	<u>1,859,676.36</u>
Dividends paid or payable:		
On Class A shares	95,465.63	76,372.50
On Class B shares	22,103.69	22,106.00
On Common shares at \$1.00 per share	40,000.00	40,000.00
	<u>157,569.32</u>	<u>138,478.50</u>
<u>Earned surplus, end of year</u>	<u>\$2,148,363.79</u>	<u>\$1,721,197.86</u>

CANADIAN WIREBOUND

AND ITS WHOLLY

Incorporated under

CONSOLIDATED BALANCE SHEET

(With comparative figures)

ASSETS

	1954	1953 Comparative Figures
<i>Current assets:</i>		
Cash on hand and in banks	504,611.68	302,477.76
Marketable securities, at cost:		
Government of Canada 2% bonds due 1954 (market value \$490,250.00)		490,900.00
Government of Canada 2¾% bonds due 1968 (market value \$483,750.00)	498,500.00	498,500.00
Guaranteed investment certificates	700,000.00	700,000.00
	<u>1,198,500.00</u>	<u>1,689,400.00</u>
Accounts receivable less allowance for doubtful accounts	933,109.13	951,816.07
Inventory of raw materials, work in process, finished goods and supplies as determined by the management and certified to be valued at the lower of cost or market	1,314,432.50	1,234,156.22
Prepaid expenses and accrued revenue	70,592.24	58,295.32
	<u>4,021,245.55</u>	<u>4,236,145.37</u>
Cash surrender value of life insurance	11,300.00	10,750.00
Buildings and equipment at depreciated values as appraised during April, 1952 by the H. F. Cooper Appraisal Company, Limited plus subsequent additions at cost, less disposals	4,040,781.81	3,970,142.02
<u>Less</u> Accumulated allowance for depreciation since date of appraisal	247,589.26	126,939.52
	<u>3,793,192.55</u>	<u>3,843,202.50</u>
Land valued as of April 30, 1952 in Toronto and Montreal by S. E. Lyons Limited and Ernest Pitt Co. Inc. respectively	308,513.24	308,513.24
	<u>4,101,705.79</u>	<u>4,151,715.74</u>
	<u>\$8,134,251.34</u>	<u>\$8,398,611.11</u>

Approved on behalf of the Board.

A. M. DUNN, Director.

GORDON McMILLAN, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the above consolidated balance sheet of Canadian Wirebound Boxes, Limited and its wholly owned subsidiary as at April 30, 1954 and the related consolidated statements of profit and loss and earned surplus for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

We report that, in our opinion, the above consolidated balance sheet and the related consolidated statements of profit and loss and earned surplus present fairly the financial position of the company and its wholly owned subsidiary as at April 30, 1954 and the results of its operations for the year then ended, according to the best of our information and the explanations given us and as shown by the books of the company.

THORNE, MULHOLLAND, HOWSON & McPHERSON

Toronto, Ontario, June 19, 1954.

Chartered Accountants.

BOXES, LIMITED

OWNED SUBSIDIARY

the laws of Ontario

- APRIL 30, 1954

as at April 30, 1953)

LIABILITIES

	1954	1953 Comparative Figures
<i>Current liabilities:</i>		
Accounts payable and accrued liabilities	699,148.92	798,528.27
Income taxes payable	327,120.38	297,968.95
Dividend payable July 1, 1954	19,093.13	
Serial debentures maturing within one year	50,000.00	50,000.00
	1,095,362.43	1,146,497.22
<i>First secured debentures:</i>		
Authorized, \$2,000,000.00 with \$1,000,000.00 issued as Series A		
Outstanding:		
2¾% Serial debentures maturing \$50,000.00 annually on December 1, 1954 to 1957 inclusive	200,000.00	250,000.00
3½% Serial debentures maturing \$50,000.00 annually on December 1, 1958 to 1967 inclusive	500,000.00	500,000.00
	700,000.00	750,000.00
<u>Less</u> Debentures maturing December 1, 1954 included with current liabilities	50,000.00	50,000.00
	650,000.00	700,000.00
Excess of appraisal values over book values of fixed assets at April 30, 1952, less patents, leases, etc., written off	2,368,021.45	2,368,992.36
<i>Capital stock and surplus:</i>		
Capital stock outstanding:		
50,915 Class A shares } 40,000 Common shares }	1,363,790.00	1,363,790.00
58,942 Class B shares		589,420.00
	1,363,790.00	1,953,210.00
Earned surplus	2,148,363.79	1,721,197.86
Tax-paid surplus	8,713.67	8,713.67
Special surplus	500,000.00	500,000.00
	4,020,867.46	4,183,121.53
	\$8,134,251.34	\$8,398,611.11

The authorized capital stock consists of 150,000 Class A shares of no par value, of which 90,000 shares were issued and 39,085 cancelled in prior years; 85,000 redeemable Class B shares of \$10.00 par value, of which 59,095 shares were issued and redeemed and cancelled (153 in 1953 and 58,942 during the current year) and 40,000 common shares of no par value.

The Class A shares carry a cumulative annual dividend of \$1.50 preferential over all other shares. The Class B shares carry a cumulative preferential dividend of 5% per annum. After payment of the above dividends, the common shares are entitled to a non-cumulative annual dividend up to \$1.00, after which the Class A and common shares only participate equally.

The Class A shares have a priority over all other shares on winding up of \$26.00 per share and accrued dividends. The Class B shares have a priority over the common shares on winding up of \$10.00 per share and accrued dividends.

