

27TH ANNUAL REPORT

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CONSOLIDATED  
PRESS LIMITED

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DECEMBER 31ST 1955

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## TO THE SHAREHOLDERS

**Y**OUR DIRECTORS submit herewith the Annual Report and Balance Sheet, and Profit and Loss and Surplus Accounts of the Company as at December 31st, 1955.

The difficult conditions of 1954 continued and were aggravated during the year. Total revenues declined slightly and although the Company continued to reduce costs by paring every reducible expense, increased labour and material costs have continued to outstrip the economies.

The Company had an operating loss of \$99,858.13 for the year. On the advice of our auditors no depreciation has been claimed for the year just ended. If depreciation had been taken on the usual basis the net loss would have amounted to \$208,779.75.

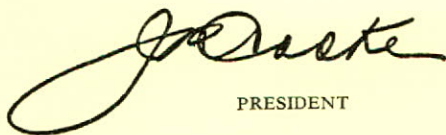
The losses of the company since 1952 are such that, without providing for depreciation in the year just ended, sizable taxable income must be earned in the coming year in order to reap any benefit of the carried forward tax losses. It was to the advantage of the company, therefore, to omit the depreciation write-off for 1955. The working capital of the Company, despite an operating loss of \$99,858.13, declined only \$46,192.57 during the year under review.

The plight of the Consumer magazines of Canada, of which your Company publishes three of the largest in their respective fields, has been stated with clarity, accuracy and understanding by the Honourable Walter Harris, Minister of Finance, in his budget address of March 20th, 1956. In part Mr. Harris said:

'A number of Canadian magazines have been abandoned and others have had to reduce the number of issues per year. . . long run continuation of Canadian magazines appears to be in jeopardy. Already something like four-fifths of the magazines read in Canada are not Canadian and the proportion has been creeping ominously upward. . . we have decided that, in this field, very exceptional measures can be justified—measures that certainly could not be justified in connection with any ordinary line of business or commerce'.

It is to be hoped that the proposed legislation will alleviate some of the hardships faced by Canadian Consumer magazines.

Your management continues to bend every effort to improve the financial status of your company.



PRESIDENT

# BALANCE SHEET

## ASSETS

DECEMBER 31, 1955

### CURRENT:

|  |                     |    |                  |
|--|---------------------|----|------------------|
| Cash .....   |                     | \$ | 2,300.00         |
| Accounts receivable .....  | \$520,110.81        |    |                  |
| Less allowance for doubtful accounts .....   | <u>12,283.45</u>    |    | 507,827.36       |
| Inventories of raw materials and work in process valued at the lower of cost or market .....                   |                     |    | 379,793.65       |
| Prepaid expenses and deposits .....  |                     |    | <u>75,029.92</u> |
| FIXED — as appraised by the Canadian Appraisal Company at December 31, 1928 with subsequent additions at cost: |                     | \$ | 964,950.93       |
| Land .....   | \$ 41,006.96        |    |                  |
| Buildings .....  | \$ 641,032.83       |    |                  |
| Plant and equipment .....  | <u>1,546,314.85</u> |    |                  |
|  | \$2,187,347.68      |    |                  |
| Less accumulated depreciation .....  | <u>1,321,956.74</u> |    | 865,390.94       |
| Foundry type, mono sorts and lino metal .....  |                     |    | <u>30,874.13</u> |
| CIRCULATION STRUCTURE .....  |                     |    | 500,000.00       |

\$2,402,222.96

### AUDITORS

To the Shareholders of Consolidated Press Limited: We have examined the balance sheet of Consolidated Press Limited as at December 31, 1955 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 in the year ended December 31, 1955. At

CLARKSON, GORDON & Co., Chartered Accountants



# BALANCE SHEET

31ST, 1955

## LIABILITIES

### CURRENT:

|  |                   |
|--|-------------------|
| Bank advances (secured) .....              | \$ 414,046.42     |
| Accounts payable and accrued charges ..... | 329,504.24        |
|  | <u>743,550.66</u> |

|                             |            |
|-----------------------------|------------|
| PREPAID SUBSCRIPTIONS ..... | 799,882.62 |
|-----------------------------|------------|

### 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 ..... | 126,713.33 | 858,789.68 |
|----------------------|------------|------------|

On behalf of the Board: J. K. COOKE, Director  
N. A. HYLAND, Director

\$2,402,222.96

## REPORT

the company's normal rates, depreciation for the year would have amounted to \$108,922.

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, 1955 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.

Accountants. Toronto, Canada, April 5, 1956.

# STATEMENTS

FOR THE YEAR ENDED DECEMBER 31ST, 1955

## PROFIT & LOSS

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|                            |                            |
|----------------------------|----------------------------|
| Loss from operations ..... | \$ 99,858.13               |
| Depreciation .....         | <u>          —</u>         |
| Loss for year .....        | <u><u>\$ 99,858.13</u></u> |

Note: The expenditures for the period include the following

|  |             |
|--|-------------|
| Remuneration of executive officers ..... | \$10,801.20 |
| Legal fees .....                         | 323.25      |

## EARNED SURPLUS

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|  |                            |
|--|----------------------------|
| Balance December 31, 1954 .....        | \$238,545.06               |
| Deduct:                                |                            |
| Loss on disposal of fixed assets ..... | \$11,973.60                |
| Loss for the year .....                | <u>99,858.13</u>           |
| Balance December 31, 1955 .....        | <u><u>111,831.73</u></u>   |
|  | <u><u>\$126,713.33</u></u> |

## CONSOLIDATED PRESS LIMITED

Printers and Publishers

HEAD OFFICE:

73 Richmond Street West, Toronto, Canada

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**Directors** J.K.Cooke  
H.E.Cooke  
N.A.Hyland  
N.M.Watt  
E.R.Milling  
W.P.Scott  
W.Zimmerman

**Officers** N.A.Hyland, Chairman of the Board  
J.K.Cooke, President  
H.E.Cooke, Vice-President  
E.R.Milling, Vice-President  
W.Zimmerman, Q.C., Secretary  
N.M.Watt, C.A., Treasurer and Comptroller

**Branches** NEW YORK, 331 Madison Avenue  
MONTREAL, 1517 Mountain Street

**With Agents at** Ottawa  
Vancouver  
Calgary  
Winnipeg  
Hamilton  
Halifax  
Los Angeles  
London, England

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

*Advertising Sales Representatives for  
Journal of the Canadian Dental Association*

**CONSOLIDATED PRESS LIMITED**

PRINTERS AND PUBLISHERS

HEAD OFFICE: 73 RICHMOND STREET WEST, TORONTO, CANADA

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**SATURDAY NIGHT PRESS**

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