
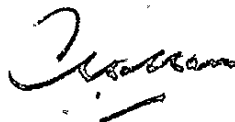


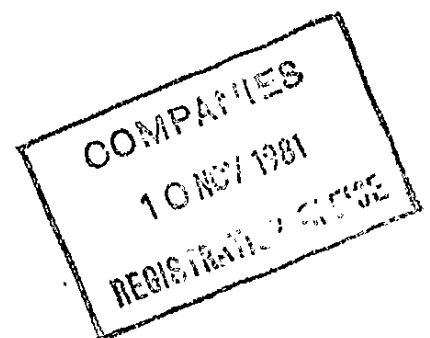
SCHREIBER FURNITURE LIMITED  
DIRECTORS' REPORT AND FINANCIAL STATEMENTS  
FOR  
YEAR ENDED 31 MARCH 1981

No of Company: 351545

In accordance with the requirements of Section 6, Companies Act 1976, we hereby deliver accounts in respect of the accounting reference period ended 31 March 1981, as laid before members in General Meeting and certify that the Balance Sheet, (including every document required by law to be annexed thereto), the Report of the Auditors thereon, and the Report of the Directors accompanying it, are true copies of the documents presented to members.

 Director

 Secretary



# SCHREIBER FURNITURE LIMITED

## REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1981

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The Directors present their annual report and audited financial statements for the year ended 31 March 1981.

### ACTIVITIES

The main activity of the Company during the year continued to be the manufacture and distribution of domestic furniture.

### RESULTS

The results of the year are as follows:-

	1981 £000's	1980 £000's
Trading Profit/(Loss) for the year before Taxation	(1,724)	3,240
Taxation	(30)	(27)
Profit/(Loss) for the year, transferred to Reserve	<u>(1,694)</u>	<u>3,267</u>

### DIVIDEND

The Directors do not recommend a dividend on the share capital of the Company in respect of the year.

### DIRECTORS

The following were Directors of the Company during the year:-

C. S. Schreiber	(Chairman and Managing)
D. H. Thomas	(Deputy Managing)
R. C. Eliason	
R. V. Giblin	
D. G. Marshall	
E. E. Marshall dec'd	
L. A. Martin	
C. J. Millward	
G. S. Morris	
H. F. Noyes	
B. S. Woolf	appointed 1st September 1980

It is with regret that the Directors have to announce the death of Mr. E. E. Marshall, who died on 23rd April 1981, after many years of loyal service to the Company.

Messrs C. S. Schreiber, D. H. Thomas and G. S. Morris are Directors of the Parent Company, Schreiber Industries Limited, and the Holding Company, GEC Schreiber Limited, and their declarable interests in the shares and debentures of the Group are disclosed in the Holding Company's financial statements.

SCHREIBER FURNITURE LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31 MARCH 1981 (CONT'D)

The declarable interests of the remaining Directors throughout the year were as follows:-

	<u>GEC Schreiber Limited</u> <u>Ordinary Shares of £1 each</u>
R. C. Eliason	54,299
R. V. Giblin	40,724
D. G. Marshall	27,149
E. E. Marshall (Dec'd)	54,299
L. A. Martin	54,299
H. F. Noyes	54,299

FIXED ASSETS

Expenditure on fixed assets during the year amounted to £1,314,000.

EXPORTS

The value of goods exported by the Company from the United Kingdom during the year amounted to £2,424,000.

DONATIONS

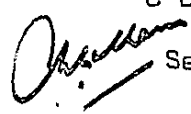
£1,453 was donated for charitable purposes. No donations of a political nature were made during the year.

AUDITORS

In accordance with Section 14 of the Companies Act 1976, a resolution proposing the reappointment of Touche Ross & Co as auditors of the Company, at a fee to be fixed by the Directors, will be put to the members at the forthcoming Annual General Meeting.

By Order of the Board

C L LATHAM

 Secretary

Harlow

15 June 1981

SCHREIBER FURNITURE LIMITED

AUDITORS' REPORT

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TO THE MEMBERS OF SCHREIBER FURNITURE LIMITED

We have audited the financial statements on pages 4 to 10 in accordance with approved Auditing Standards.

In our opinion the financial statements which have been prepared under the historical cost convention, give a true and fair view of the state of the Company's affairs at 31 March 1981 and of its loss and source and application of funds for the year then ended and comply with the Companies Acts 1948 to 1980.

*Touche Ross & Co*

TOUCHE ROSS & CO

Chartered Accountants

1 Little New Street  
London EC4 3TR

15 June 1981

SCHREIBER FURNITURE LIMITED

PROFIT AND LOSS ACCOUNT for the year ended 31 MARCH 1981

	Note	1981 £000's	1980 £000's
SALES	1	<u>70,408</u>	<u>74,532</u>
TRADING PROFIT/(LOSS) before Interest	2	(788)	3,755
Interest	3	<u>936</u>	<u>515</u>
PROFIT/(LOSS) BEFORE TAXATION		(1,724)	3,240
Taxation	4	<u>(30)</u>	<u>(27)</u>
PROFIT/(LOSS) AFTER TAXATION transferred to Reserve		<u>(1,694)</u>	<u>3,267</u>

DISTRIBUTABLE RESERVE

	1981 £000's	1980 £000's
Reserve at 31 March 1980	21,819	18,552
Profit/(Loss) for year, as above	<u>(1,694)</u>	<u>3,267</u>
Reserve at 31 March 1981	<u>20,125</u>	<u>21,819</u>

SCHREIBER FURNITURE LIMITED

BALANCE SHEET AT 31 MARCH 1981

	Note	1981 £000's	1980 £000's
<u>EMPLOYMENT OF CAPITAL</u>			
Current Assets	5	25,062	34,776
Current Liabilities	6	17,184	26,787
		<u>7,878</u>	<u>7,989</u>
Fixed Assets	7	13,772	15,355
		<u>21,650</u>	<u>23,344</u>
<u>CAPITAL EMPLOYED</u>			
Shareholders' Interest			
Share Capital	8	25	25
Reserves		20,125	21,819
		<u>20,150</u>	<u>21,844</u>
Parent Company Loan		1,500	1,500
		<u>21,650</u>	<u>23,344</u>

C S SCHREIBER }  
 ) Directors  
 D H THOMAS }

15 June 1981

*D H Thomas*  
*C S Schreiber*

SCHREIBER FURNITURE LIMITED

STATEMENT OF SOURCE AND APPLICATION OF FUNDS

SOURCE OF FUNDS	1981		1980	
	£000's	£000's	£000's	£000's
Retained Profit/(Loss)		(1,694)		3,267
Adjustment for item not involving the movement of funds:				
Depreciation		2,671		2,185
TOTAL GENERATED FROM OPERATIONS:		977		5,452
Disposal of Fixed Assets		226		77
		1,203		5,529
APPLICATION OF FUNDS				
Purchase of Fixed Assets		1,314		7,499
INCREASE/(DECREASE) IN WORKING CAPITAL				
Increase/(Decrease) in Stocks	(6,200)		9,001	
Increase/(Decrease) in Debtors	(2,110)		3,436	
Increase/(Decrease) in amount due by:				
Fellow Subsidiary Company	(1,394)		667	
Parent Company	-		(330)	
(Increase)/Decrease in Creditors	7,979		(7,261)	
Decrease/(Increase) in Overdraft	1,614		(7,483)	
		(111)		(1,970)
		1,203		5,529

# SCHREIBER FURNITURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS 31 MARCH 1981

### 1 SALES

Sales represents the net value of goods sold, before discounts, exclusive of Value Added Tax, including sales to other Group Companies.

### 2 LOSS FOR THE YEAR BEFORE TAXATION

	1981 £000's	1980 £000's
(a) The loss for the year is after crediting:- Rents received less expenses	25	2
(b) The loss for the year is after charging:- Auditors' remuneration	22	19
Depreciation	2,671	2,185
Hire of plant and equipment	998	739
Directors' remuneration (see note 2(c))	137	130
Provision for reorganisation and associated costs. (see note 2(d))	200	1,800

(c) Additional information concerning Directors' and Employees' emoluments is as follows:-

(i) Emoluments of the Chairman	Nil	Nil
(ii) Emoluments of the highest paid Director	21	20
(iii) Other Directors had emoluments within the indicated ranges:		
£ 0 - £ 5,000	3	2
£ 5,001 - £10,000	1	1
£10,001 - £15,000	-	-
£15,001 - £20,000	2	5
£20,001 - £25,000	3	-

(d) In view of the depression in the consumer durables market during 1980, the Company undertook during the year, a programme of reorganisation which included redundancies in the work force. Provision was made in the financial statements at 31 March 1980, for the direct costs of this reorganisation, which is now substantially complete. This provision has been applied as follows:-

	£000's
Provision at 31 March 1980	1,800
Additional provision created during year	200
	<hr/> 2,000
Applied during year	1,476
	<hr/> 524
Balance carried forward at 31 March 1981	

### 3 INTEREST

Interest charged in the financial statements comprises:-

	1981 £000's	1980 £000's
Interest charges	958	520
Less: Interest Receivable	22	5
	<hr/> 936	<hr/> 515



# SCHREIBER FURNITURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 4 TAXATION

In accordance with the Statement of Standard Accounting Practice on Deferred Taxation, provision at the current rate of 52% is made only for taxation liabilities, which in the opinion of the Directors may crystallise in the foreseeable future.