THE EVOLUTION OF THE MODERN SHIPPING CONTAINER

During the transition from the slow and heavy ox-cart to the modern, streamlined rail and air travel, it is interesting to note the manner in which advances in the packaging industry have kept pace with improvements in methods of transportation, and how the comparatively cumbersome and heavy box formerly used for all commodities has been replaced by the efficient, light and economical container in use today.

Expert packaging engineers have been constantly engaged in developing better ways of packaging merchandise. Their first step was to disprove the old theory that box strength and efficiency was determined by lumber thickness and weight by demonstrating that thin lumber in boxes of balanced construction, properly assembled, made not only cheaper but stronger and more serviceable boxes. The next step was to prove that when wire was used around a box as a reinforcement, still thinner lumber could be used without sacrifice of strength or efficiency. An increase in the number of wires increased the strength of the box. The logical result of their experimentation was the development of the wirebound box.

The Wirebound Box

In its determination to always be in the forefront in the packaging field, and recognizing the value and potentialities of the wirebound container, your Company introduced this box into Canada. Later, the Rock Fastener box and the All Bound box, embodying further improvements in design of the wirebound box, were added. These boxes have revolutionized shipping methods. Light and strong, they can be shipped or stored in knock down form, saving shipping and storage space costs. When ready to use, they can be quickly and easily assembled. The basic construction of the wirebound box permits any number of variations in style. An individual box can be scientifically designed to suit the size, shape or weight of the contents to be packed, either for domestic or export requirements.

The Corrugated Carton

In the corrugated container field, your Company has likewise kept abreast of all modern developments. Here, again, each individual case is designed for the purpose for which it is intended. Interior packing is playing an increasingly important part in packaging. Specially designed interior fittings, pads and partitions of corrugated board function both as structural and supporting members, as well as cushioning the contents from severe shocks.

An Effective Combination — the Wirebound Box and the Corrugated Carton

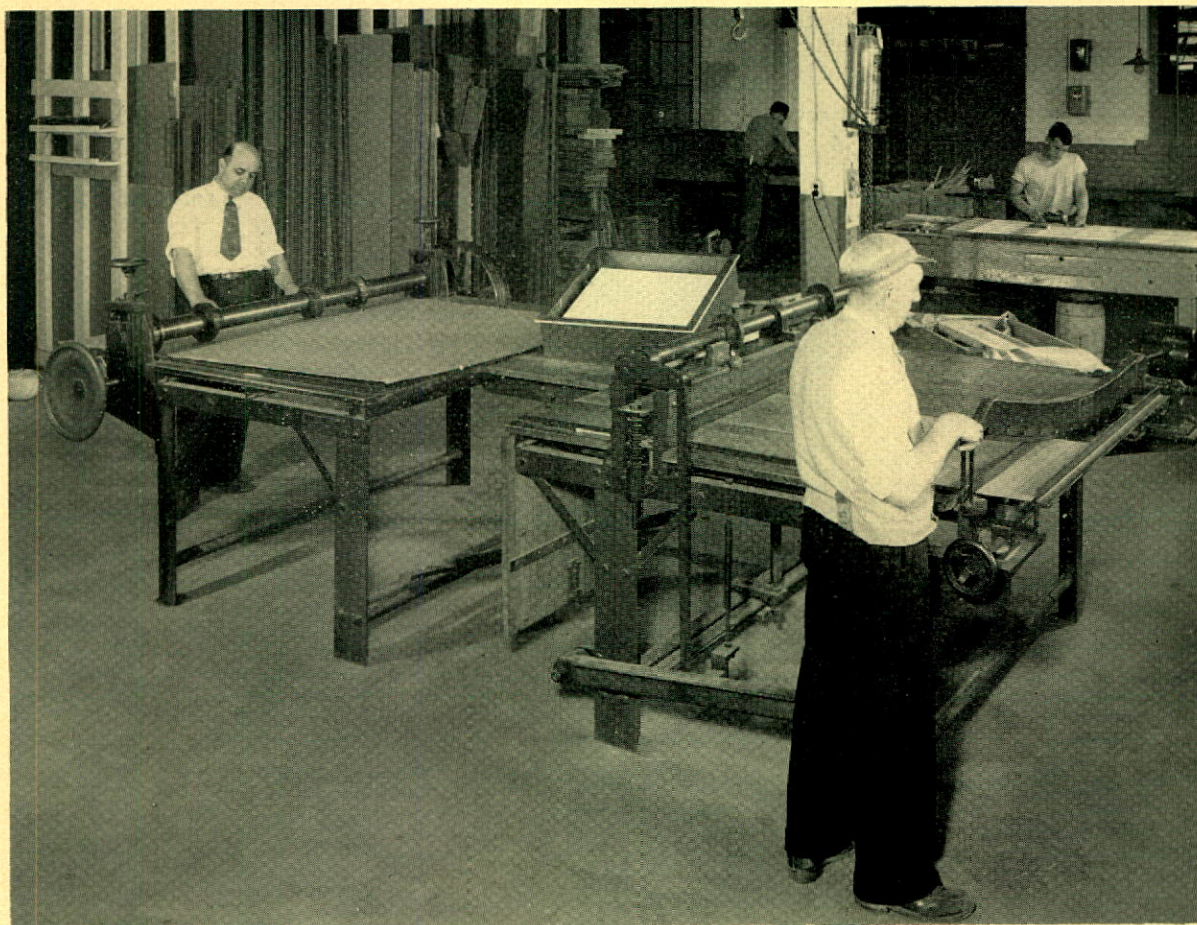
In many cases the use of a corrugated box in conjunction with a wirebound box offers the ideal container for specific purposes, and here your Company, which produces both types, can be of inestimable service. Our facilities enable us to offer to the trade a wide practical range of boxes, crates and corrugated cartons to carry the many diversified types of natural and manufactured products to be packed and shipped.

