

**DAWKES MUSIC & WINDCRAFT LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2018**

DAWKES MUSIC & WINDCRAFT LIMITED  
REGISTERED NUMBER: 02710334BALANCE SHEET  
AS AT 30 JUNE 2018

	Note	2018 £	2017 £
<b>Fixed assets</b>			
Intangible assets	4	1	1
Tangible assets	5	208,786	146,973
		<u>208,787</u>	<u>146,974</u>
<b>Current assets</b>			
Stocks		563,073	556,437
Debtors: amounts falling due within one year	6	181,897	168,494
Cash at bank and in hand	7	24,492	29,073
		<u>769,462</u>	<u>754,004</u>
Creditors: amounts falling due within one year	8	(652,786)	(609,503)
<b>Net current assets</b>		<u>116,676</u>	<u>144,501</u>
<b>Total assets less current liabilities</b>		<u>325,463</u>	<u>291,475</u>
Creditors: amounts falling due after more than one year	9	-	(5,686)
<b>Provisions for liabilities</b>			
Deferred tax	11	(16,096)	-
		<u>(16,096)</u>	<u>-</u>
<b>Net assets</b>		<u><u>309,367</u></u>	<u><u>285,789</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	1,000	1,000
Profit and loss account		308,367	284,789
		<u>309,367</u>	<u>285,789</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**DAWKES MUSIC & WINDCRAFT LIMITED**  
**REGISTERED NUMBER: 02710334**

**BALANCE SHEET (CONTINUED)**  
**AS AT 30 JUNE 2018**

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

.....  
**J Dawkes**  
Director

Date: 19 December 2018

The notes on pages 3 to 12 form part of these financial statements.

**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**1. General information**

Dawkes Music & Windcraft Limited is a private company, limited by share capital and incorporated in England and Wales. The company's registered office and principal place of business is The Woodwind & Brass Warehouse, Unit C, Reform Road, Maidenhead, Berkshire, SL6 8BT. The company's principal activity is the sale, repair and distribution of musical instruments.

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

**2.2 Revenue**

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

**Sale of goods**

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

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- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **Rendering of services**

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**2. Accounting policies (continued)**

**2.3 Intangible assets**

**Goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Statement of Comprehensive Income over its useful economic life.

**Other intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**2.4 Tangible fixed assets**

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Improvements to property	- straight line over the life of the lease
Plant & machinery	- 25%
Motor vehicles	- 25%
Fixtures & fittings	- 25%
Office equipment	- 25%
Rental instruments	- at carrying rates on cost

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

**2.5 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**2. Accounting policies (continued)**

**2.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**2.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**2.8 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

**2.9 Creditors**

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**2.10 Foreign currency translation**

**Functional and presentation currency**

The Company's functional and presentational currency is GBP.

**Transactions and balances**

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

**2.11 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

**2.12 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.



**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**2. Accounting policies (continued)**

**2.13 Operating leases**

Rentals paid under operating leases are charged to the Statement of Comprehensive Income on a straight line basis over the lease term.

**2.14 Pensions**

**Defined contribution pension plan**

The Company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

The contributions are recognised as an expense in the Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

**2.15 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**2.16 Borrowing costs**

All borrowing costs are recognised in the Statement of Comprehensive Income in the year in which they are incurred.

**2.17 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of Comprehensive Income in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2018**

**2. Accounting policies (continued)**

**2.18 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. Employees**

The average monthly number of employees, including directors, during the year was 30 (2017 - 30).

**4. Intangible assets**

	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 July 2017	1
At 30 June 2018	<u>1</u>
<b>Net book value</b>	
At 30 June 2018	<u>1</u>
At 30 June 2017	<u>1</u>

DAWKES MUSIC & WINDCRAFT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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5. Tangible fixed assets

	Improvements to property	Plant & machinery	Motor vehicles	Fixtures & fittings
	£	£	£	£
<b>Cost or valuation</b>				
At 1 July 2017	30,002	21,378	8,905	14,360
Additions	-	-	-	4,124
Disposals	-	-	-	-
At 30 June 2018	<u>30,002</u>	<u>21,378</u>	<u>8,905</u>	<u>18,484</u>
<b>Depreciation</b>				
At 1 July 2017	20,871	20,282	8,905	14,360
Charge for the year on owned assets	5,218	731	-	602
Disposals	-	-	-	-
At 30 June 2018	<u>26,089</u>	<u>21,013</u>	<u>8,905</u>	<u>14,962</u>
<b>Net book value</b>				
At 30 June 2018	<u>3,913</u>	<u>365</u>	<u>-</u>	<u>3,522</u>
At 30 June 2017	<u>9,131</u>	<u>1,096</u>	<u>-</u>	<u>-</u>