The charge for the year is made up as follows:-

	1981 £000's	1980 £000's
Adjustments relating to over provision for prior years.	(30)	(27)
	<u>(30)</u>	<u>(27)</u>

At 31 March 1981, there were tax losses of approximately £13,085,000, available to offset the liability to taxation on future profits of the Company.

#### Deferred Taxation

The amount required to be set aside for Deferred Taxation is Nil, (1980 - Nil).

Full provision under the liability method at 31 March 1981 at current rates of taxation would have amounted to £886,000, as follows:-

	1981 £000's	1980 £000's
Relief received in advance for Capital Allowances	7,941	8,711
Stock Appreciation Relief	-	8,553
Future benefit of Tax Losses carried forward	(6,804)	(5,362)
Future benefit of Tax on provision for reorganisation and associated costs	(272)	(936)
Provision for Tax on Capital Gains "rolled over"	21	21
	<u>886</u>	<u>10,987</u>

The taxation liabilities have been computed in accordance with the provisions of the 1981 Finance Bill. Had the existing legislation been used as a basis for accounting for stock relief, the charge for the year would have remained unaltered, at Nil, but the full provision for Deferred Taxation would have been £9,253,000, at 31 March 1981.

SCHREIBER FURNITURE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

5	<u>CURRENT ASSETS</u>	1981 £000's	1980 £000's
	Bank and Cash Balances	23	33
	Trade and Other Debtors	10,359	12,469
	Inventory	14,093	20,293
	Amounts due from Fellow Subsidiary Companies	587	1,981
		<u>25,062</u>	<u>34,776</u>

The inventory has been valued at the lower of cost and net realisable value. Cost is represented by raw materials, labour and manufacturing overheads, and comprises:

	1981 £000's	1980 £000's
Finished Goods	8,172	12,008
Factory Stocks including Work-in-Progress	5,921	8,285
	<u>14,093</u>	<u>20,293</u>

6	<u>CURRENT LIABILITIES</u>	1981 £000's	1980 £000's
	Bank Overdraft (Secured)	2,859	4,483
	Trade and Other Creditors	13,392	20,118
	Amount due to Parent Company	386	386
	Amount due to Fellow Subsidiary Companies	23	-
	Provision for reorganisation and associated costs	524	1,800
		<u>17,184</u>	<u>26,787</u>

The amount shown as bank overdraft, is part of a composite account operated in the name of the Holding Company, GEC Schreiber Limited.

Under the terms of the agreement each company is jointly and severally liable for the total amount owing to the Bank on the composite account which, at 31 March 1981, amounted in total to £6,103,000, (1980 - £5,761,000).

# SCHNEIDER FURNITURE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONT'D)

### 7 FIXED ASSETS

	Plant, Equipment & Transport	
	£000's	£000's
Cost at 31 March 1980		22,734
Additions at Cost		1,314
Disposals at Cost		(1,203)
		<hr/>
Cost at 31 March 1981		23,845
Depreciation at 31 March 1980	8,379	
Charged to Profit & Loss Account	2,671	
On Disposals	(977)	
	<hr/>	
Depreciation at 31 March 1981		10,073
		<hr/>
Net Book Value at 31 March 1981		13,772
		<hr/>
Net Book Value at 31 March 1980		15,355
		<hr/>

Depreciation is provided by equal annual instalments over the anticipated lives of the assets at rates of not less than 10% per annum.

The cost of assets, which were fully depreciated at 31 March 1981, amounted to £1,401,000.

Included in Fixed Assets are items with a book value of £461,000, which are no longer in use. The reorganisation provision includes the estimated loss on their disposal.

Estimated future capital expenditure, for which no provision has been made in the financial statements, amounted to:-

	1981 £000's	1980 £000's
Commitments contracted at 31 March	22	967
Authorised but not committed at 31 March	45	350
	<hr/>	<hr/>
8 <u>SHARE CAPITAL</u>	1981 £000's	1980 £000's
Authorised, Issued and Fully Paid 25,000 Ordinary Shares of £1 each	25	25
	<hr/>	<hr/>

### 9 ULTIMATE HOLDING COMPANY

The Ultimate Holding Company is The General Electric Company Limited, (GEC), which is incorporated in Great Britain.

### 10 CONTINGENT LIABILITIES

As a result of cross guarantees in favour of the Group bankers, the Company had a contingent liability for £3,244,000.

### 11 INCOME AND CORPORATION TAXES ACT 1970 - CLOSE COMPANY PROVISIONS

The close company provisions of the Income and Corporation Taxes Act 1970, do not apply to the Company.