An Engineered Shipping Container for Every Product Carries Best

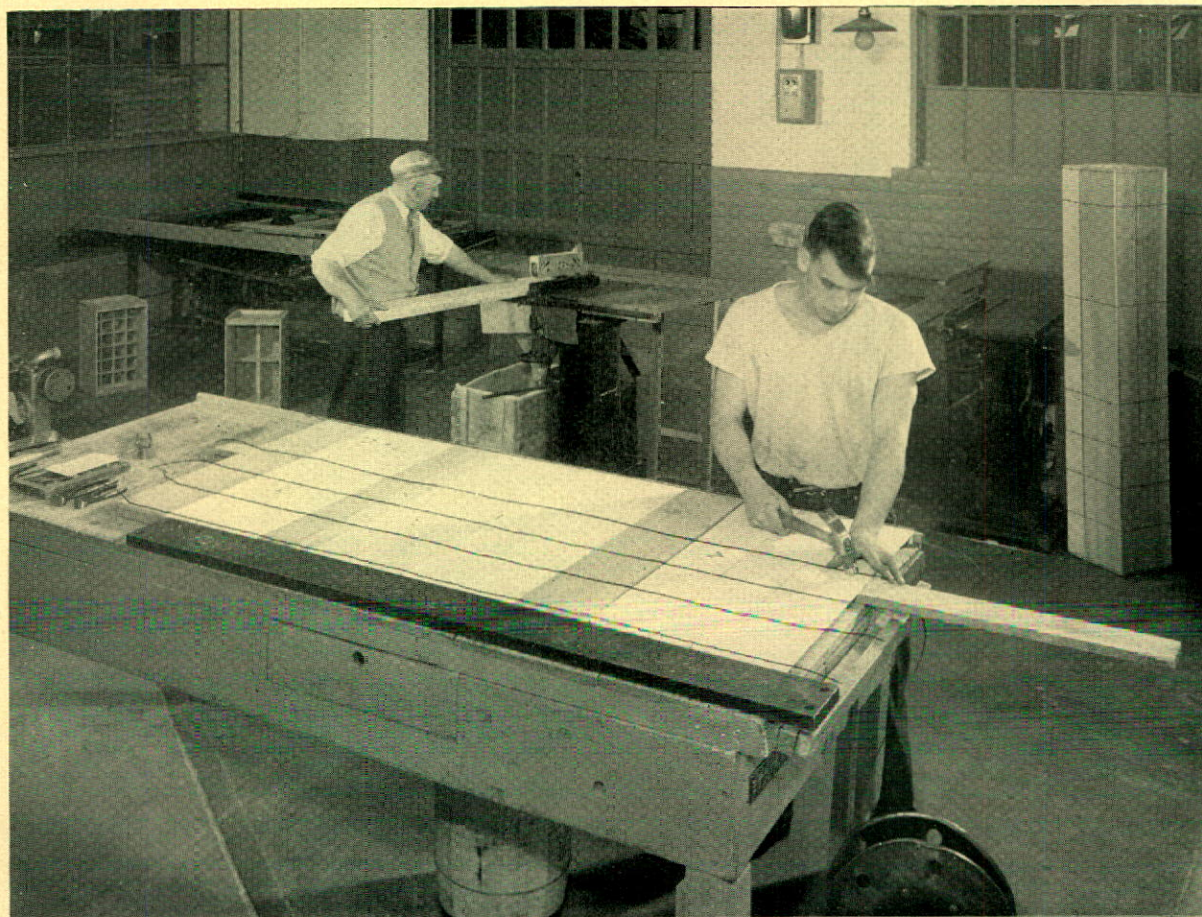
Your Company maintains an up-to-date combined engineering, designing and sample department, supervised and staffed by men with long experience and training who are fully qualified to analyze a shipper's requirements and to recommend and design the most suitable container.

The next six pages show pictures of actual designing and sample making and of shipping cases designed by our staff to carry specific products for some of our customers.

