

CHROMCRAFT REVINGTON INC

Form 10-K/A

August 17, 2007

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K/A
(Amendment No. 1)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2006
or

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the transition period from _____ to _____
Commission file number 1-13970
CHROMCRAFT REVINGTON, INC.
(Exact name of registrant as specified in its charter)

Delaware

35-1848094

(State or other jurisdiction of incorporation or organization)

(IRS Employer Identification No.)

1330 Win Hentschel Blvd., Ste. 250, West Lafayette, Indiana 47906
(Address, including zip code, of registrant's principal executive offices)
(765) 807-2640

(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Name of each exchange on which registered
Common Stock, \$.01 par value	American Stock Exchange
Securities registered pursuant to Section 12(g) of the Act: None	

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, or a non-accelerated filer. See definition of "accelerated filer and large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of March 1, 2007, there were 6,167,876 shares of the registrant's common stock (\$.01 par value) outstanding. The aggregate market value of the voting stock held by nonaffiliates of the registrant as of June 30, 2006 was \$50.4 million (based upon the closing price of the registrant's common stock, as reported by the American Stock Exchange).

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the Proxy Statement for the annual meeting of stockholders to be held May 9, 2007 are incorporated by reference into Part III of this Form 10-K.

EXPLANATORY NOTE

This Amendment No. 1 on Form 10-K/A (the Amendment) amends our Annual Report on Form 10-K for the fiscal year ended December 31, 2006, as originally filed with the Securities and Exchange Commission on March 26, 2007 (the Original Filing). This Amendment amends Part IV, Item 15 of the Original Filing to revise our Notes to Consolidated Financial Statements as follows:

Note 1 clarification and expansion of the Registrant s revenue recognition policy.

Note 10 to delete the reference to the usage of an environmental consultant to estimate certain environmental remediation costs.

Except for the revisions described above, this Amendment does not amend, modify or update the Original Filing in any respect. This Amendment does not reflect events that have occurred subsequent to the filing of the Original Filing and, accordingly, this Amendment should be read in conjunction with our filings made with the Securities and Exchange Commission subsequent to the date of the Original Filing.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) 1. The following are included in this Amendment:

(i) Note 1 to the consolidated financial statements of the Registrant and subsidiaries as of December 31, 2006 and 2005 and the related consolidated statements of operations, stockholders equity and cash flows for each of the years in the three-year period ended December 31, 2006 is hereby amended and superseded and is hereby replaced with the following:

Note 1. Summary of Significant Accounting Policies

The consolidated financial statements include the accounts of Chromcraft Revington, Inc. and its wholly-owned subsidiaries (together, the Company). All significant intercompany accounts and transactions have been eliminated.

Chromcraft Revington manufactures and sells residential and commercial furniture. Products are sold primarily through furniture dealers throughout the U.S. and Canada. Chromcraft Revington has several operating segments which are aggregated into one reportable segment in accordance with Financial Accounting Standards Board (FASB) Statement No. 131, Disclosures about Segments of an Enterprise and Related Information.

Revenue Recognition

The Company recognizes revenue when products are shipped and the customer takes ownership and assumes risk of loss, collection of the related receivable is probable, persuasive evidence of an arrangement exists, and the sales price is fixed or determinable.

Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Accounts Receivable

Accounts receivable are recorded at the invoiced amount and do not bear interest. The Company provides for an allowance for doubtful accounts based on expected collectability of trade receivables. The allowance for doubtful accounts is determined based on the Company's analysis of customer credit-worthiness, historical loss experience and general economic conditions and trends. The Company reviews past due balances and its allowance for doubtful accounts periodically. Any accounts receivable balances that are determined to be uncollectible are included in the overall allowance for doubtful accounts. After all attempts to collect a receivable have been exhausted, the receivable is written off against the allowance. The Company does not have any off-balance-sheet credit exposure related to its customers.

Inventories

All inventories (materials, labor and overhead) are valued at the lower of cost or market. Inventories valued using the last-in, first-out (LIFO) basis represent approximately 57% of total inventories at both December 31, 2006 and 2005. Remaining inventories are valued using the first-in, first-out (FIFO) basis.

Property, Plant and Equipment

Property, plant and equipment is stated on the basis of cost. Depreciation is computed principally by the straight-line method for financial reporting purposes and by accelerated methods for tax purposes. The following estimated useful lives are used for financial reporting purposes: buildings and improvements, 15 to 45 years; machinery and equipment, 3 to 12 years; and leasehold improvements, 3 to 5 years.

Impairment of Long-Lived Assets

When changes in circumstances indicate the carrying amount of certain long-lived assets may not be recoverable, the assets will be evaluated for impairment. If the forecast of undiscounted future cash flows is less than the carrying amount of the assets, an impairment charge would be recognized to reduce the carrying value of the assets to fair value.

Assets Held for Sale

Assets held for sale are long-lived assets which are carried at the lower of their net book value or fair value less cost to sell and no longer depreciated. Fair value for buildings was determined from purchase offers or information obtained from real estate brokers. Fair value for machinery and equipment was based on auction sales, which were completed in 2007.

Restructuring Expenses

Restructuring expenses include costs to shut down, vacate and prepare facilities for sale and one-time termination benefits. Costs to shut down, vacate and prepare facilities for sale are recorded when incurred. One-time termination benefits are amortized over the related service period. These costs are included in either cost of sales or selling, general and administrative expenses consistent with the classification of the costs before the restructuring.

Deferred Income Taxes

Deferred income taxes are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

Earnings per Share

Basic earnings per share is calculated based on the average number of common shares outstanding. Diluted earnings per share includes potentially dilutive common shares.

Due to the net loss for the year ended December 31, 2006, loss per share, basic and diluted, are the same, as the effect of potential common shares would be antidilutive.

Financial Instruments

The carrying amounts reported in the balance sheets for accounts receivable, accounts payable and deferred compensation approximate their fair values. Concentration of credit risk with respect to trade accounts receivable is limited due to the large number of entities comprising Chromcraft Revington's customer base and no single customer accounting for more than 10% of trade accounts receivable.

Stock-Based Compensation

The Company has two stock-based compensation plans, which are described more fully in Note 13, Stock-Based Compensation. Effective January 1, 2006, the Company adopted FASB Statement of Financial Accounting Standards No. 123 (revised 2004), Share-Based Payment, (FAS 123 (R)) using the modified prospective application method for transition for its two stock-based compensation plans. Accordingly, prior year amounts have not been restated.

Use of Estimates

The preparation of the financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

(ii) Note 10 to the consolidated financial statements of the Registrant and subsidiaries as of December 31, 2006 and 2005 and the related consolidated statements of operations, stockholders' equity and cash flows for each of the years in the three-year period ended December 31, 2006 is hereby amended and superseded and is hereby replaced with the following:

Note 10. Other Long-Term Liabilities

Other long-term liabilities include \$570,000 and \$597,000 at December 31, 2006 and 2005, respectively, for estimated environmental remediation costs for land that was acquired as part of a previous acquisition by the Company.

(a) 3. The documents listed in the Exhibit Index below are filed or furnished as indicated with this Amendment.

* * *

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 17, 2007

CHROMCRAFT REVINGTON, INC.

By: /s/ Frank T. Kane
Frank T. Kane
Senior Vice President Finance and
Chief Financial Officer

EXHIBIT INDEX

- 31.1 Certification of Chief Executive Officer required pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
- 31.2 Certification of Chief Financial Officer required pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith).
- 32.1 Certifications of Chief Executive Officer and Chief Financial Officer required pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith).