

28TH ANNUAL REPORT

CONSOLIDATED
PRESS LIMITED

DECEMBER 31, 1956

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TO THE SHAREHOLDERS

THE ANNUAL REPORT, Balance Sheet, Profit and Loss and Surplus Account of the Company as at December 31, 1956 are herewith submitted by your Directors.

The Report for 1956 shows no improvement over the discouraging report submitted for the previous year. In spite of increased circulation and slightly improved revenues, increased material and labour costs have continued to outstrip our most conscientious economies.

The Company suffered an operating loss of \$102,298.42 for the year. The Company has again decided not to claim depreciation for the year. As stated in the report of last year it is to the advantage of the Company to omit the write-off of depreciation until such time as the prospects of the Company improve sufficiently to begin writing depreciation again, so as to take advantage of the carried forward tax loss position. At the present time, the immediate prospects of the Company are such as to warrant caution toward increasing the sizeable carried forward tax loss.

The working capital of the Company declined \$70,014 during the year.

Your Management continues to do its utmost to correct the present unsatisfactory financial condition of the Company.

A handwritten signature in black ink, appearing to read "J. R. Raste", is written in a cursive style. The signature is positioned above the printed title "PRESIDENT".

PRESIDENT

BALANCE SHEET

ASSETS

DECEMBER 31, 1956

CURRENT:

Cash		\$	2,300.00
Accounts receivable	\$673,730.83		
Less allowance for doubtful accounts	<u>17,283.45</u>		656,447.38
Inventories of raw materials and work in process valued at the lower of cost or market			390,950.59
Prepaid expenses and deposits			<u>67,751.52</u>
FIXED — as appraised by the Canadian Appraisal Company at December 31, 1928 with subsequent additions at cost:			\$1,117,449.49
Land	\$ 41,006.96		
Buildings	\$ 641,032.83		
Plant and equipment	<u>1,548,478.10</u>		
	\$2,189,510.93		
Less accumulated depreciation	<u>1,317,283.50</u>	872,227.43	
Foundry type, mono sorts and lino metal		<u>30,874.13</u>	944,108.52
CIRCULATION STRUCTURE			500,000.00
			<u><u>\$2,561,558.01</u></u>

AUDITORS

To the Shareholders of Consolidated Press Limited: We have examined the balance sheet of Consolidated Press Limited as at December 31, 1956 and the statements of profit and loss and earned surplus for the year ended on that date and have obtained all the information and explanations we have required. 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.

No allowance for depreciation has been made for the years ended December 31, 1955

BALANCE SHEET

December 31, 1956

LIABILITIES

CURRENT:

Bank advances (secured)	\$ 473,129.86
Accounts payable and accrued charges	492,934.83
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	\$ 966,064.69

PREPAID SUBSCRIPTIONS	839,002.06
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SHAREHOLDERS' EQUITY:

Capital, authorized and issued—

100,000 class "A" shares of no par value	
100,000 class "B" shares of no par value	\$732,076.35

Class "A" shares are entitled to fixed cumulative preferential dividend at the rate of 65¢ per share per annum and thereafter participate further in earnings with class "B" shares.

Dividends on the class "A" shares have been paid to January 1, 1953.

Earned surplus	24,414.91	756,491.26
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On behalf of the Board: J. K. COOKE, Director N. A. HYLAND, Director	<hr/> <hr/>	\$2,561,558.01
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REPORT

and 1956. At the company's normal rates, depreciation for the year ended December 31, 1956 would have amounted to \$109,484.

In our opinion, subject to the exception noted in the preceding paragraph, the accompanying balance sheet and statements of profit and loss and earned surplus are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1956 and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the company.

STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 1956

PROFIT & LOSS

Loss from operations	\$102,298.42
Depreciation	—
Loss for year	<u>\$102,298.42</u>

Note: The expenditures for the period include the following

Remuneration of executive officers \$10,801.20

Legal fees 177.00

EARNED SURPLUS

Balance December 31, 1955	\$126,713.33
Loss for the year	102,298.42
Balance December 31, 1956	<u>\$ 24,414.91</u>

CONSOLIDATED PRESS LIMITED

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HEAD OFFICE:

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E.R.Milling
W.P.Scott
W.Zimmerman

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