OUR RECENTLY ENLARGED ENGINEERING, DESIGNING AND SAMPLE DEPARTMENT

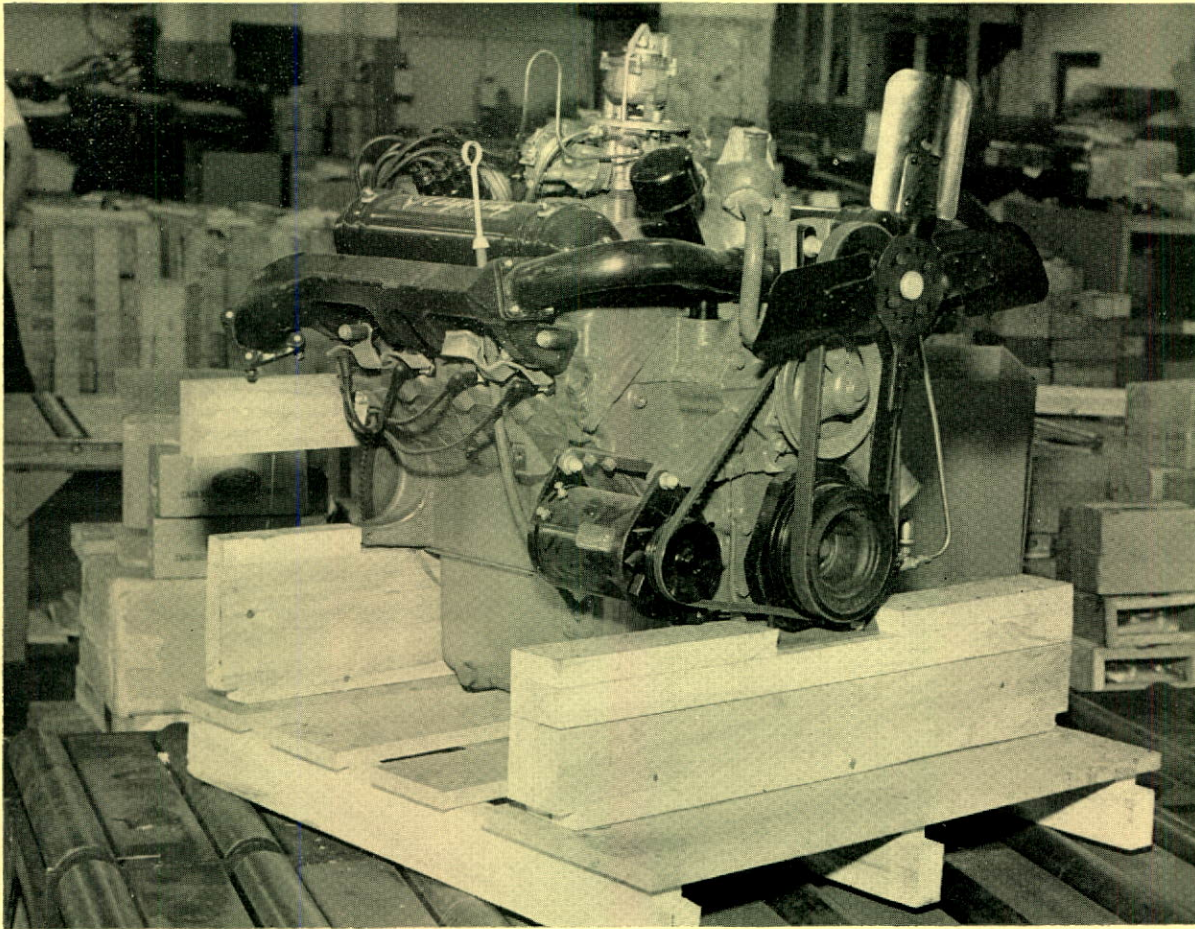


Assembling a sample
corrugated carton in the
designing department

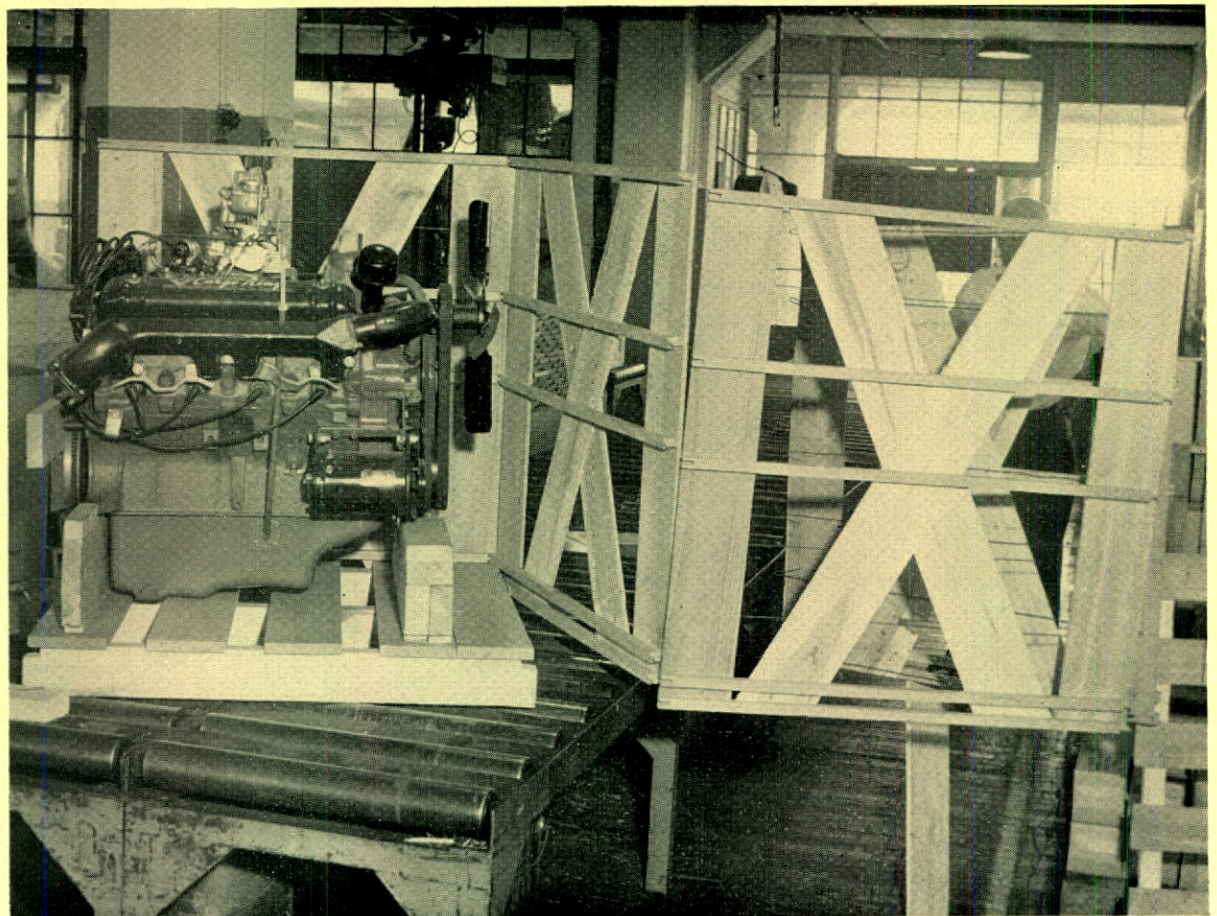


