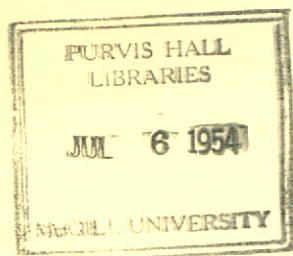


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**ANNUAL
REPORT**

CONSOLIDATED PRESS LIMITED



as at March 31st, 1951

TO THE SHAREHOLDERS

On behalf of your Board of Directors I herewith submit the 22nd Annual Report and Financial Statement of Consolidated Press Limited which sets forth the results of the operations for the year ended 31st March, 1951 and the financial position at that date.

It is very gratifying to me to be able to report a marked improvement in our operations in the face of continually advancing costs and the many difficulties that face Canadian publishers today.

The skill and zeal of the company men and women—those who operate the machines, who provide the services and those who administer its affairs have been major factors in the success achieved.

This past year has seen the continued growth of all divisions of our company with revenues advancing over the previous year.

This increased volume in conjunction with close budgetary controls has resulted in a net profit from the year's operations of \$289,389 thus recording a very major improvement over the past year. From this sum has been deducted \$110,677 for depreciation and \$74,000 provision for Dominion and Provincial taxes on income leaving a balance of \$104,712 which has been transferred to surplus account.

Last year I reported to you an improvement in the working capital position of approximately \$100,000. Our profitable operation in the year under review, after the substantial tax provision referred to above, has permitted a further gain of \$150,732, thus bringing us much closer to our objectives in this regard.

During the course of the year we received funds from our transactions in excess of the required outlay for raw materials, labour and other expenses in the amount of \$245,208. Of this amount \$45,722 was applied for new equipment, \$48,754 to the payment of dividends, leaving a balance of \$150,732 representing the improvement in working capital referred to above.

Certainly we can claim progress but that is not enough. We must continually strive to improve our operating ratios and profits to bring them more into line with general Canadian industry, if we are, in the years ahead, to meet the challenging demands of our rapidly expanding country.

Our success in reaching our future development objectives will rest upon our ability to provide the highest standard of quality and service at a fair price. This is of course a very old truth but nevertheless a fundamental principle of business which must be most rigidly observed.

We can look back with pride on our past achievement on this score. The growing circulations and reader acceptance of our publications pay tribute to the achievement of that division. SATURDAY NIGHT PRESS, our commercial printing division, has built up over the years a most enviable record for quality and creative ability and again this year has won a number of awards in international competition for direct mail pieces, annual reports and company publications.

I should like at this time to refer briefly to an aspect of Canadian publishing which in my opinion has been inadequately recognized in the past, but which should be a source of the deepest satisfaction to us all. I refer to the role played by Canadian magazines in the fostering of a national spirit and in the promotion of Canadian industry and interests during the growth of our country to "nationhood". The development of vast new oil and iron resources and the industry of our people must surely carry Canada to a position of still greater prominence in world affairs. As new pages of history are written it must be the continuing and sacred trust of Canadian publishers to exert the social force that will ensure a growing national awareness of our own Canadian traditions and expressions—our own Canadian way of life.

With regard to our 1952 fiscal year operations I find it more difficult than ever to make predictions on any specific basis, particularly considering the trend of rising costs and disturbed world conditions. We do, however, approach the days ahead with the firm resolve that, as in the case of the year on which it is now my privilege to report, they too shall add materially to the economic well-being of our organization.

In conclusion I should like to express my appreciation for the loyalty of our shareholders, the valuable work of our directors and the unfailing support of every member of the staff.

M. R. Sutton

14 June, 1951

**CONSOLIDATED
PRESS
LIMITED**

Printers and Publishers

HEAD OFFICE: 73 Richmond Street W., Toronto, Canada

DIRECTORS

R. M. BARBOUR
N. A. HYLAND
E. R. MILLING
R. A. DALY
J. R. MEGGESON
M. R. SUTTON
D. W. TURNBULL

OFFICERS

M. R. SUTTON, President
R. M. BARBOUR, Executive Vice-President
E. R. MILLING, Vice-President
D. W. TURNBULL, C.A., Secretary-Treasurer and Comptroller

BRANCHES

NEW YORK, 101 Park Avenue
With Agents at—Vancouver, Calgary, Winnipeg, Hamilton, Halifax and London, England
MONTREAL, Birks Building

PUBLISHERS OF

SATURDAY NIGHT
The Trader and Canadian Jeweller
The Canadian Cigar and Tobacco Journal
Motor Magazine
Manufacturing and Industrial Engineering
Canadian Service Data Book
CANADIAN HOME JOURNAL
FARMER'S MAGAZINE
Canadian Baker
Food in Canada
Canadian Jeweller's Year Book

