

Appendix III

Heal & Son Accounts

- a) Sales and profits 1875-1906**
- b) Sales and Profits 1907-1940**
- c) Analysis of sales and gross profit by department 1875-1903**
- d) Analysis of sales and gross profit by department 1905-1939**

Appendix IIIa

**Heal & Son (Partnership)
Sales and Profits
1875-1906**

Year Ended 31 Dec	Sales £	% inc/dec on prev. yr.	Profit (Loss) £	% on sales	
1875	119259		11328	9%	Alfred Brewer, Harris Heal, Ambrose Heal admitted to partnership with John Harris Heal junior. (Equiv. 2007= 8,422,783) ¹
1876	101955	-14.5	9213	9%	John Harris Heal jun'r died 19 February aged 65.
1877	99168	-2.7	9683	10%	
1878	90599	-8.6	8070	9%	
1879	78762	-13.0	5459	7%	
1880	77108	-2.1	6370	8%	
1881	74304	-3.4	4768	6%	
1882	72418	-2.5	6615	9%	
1883	69297	-4.3	5083	7%	
1884	66690	-3.7	2321	3%	
1885	59204	-11.2	2283	4%	(t/o equiv. 2007 = 4,675,325)
1886	51239	-13.4	2020	4%	
1887	46361	-9.5	1248	3%	
1888	48197	+3.9	925	2%	
1889	48520	+0.6	2025	4%	
1890	49861	+2.7	2996	6%	
1891	48560	-2.6	1565	3%	
1892	42377	-12.7	204	0.5%	
1893	38078	-10.1	(504)	1%	Net profit before interest on partner's capital £1140. Ambrose Heal junior joined firm.
1894	34351	-9.8	(667)	2%	Alfred Brewer retired from partnership 31 July. N.P. before interest £975. (t/o equiv. 2007 = 2,752,379)
1895	37427	+8.9	104	0.3%	Net profit before interest £1519.
1896	45631	+21.9	3130	7%	Net profit before interest £4550.
1897	54503	+19.4	3849	7%	
1898	64778	+18.8	6086	9%	Ambrose Heal junior made partner.
1899	75781	+16.9	8978	12%	
1900	75164	-0.8	6272	8%	(Equiv. 2007 = 5,663,036)
1901	75468	+0.4	6419	8%	Distribution of profit; HH 43%, AH 43%, AH jun 14%.
1902	76952	+1.9	7330	10%	
1903	74829	-2.75	7130	10%	
1904	68617	-8.3	4877	7%	Distribution of profit; HH 40%, AH 40%, AH jun 20%.
1905	72213	+5.2	6132	8%	Ralph Heal made partner. Distribution of profit; HH 36%, AH 36%, AH jun 20%, RH 8%.
1906	82036	+13.6	7757	9%	Harris Heal died, 13 August. Heal & Son subsequently turned into limited liability company. (Equiv. 2007 = 6,113,358)

¹ Equivalent values in 2007 calculated using UK inflation calculator www.whatsthecost.com on 06.12.2007.

Appendix IIIb

Heal & Son Ltd
Sales & Profits
1907-40

Year	Sales £	% inc/dec	Profit (Loss) £	% on sales	Sales converted to 2007 equivalent
1907	80476		8717	10.8	Equiv. 2007 = £5,925,995 ²
1908	84153	+4.5	8427	10.0	
1909	93708	+11.3	10171	10.8	
1910	111144	+18.6	13295	11.9	Equiv. 2007 = £8,030,778
1911	123250	+10.9	16618	13.4	
1912	130293	+5.7	16974	13.0	
1913	142281	+9.2	19720	13.8	Equiv. 2007= £10,011,240
1914	114618	-19.4	10622	9.2	
1915	96620	-15.7	7087	7.3	Equiv. 2007= £6,061,223
1916	103195	+6.8	6439	6.2	
1917	146106	+41.5	16539	11.3	
1918	193262	+32.2	32468	16.8	Equiv. 2007 = £6,720,873
1919	339383	+75.6	57102	16.8	
1920	425525	+25.3	46222	10.8	Equiv. 2007= £11,646,922 (thisismoney website gives: £15,101,882)
1921	301406	-29.1	26623	8.8	
1922	295388	-2.0	33290	11.2	
1923	339760	+15.0	41048	12.1	Equiv. 2007= £12,585,945
1924	367888	+8.2	41146	11.2	
1925	369624	+0.5	44384	12.0	Equiv. 2007= 13,747,495
1926	345869	-6.4	37648	10.9	
1927	375034	+8.4	41494	11.0	
1928	405310	+8.0	45219	11.1	
1929	414724	+2.3	40034	9.6	Equiv. 2007= 16,124,724
1930	363795	-12.3	24907	6.8	
1931					
1932	262689		9414	3.6	Equiv. 2007= 11,272,956
1933	280684	+6.8	11400	4.0	
1934	321360	+14.4	19258	6.0	
1935	327864	+2.0	18048	5.5	Equiv. 2007= 14,271,760
1936	368536	+12.4	22226	6.0	
1937	323079	-12.3	5778	1.8	
1938	263129	-18.5	(6489)	-2.5	Equiv. 2007= 10,827,106
1939/40	219777	-16.5	(12359)	-5.6	13 months to 31.01.40
1940/41	126447		26771		Year ending 31.01.41. Retail loss (11340) contract profit 38111

² Conversions calculated 05.12.2007. using www.whatsthecost.com inflation calculator.