Working on a sample
wirebound crate

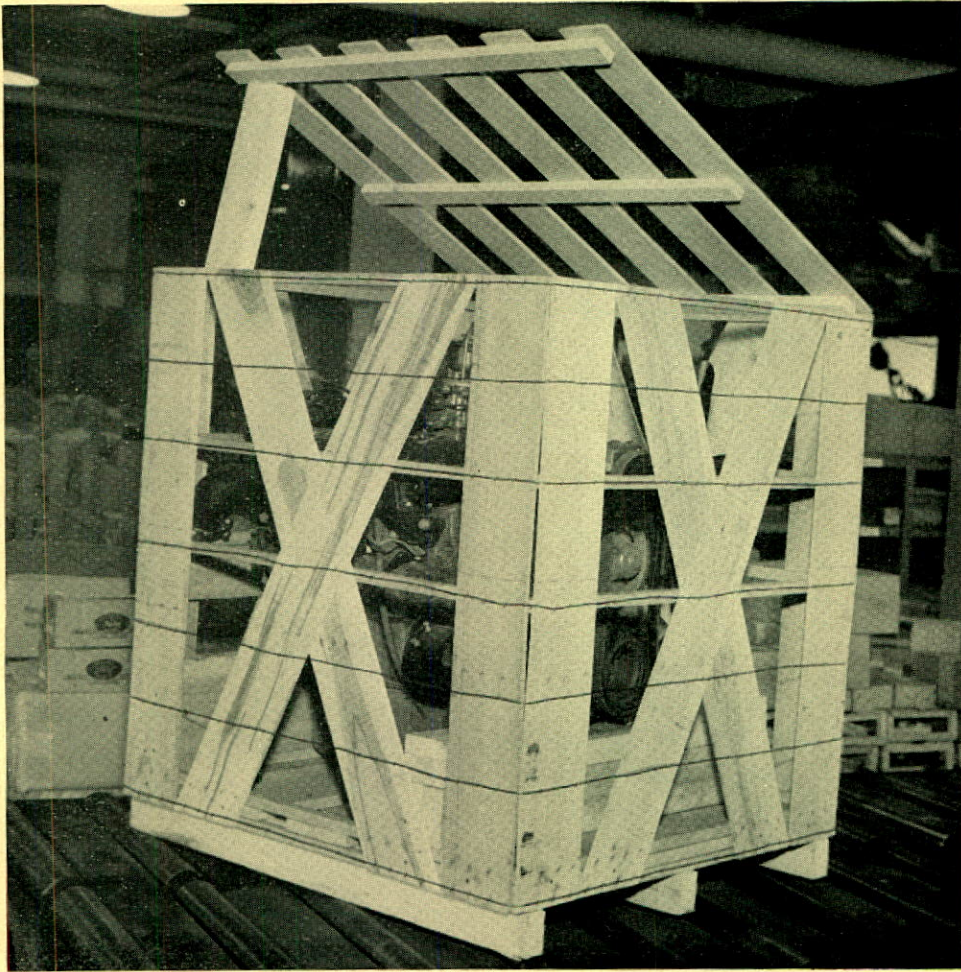
A WIREBOUND CRATE SPECIALLY DESIGNED FOR CARRYING MOTORS
FOR AUTOMOBILES — EXTREMELY HEAVY WEIGHT