**ADVERTISING SALES
REPRESENTATIVES FOR**

Journal of the Canadian Dental Association
Chemistry in Canada

**SATURDAY
NIGHT
PRESS**

Planners and Producers of Printed Material for use in

SALES PROMOTION . . . PUBLIC RELATIONS . . . EMPLOYEE RELATIONS

71 Richmond St. W., Toronto, Canada

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March

1950		1951
\$107,949.19	Profit from operations before depreciation, taxes and other items shown below	\$287,923.13
9,132.89	Profit on disposal of fixed assets	1,466.41
\$117,082.08		\$289,389.54
	Deduct	
\$ 83,754.79	Depreciation	\$110,677.56
22,020.92	Moving Expense	—
—	Provision for Dominion and Provincial taxes on income	\$ 74,000.00
\$105,775.71		\$184,677.56
\$ 11,306.37	Profit for year	\$104,711.98

Note: The expenditures for the year include the following:—

1950		1951
—	Directors' fees	\$ 3,500.00
\$43,750.00	Remuneration of executive officers	45,458.14
\$ 341.80	Legal fees	102.90

Statement of Earned Surplus

\$632,721.23	Balance—beginning of year	\$595,273.23
48,754.37	Deduct—three quarterly dividends of 16¼c each per share on class "A" shares	\$ 48,754.24
\$583,966.86		\$546,518.99
11,306.37	Profit for year	104,711.98
\$595,273.23	Balance March 31st.	\$651,230.97

On behalf of the Board

M. R. SUTTON, Director

R. M. BARBOUR, Director

Auditors' Report to the Shareholders

We have examined the balance sheet of Consolidated Press Limited at March 31, 1951 and the related statements of profit and loss and earned surplus for the year ended on that date. In connection therewith we made a general review of the accounting methods and, without making a detailed audit of the transactions, examined or tested accounting records of the company. We received all the information and explanations we required.

We report that in our opinion the above balance sheet and statements of profit and loss and earned surplus have been drawn up so as to exhibit a true and correct view of the state of the company's affairs at March 31, 1951 and of the results of its operations for the year, according to the best of our information and the explanations given us and as shown by the books of the company.

Toronto, Canada,
June 6, 1951.

CLARKSON, GORDON & CO.
Chartered Accountants.

CONSOLIDATED PRESS LIMITED

BALANCE SHEET as at 31st March 1950

1950	Assets	1951
	CURRENT:	
\$ 2,435.10	Cash on hand	\$ 2,639.75
510,603.22	Accounts receivable less reserve of \$12,283.45.....	528,807.77
273,723.82	Inventories—valued at the lower of cost or market value	368,181.71
23,843.41	Refundable portion of taxes on income—current.	10,139.43
40,237.97	Prepaid expenses and deposits.....	42,019.81
<u>\$ 850,843.52</u>		<u>951,788.47</u>
	FIXED —as appraised by the Canadian Appraisal Company at December 31st, 1928 with subsequent additions at cost.	
\$ 686,040.50	Land and buildings	\$ 686,485.50
1,307,113.39	Plant and equipment.	1,344,863.50
<u>\$1,993,153.89</u>		<u>2,031,349.00</u>
957,049.93	Less Reserve for depreciation	\$1,060,200.79
<u>\$1,036,103.96</u>		<u>\$ 971,148.21</u>
30,874.13	Foundry type, mono sorts and lino metal	30,874.13
<u>\$1,066,978.09</u>		<u>\$1,002,022.34</u>
<u>\$ 10,139.43</u>	REFUNDABLE PORTION OF TAXES ON INCOME—non current.	\$ —
<u>\$ 500,000.00</u>	CIRCULATION STRUCTURE.	<u>\$ 500,000.00</u>
<u>\$2,427,961.04</u>		<u>\$2,453,810.81</u>
	Liabilities	
	CURRENT	
\$ 265,288.05	Bank Advances	\$ 29,598.11
225,232.64	Accounts Payable—trade	356,535.12
—	Estimated income taxes less installments paid.	54,600.00
<u>\$ 490,520.69</u>		<u>440,733.23</u>
<u>\$ 610,090.77</u>	PREPAID SUBSCRIPTIONS.	<u>\$ 629,770.26</u>
	SHAREHOLDERS:	
	Capital, authorized and issued—	
	100,000 class "A" shares of no par value	
\$ 732,076.35	100,000 class "B" shares of no par value	\$ 732,076.35
	Class "A" shares are entitled to fixed cumulative preferential dividends at the rate of 65c per share per annum and thereafter participate further in earnings with class "B" shares. Dividends on class "A" shares have been paid to October 1st, 1950.	
<u>\$ 595,273.23</u>	Earned surplus	<u>\$ 651,230.97</u>
<u>\$1,327,349.58</u>		<u>1,383,307.32</u>
<u>\$2,427,961.04</u>		<u>\$2,453,810.81</u>