Appendix IIIc

Heal & Son Sales Analysis by Department 1875-1903

Year	Total Sales	B	GP%	C	GP%	I&B	GP%	U&Cp	GP%	Bl
1875	119259	40		38		17		11		11
1880	77108	26		25		10		9		7
1886	51239	23	34%	12	25%	7	24%	8	21%	
1890	49861	23	34%	9	22%	9	29%	7	23%	
1895	37427	17	36%	6	23%	7	30%	5	19%	
1900	75164	25	37%	27	29%	10	29%	11	26%	
1903	74829	26	37%	26	30%	9	26%	11	26%	

Notes

- Department codes: B= Bedding, C= Cabinet furniture, I&B= Iron and brass, U&Cp = Upholstery and carpets, Bl= Blankets. These were the departmental headings under which the business analysed its retail sales.
- Sales for each department are given to the nearest thousand pounds. Differences in the totals are due to rounding, discounts, and packing charges which are not shown. In the ledgers these figures are detailed down to shillings and pence.
- GP% = Gross Profit percentage. Retailers normally express the difference between the cost of the goods they buy in and the price at which they sell them as gross profit. From this they have to meet all their wages and all other overhead running costs. The higher rate of gross profit on bedding is explained by the fact that Heal & Son were also manufacturers as well as retailers. Although direct manufacturing wages, material costs, the cost of buying coke and repairs to machinery were included in the cost price, no allowance for premises costs was made. The rise in GP % for the cabinet department from 1900 onwards is probably similarly due to the introduction of in house manufacturing.
- Information collated from Heal & Son Archive held at V&A, Archive of Art & Design. References: Departmental Ledger 1884-1903 AAD/1978/2/38, Private Ledger Accounts 1875-1900 AAD/1978/2/43, Private Ledger Accounts 1901-1906 AAD/1978/2/44.

Appendix III d
Sales Analysis by department H&S 1905-1939

Year	B	G.P.%	C	GP%	I&B	GP%	U	GP%	Cpts	GP%	China	GP%	Bl & S	GP%	Dec	GP%	L. Gal	GP%	Elec	Gp%
1905	27085	37.0	24746	29.5	8277	26.5	8397	25.0	2193	24.0										
1910	39249	37.7	39098	27.8	8475	29.4	12759	26.8	5243	24.3	4334	36.8								
1915	38860	27.3	30325	28.9	5607	31.4	9363	24.5	4674	20.5	2531	37.0	3929	28.6						
1920	88908	30.4	152982	31.9	23725	35.2	64073	29.5	51779	25.2	21536	34.2	12916	42.7	6553	19.5				
1925	89202	43.8	120801	30.3	16985	42.1	68752	27.6	38122	26.8	21673	44.2	7067	36.2	1689	1.1	2487	41.1		
1930	68185	41.6	109973	30.6	16420	38.0	57732 27201 s	28.1 34.6	38351	25.2	24229	39.1	7258	34.5	8588	16.3	4831	43.6		
1935	57941	44.6	95964	31.1	16722	38.0	48154 25470	25.7 31.8	37606	24.4	21654	38.3	7411	35.0	2063	14.2	4695	35.9	8461	33.0
1939	38056	40.9	64516	30.2	11560	38.7	33995 16354	22.8 29.3	20652	24.5	16174	36.8	8046	37.9	1422	21.7	2162	34.3	4125	38.7

B = Bedding

Bl&S = Blankets & sheeting (Included in Bedding in '05, '10.)

C = Cabinets (bedroom furniture including wooden bedsteads, dining room and antique furniture).

Cpts = Carpets

Dec = Decorating

Elec. = Electrical

I&B = Iron & Brass bedsteads, later renamed Metalware dept to include kitchenware (kitchen furn transferred to Metal dept Feb 25).

L. Gal. = Little Gallery (gifts and toys)

U = Upholstery. Includes Fabrics. From 1930 sales are split between fabrics and stuffing (upholstery)

Notes:

1905 Cabinet GP allows £3380 for wages + £254 for Foreman.

1910 Cabinet sales incl wooden bedsteads £12937. China appears for 1st time.

1915 Bedding GP allowed £4060 wages incl. foreman.

1920 China now china & glass for 1st time. Cabt sales incl. £50082 wooden bedstead sales. I&B now Metal Bedstead dept. Decorating dept introduced 1919.

1925 Cabt sales incl £37571 wooden bedsteads. Uph gp reduced by £15. 4. 9. royalties to Clough Williams Ellis. Little Gallery existed in 24.

1925 % stock to sales B 7.3%, Bl 43.4%, China 43.7%, LG 27.7, cabts 31.2%, Mw 23.5%, Uph 14.8%, Cpts 21.8%. – shop total 21.69%. total GP 33.39%.

1930 Cabt sales comprise 81k cabinets, 24k wooden bedsteads, 4k dining chairs.

1934 Electrical dept introduced 1931. cabt sales 73k, wdn bstd 16k, dng chr 6k. metal ware sales 4k beds, 14k wares.

1935 Cabt dept expenses before GP (not including factory) wages £8294 plus salaries studio factory £564. also machinery repairs & deprec £25. electric £31. gas £42.

1939 Cabt sales 23k cabt, 12k wood beds, 30k dk chrs. Introduction of contract dept sales £27024 GP10.76%