A — Motor being
fastened to base

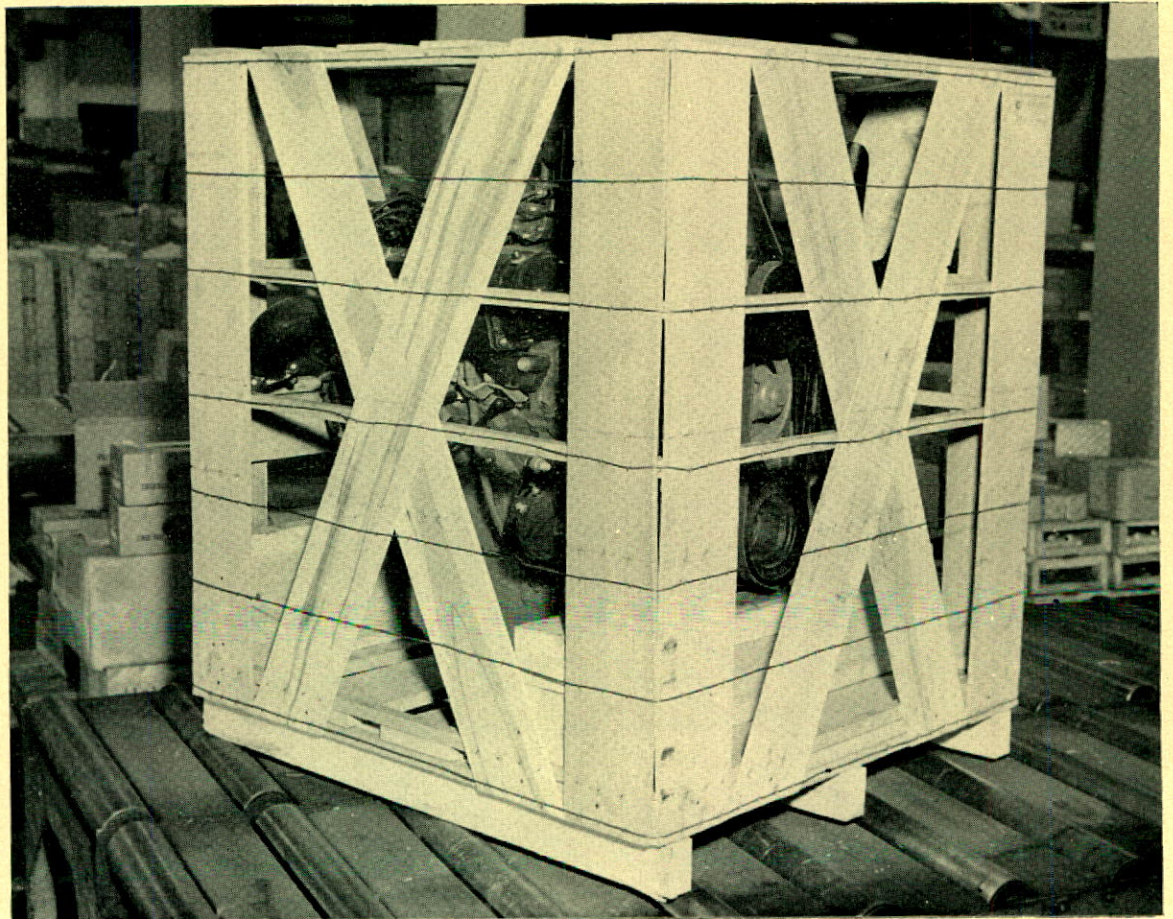


B — Next step
Motor being enclosed
on four sides

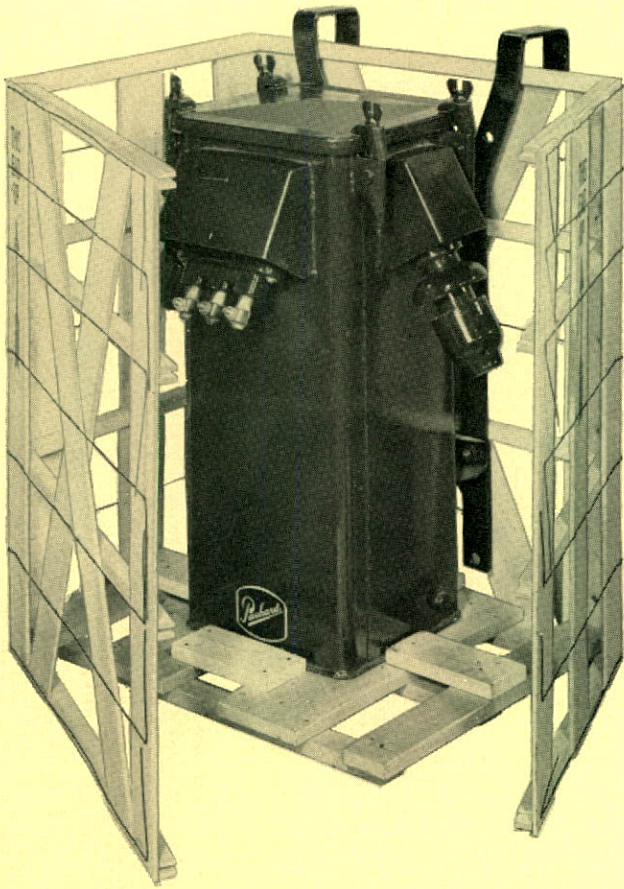


C — Further step

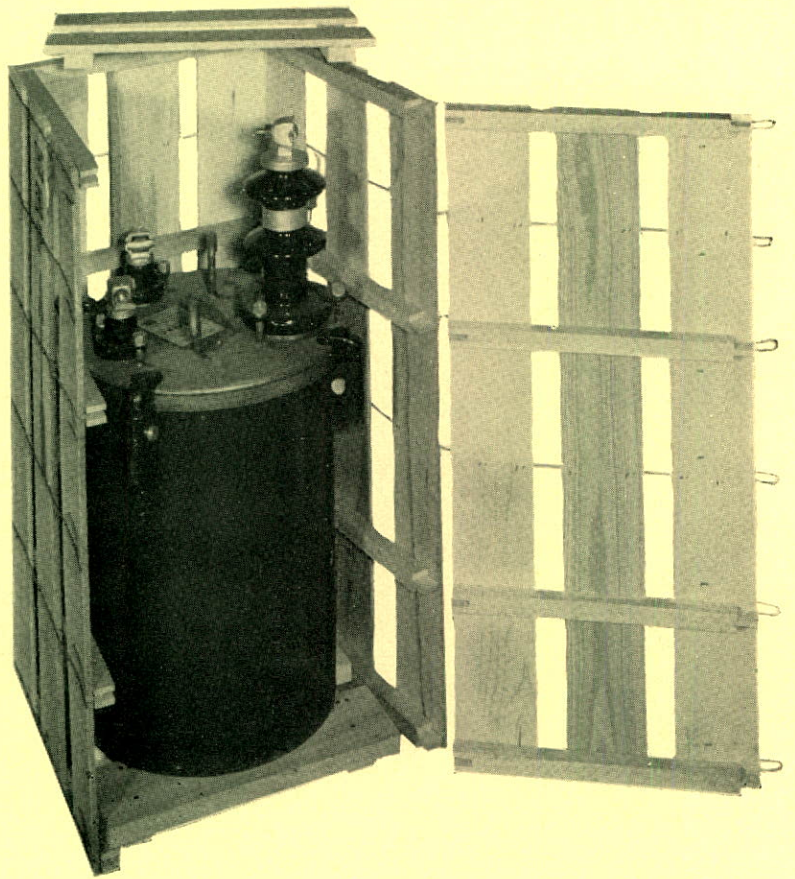
Top being put
on crate



