

**DAWKES MUSIC & WINDCRAFT LIMITED**

**UNAUDITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2021**

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

**BALANCE SHEET**  
**AS AT 30 JUNE 2021**

	<b>Note</b>	<b>2021</b> <b>£</b>	<b>2020</b> <b>£</b>
<b>Fixed assets</b>			
Intangible assets	4	1	1
Tangible assets	5	202,831	245,583
		<u>202,832</u>	<u>245,584</u>
<b>Current assets</b>			
Stocks	6	742,436	610,329
Debtors: amounts falling due within one year	7	153,051	124,684
Cash at bank and in hand	8	147,425	300,397
		<u>1,042,912</u>	<u>1,035,410</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	9	(741,039)	(722,240)
		<u>301,873</u>	<u>313,170</u>
<b>Net current assets</b>			
		<u>504,705</u>	<u>558,754</u>
<b>Total assets less current liabilities</b>			
Creditors: amounts falling due after more than one year	10	(116,667)	(177,529)
<b>Provisions for liabilities</b>			
Deferred tax	12	(44,361)	(42,448)
		<u>343,677</u>	<u>338,777</u>
<b>Net assets</b>			
<b>Capital and reserves</b>			
Called up share capital	13	1,000	1,000
Profit and loss account		342,677	337,777
		<u>343,677</u>	<u>338,777</u>

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

**BALANCE SHEET (CONTINUED)**  
**AS AT 30 JUNE 2021**

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 the 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.

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: 23 March 2022

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 2021**

**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 Going concern**

The directors have considered the impact of the global Covid-19 pandemic on the ability of the company to continue trading for the foreseeable future. This review has included considering the impact of the pandemic to the date of signing the financial statements and updating financial projections and performing rigorous stress testing on these projections in respect of income and the company's supply chain. Based on this review and taken together with existing financing facilities the directors believe that the financial statements have been prepared appropriately on the going concern basis.

**2.3 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.

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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.

**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.4 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:

- 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.

**2.5 Operating leases**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

**2.6 Government grants**

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

**2.7 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

**2.8 Finance costs**

Finance costs are charged to profit or loss 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.



**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.9 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

**2.10 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 profit or loss 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.

**2.11 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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.

**2.12 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.



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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.12 Intangible assets (continued)**

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.

**2.13 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% straight-line method
Motor vehicles	-	25% straight-line method
Fixtures & fittings	-	25% straight-line method
Office equipment	-	25% straight-line method
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 profit or loss.

**2.14 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.

**2.15 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.

**2.16 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.

**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 30 JUNE 2021**

**2. Accounting policies (continued)**

**2.17 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.

**2.18 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 profit or loss 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.

**2.19 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 ordinary shares.

**2.20 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.

**3. Employees**

The average monthly number of employees, including directors, during the year was 28 (2020 - 28).

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4. Intangible assets

	Goodwill
	£
<b>Cost</b>	
At 1 July 2020	1
At 30 June 2021	<u>1</u>
<b>Net book value</b>	
At 30 June 2021	<u><u>1</u></u>
At 30 June 2020	<u><u>1</u></u>

5. Tangible fixed assets

	Improvements to property	Plant & machinery	Motor vehicles	Fixtures & fittings	Office equipment
	£	£	£	£	£
<b>Cost or valuation</b>					
At 1 July 2020	30,002	21,378	8,905	20,764	187,816
Additions	1,420	-	-	10,294	12,161
Disposals	-	-	(8,905)	-	-
At 30 June 2021	<u>31,422</u>	<u>21,378</u>	<u>-</u>	<u>31,058</u>	<u>199,977</u>
<b>Depreciation</b>					
At 1 July 2020	30,002	21,378	8,905	17,634	157,313
Charge for the year	158	-	-	3,852	15,984

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At 30 June 2021	<u>30,160</u>	<u>21,378</u>	<u>-</u>	<u>21,486</u>	<u>173,297</u>
<b>Net book value</b>					
At 30 June 2021	<u>1,262</u>	<u>-</u>	<u>-</u>	<u>9,572</u>	<u>26,680</u>
<b>At 30 June 2020</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,130</u>	<u>30,503</u>

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5. Tangible fixed assets (continued)

	Rental instruments	Total
	£	£
<b>Cost or valuation</b>		
At 1 July 2020	705,710	974,575
Additions	17,073	40,948
Disposals	(30,065)	(38,970)
At 30 June 2021	<u>692,718</u>	<u>976,553</u>
<b>Depreciation</b>		
At 1 July 2020	493,760	728,992
Charge for the year	55,386	75,380
Disposals	(21,745)	(30,650)
At 30 June 2021	<u>527,401</u>	<u>773,722</u>
<b>Net book value</b>		
At 30 June 2021	<u><u>165,317</u></u>	<u><u>202,831</u></u>
At 30 June 2020	<u><u>211,950</u></u>	<u><u>245,583</u></u>

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**6. Stocks**

	2021	2020
	£	£
Finished goods and goods for resale	<u>742,436</u>	<u>610,329</u>

**7. Debtors**

	2021	2020
	£	£
Trade debtors	57,763	51,321
Other debtors	70,369	53,652
Prepayments and accrued income	24,919	17,462
Tax recoverable	-	2,249
	<u>153,051</u>	<u>124,684</u>

**8. Cash and cash equivalents**

	2021	2020
	£	£
Cash at bank and in hand	<u>147,425</u>	<u>300,397</u>

**9. Creditors: Amounts falling due within one year**

	2021	2020
	£	£
Bank loans	58,929	17,986
Trade creditors	404,552	462,171
Amounts owed to group undertakings	520	514
Corporation tax	36,819	23,465
Other taxation and social security	98,572	108,714
Other creditors	41,447	21,076
Accruals and deferred income	<u>100,200</u>	<u>88,314</u>



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

	2021 £	2020 £
Bank loans	<u>116,667</u>	<u>177,529</u>

11. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
<b>Bank loans</b>		
Amounts falling due within one year	58,929	17,986
Amounts falling due 1-2 years	17,986	57,986
Amounts falling due 2-5 years	98,681	119,543
	<u>175,596</u>	<u>195,515</u>

12. Deferred taxation

	2021 £	2020 £
At beginning of year	(42,448)	(31,624)
Charged to profit or loss	(1,913)	(10,824)
<b>At end of year</b>	<u>(44,361)</u>	<u>(42,448)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(44,556)	(42,589)
Short term timing differences	195	141
	<u>(44,361)</u>	<u>(42,448)</u>



**DAWKES MUSIC & WINDCRAFT LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**13. Share capital**

	2021	2020
	£	£
<b>Allotted, called up and fully paid</b>		
1,000 (2020 - 1,000) Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

**14. 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 £9,748 (2020 - £9,772). Contributions totalling £1,819 (2020 - £1,729) were payable to the fund at the balance sheet date and are included in creditors.

**15. Related party transactions**

During the period, dividends totalling £101,589 (2020 £97,747) were paid to JDN Holdings Limited, the immediate parent company.

**16. 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.