## DAWKES MUSIC &amp; WINDCRAFT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 5. Tangible fixed assets (continued)

	Office equipment	Rental instruments	Total
	£	£	£
<b>Cost or valuation</b>			
At 1 July 2017	149,337	489,583	713,565
Additions	9,134	106,889	120,147
Disposals	-	(8,496)	(8,496)
At 30 June 2018	<u>158,471</u>	<u>587,976</u>	<u>825,216</u>
<b>Depreciation</b>			
At 1 July 2017	116,923	385,251	566,592
Charge for the year on owned assets	14,692	32,141	53,384
Disposals	-	(3,546)	(3,546)
At 30 June 2018	<u>131,615</u>	<u>413,846</u>	<u>616,430</u>
<b>Net book value</b>			
At 30 June 2018	<u>26,856</u>	<u>174,130</u>	<u>208,786</u>
At 30 June 2017	<u>32,414</u>	<u>104,332</u>	<u>146,973</u>

## 6. Debtors

	2018	2017
	£	£
Trade debtors	79,003	93,507
Amounts owed by group undertakings	-	1,694
Other debtors	70,537	38,346
Prepayments and accrued income	30,108	30,653
Tax recoverable	2,249	2,249

Deferred taxation

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-	2,045
<u>181,897</u>	<u>168,494</u>

DAWKES MUSIC & WINDCRAFT LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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7. Cash and cash equivalents

	2018 £	2017 £
Cash at bank and in hand	24,492	29,073
Less: bank overdrafts	(73,899)	(39,569)
	<u>(49,407)</u>	<u>(10,496)</u>

8. Creditors: Amounts falling due within one year

	2018 £	2017 £
Bank overdrafts	73,899	39,569
Other loans	5,686	18,420
Trade creditors	421,131	372,800
Amounts owed to group undertakings	527	-
Other taxation and social security	52,393	59,550
Other creditors	10,261	29,060
Accruals and deferred income	88,889	90,104
	<u>652,786</u>	<u>609,503</u>

9. Creditors: Amounts falling due after more than one year

	2018 £	2017 £
Other loans	-	5,686
	<u>-</u>	<u>5,686</u>

DAWKES MUSIC & WINDCRAFT LIMITED

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10. Loans

Analysis of the maturity of loans is given below:

	2018 £	2017 £
<b>Amounts falling due within one year</b>		
Other loans	5,686	18,420
	<u>5,686</u>	<u>18,420</u>
<b>Amounts falling due 1-2 years</b>		
Other loans	-	5,686
	<u>-</u>	<u>5,686</u>
	<u>5,686</u>	<u>24,106</u>

11. Deferred taxation

	2018 £	2017 £
At beginning of year	2,045	10,344
Charged to profit or loss	(18,141)	(8,299)
<b>At end of year</b>	<u>(16,096)</u>	<u>2,045</u>

The deferred taxation balance is made up as follows:

	2018 £	2017 £
Accelerated capital allowances	(28,853)	(16,775)
Tax losses carried forward	12,757	18,820
	<u>(16,096)</u>	<u>2,045</u>

12. Share capital

2018 £	2017 £
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[www.datalog.co.uk](http://www.datalog.co.uk)

Allotted, called up and fully paid

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1,000 (2017 - 1,000) Ordinary shares of £1 each

1,000

1,000



**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Pension commitments**

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £9,589 (2017 - £8,612).

**14. Related party transactions**

During the period, dividends totalling £74,935 (2017 £63,580) were paid to JDN Holdings Limited, the immediate parent company. As at 30 June 2018 the company was owed £8,994 (2017: £8,971) from the director, J Dawkes and £nil (2017: £374) from the director, D Dawkes.

**15. Controlling party**

The immediate parent company is JDN Holdings Limited.  
The ultimate controlling party is the directors by virtue of their shareholding in the immediate parent company.