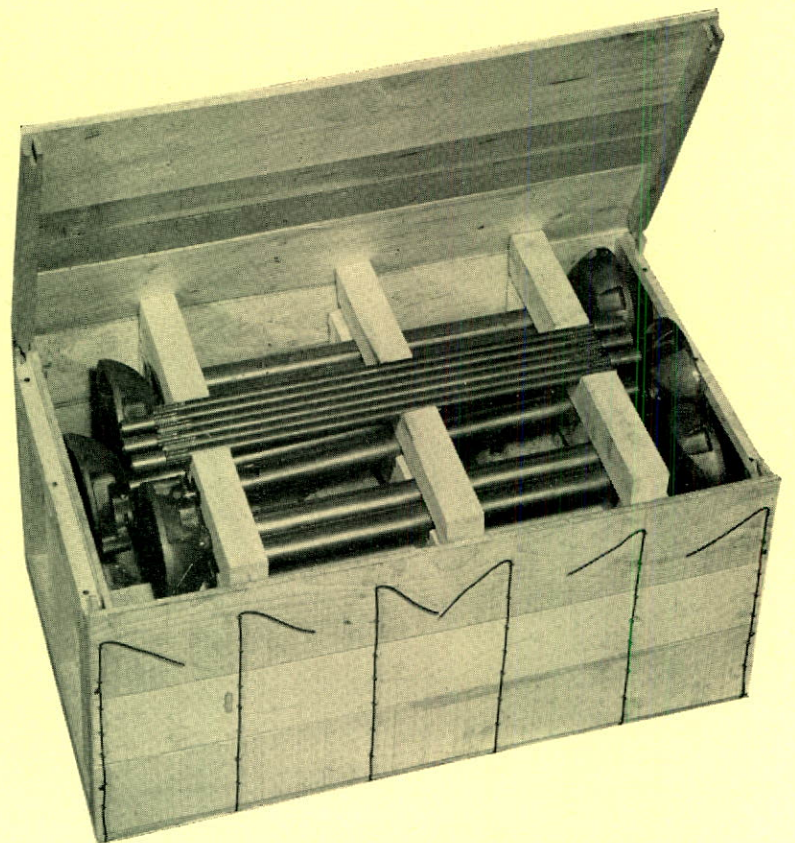
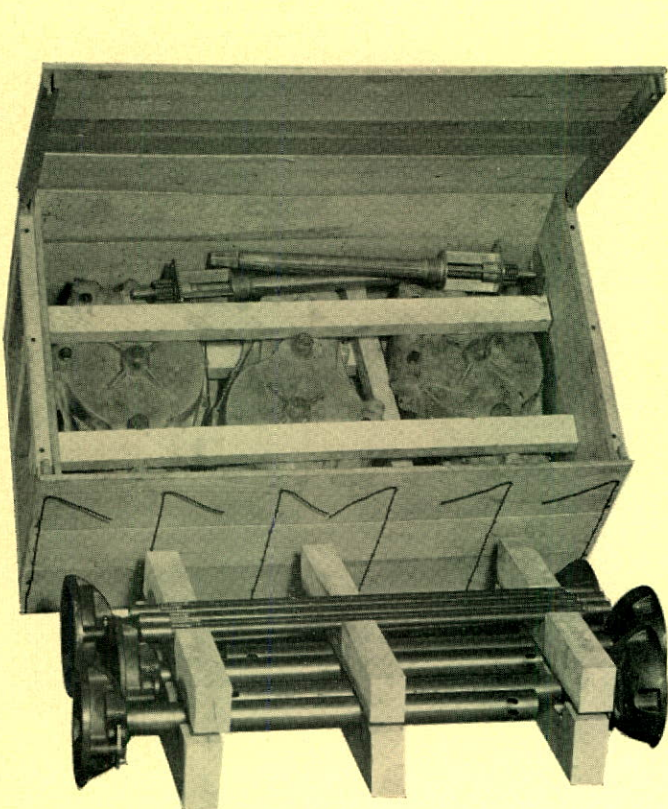
D — Motor in wirebound
crate ready for
shipping



A heavy electric transformer being packed for shipping in a wirebound crate of new design with twisted closure.

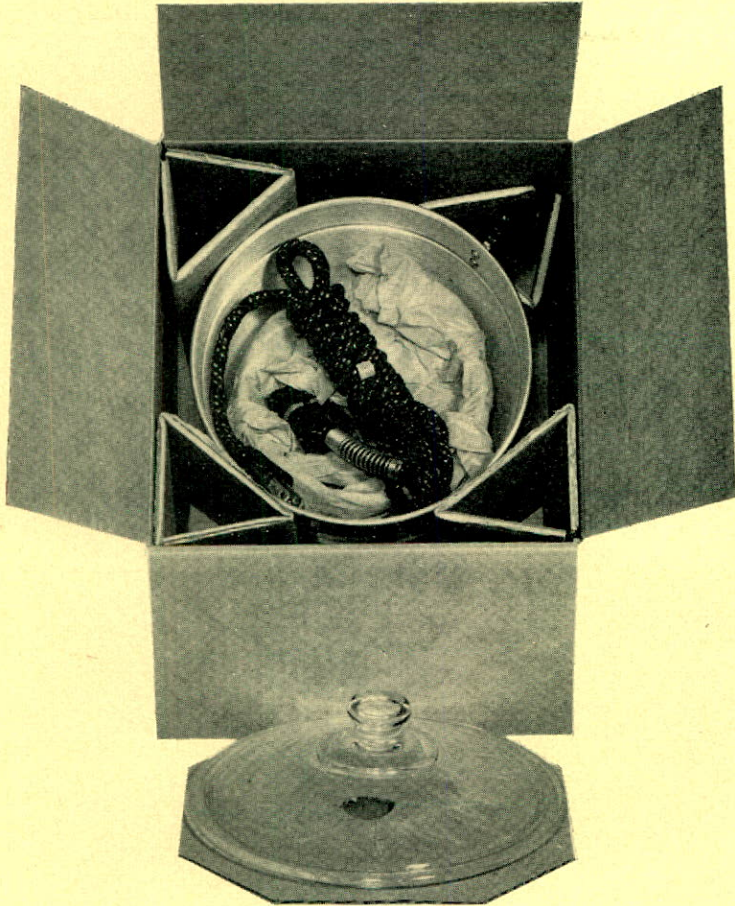


Another transformer in a crate of similar design with loop closure.



A SPECIALLY DESIGNED WIREBOUND BOX FOR CARRYING CERTAIN PARTS OF AN ELECTRIC WASHING MACHINE FOR EXPORT.

DESIGNS OF CORRUGATED CARTONS



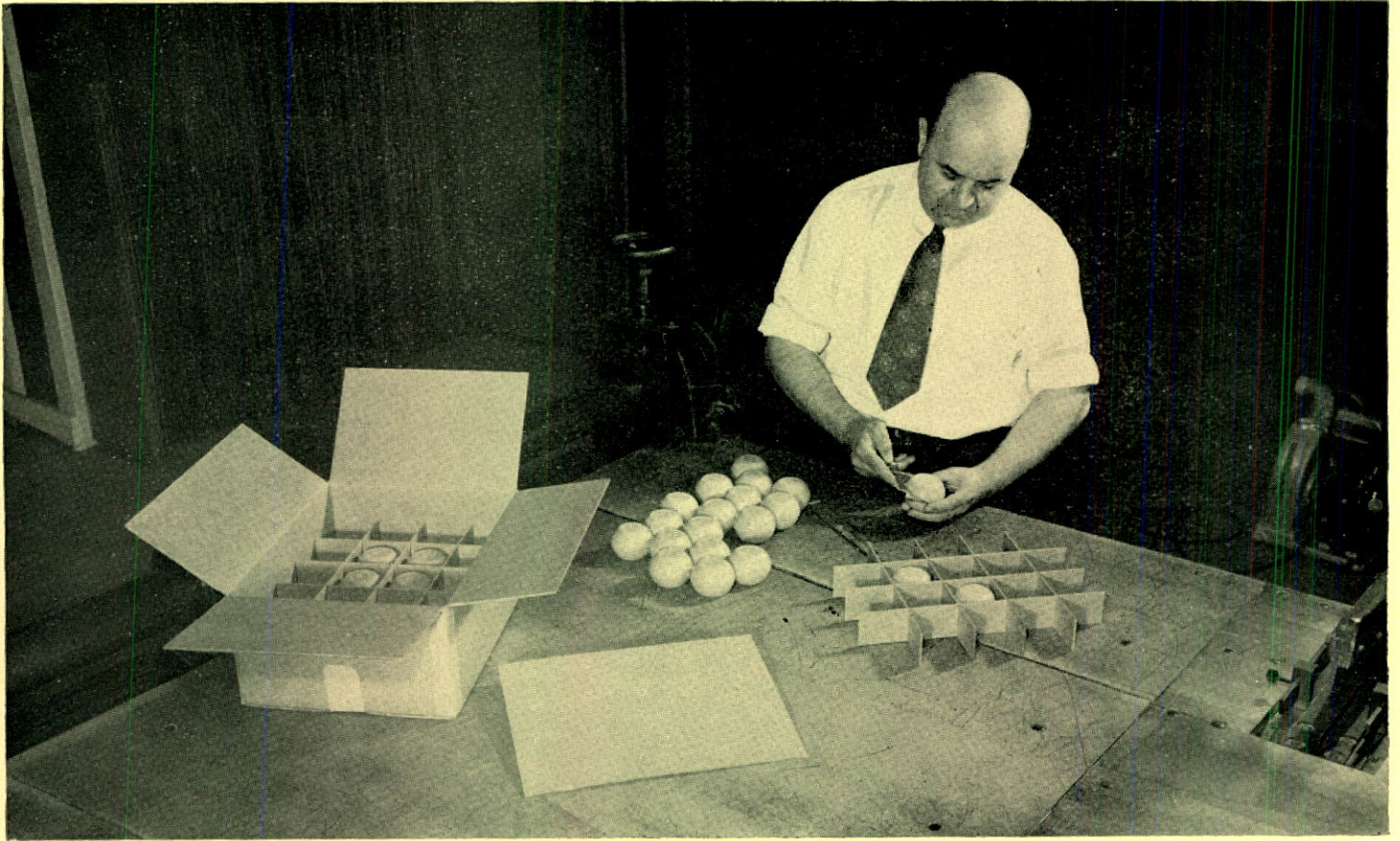
(A) For shipping popcorn machine



(B) For packaging apples



(C) A soap pack for the domestic market



OUR NEW DESIGNING AND SAMPLE DEPARTMENT WITH OUR PACKING EXPERTS WORKING ON SPECIAL PACKS

