

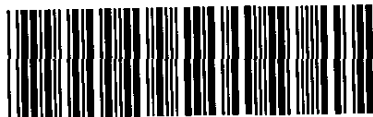
# Hogan Music Limited

Unaudited Financial Statements

For the Period Ended 30 December 2018

Company Number 08261946

THURSDAY  
TUESDAY



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A14 13/10/2020 #58  
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**Hogan Music Limited**  
Registered number: 08261946

**Statement of Financial Position**  
**As at 30 December 2018**

	Note	30 December 2018 £	31 October 2017 £
<b>Fixed assets</b>			
Intangible assets	5	1,770	440
Tangible assets	6	54,491	83,886
		<u>56,261</u>	<u>84,326</u>
<b>Current assets</b>			
Stocks	7	287,317	237,701
Debtors: amounts falling due within one year	8	157,690	76,327
Cash at bank and in hand		5,498	442
		<u>450,505</u>	<u>314,470</u>
Creditors: amounts falling due within one year	9	(948,897)	(765,792)
<b>Net current liabilities</b>		<u>(498,392)</u>	<u>(451,322)</u>
<b>Total assets less current liabilities</b>		<u>(442,131)</u>	<u>(366,996)</u>
<b>Net liabilities</b>		<u><u>(442,131)</u></u>	<u><u>(366,996)</u></u>

**Hogan Music Limited**  
Registered number: 08261946

**Statement of Financial Position (continued)**  
**As at 30 December 2018**

		<b>30 December 2018 £</b>	<b>31 October 2017 £</b>
	<b>Note</b>		
<b>Capital and reserves</b>			
Called up share capital	10	100	100
Profit and loss account		(442,231)	(367,096)
		<u>(442,131)</u>	<u>(366,996)</u>

The directors consider that the Company is entitled to exemption from audit under section 479A of the Companies Act 2006.

The members have not required the Company to obtain an audit for the period 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.

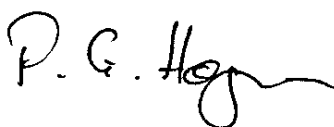
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

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:

**Mr Patrick Hogan**  
Director



Date: 15/1/2020

The notes on pages 3 to 9 form part of these financial statements.

# Hogan Music Limited

## Notes to the Financial Statements For the Period Ended 30 December 2018

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### 1. General Information

Hogan Music Limited is a limited liability company incorporated in England, registration number 08261946. The registered office is University House, Oxford Square, Oxford Street, Newbury, Berkshire, RG14 1JQ.

The financial statements are prepared in £ sterling and are rounded to the nearest £1.

The principal activity during the period was that of the retail 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

#### 2.2 Going concern

The Company has net liabilities as a result of accumulated losses resulting in an intercompany payable to BDZ Investments Limited. Post year end, BDZ Investments Limited has agreed to write off the majority of the loan substantially reducing the outstanding balance. This will be repaid within 1 year of the agreement. Under new directorship, Hogan Music Limited has changed its business model and is looking to focus on providing tuition and expanding its online presence. Consequently the directors have prepared the accounts on a going concern basis.

#### 2.3 Disclosure of long or short period

The current period covers 1 November 2017 to 30 December 2018, a 14 month period. The comparative period covers 1 November 2016 to 31 October 2017.

# Hogan Music Limited

## Notes to the Financial Statements For the Period Ended 30 December 2018

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### 2. Accounting policies (continued)

#### 2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

##### **Sale of goods**

Revenue 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 revenue 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.

Revenue from the hire of musical instruments is recognised evenly over the hire term, on a monthly basis net of VAT.

Revenue from the sale of gift vouchers is deferred until the gift voucher is redeemed and the goods are transferred to the buyer.

#### 2.5 Operating leases: the Company as lessee

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

#### 2.6 Taxation

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 reporting date in the countries where the Company operates and generates income.

#### 2.7 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.

The estimated useful lives range as follows:

Website	-	5	years straight line
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# Hogan Music Limited

## Notes to the Financial Statements For the Period Ended 30 December 2018

### 2. Accounting policies (continued)

#### 2.8 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.

The estimated useful lives range as follows:

Leasehold improvements	- 5 years straight line
Fixtures and fittings	- 3 - 5 years straight line
Office equipment	- 5 years straight line
Plant and machinery	- 3 - 5 years straight line

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.

#### 2.9 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 reporting 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.

#### 2.10 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.

#### 2.11 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.

#### 2.12 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.

# Hogan Music Limited

## Notes to the Financial Statements For the Period Ended 30 December 2018

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key areas include stock valuation, ensuring it is valued at the lower of cost and net realisable value and there is no impairment required. On the date of approval of the financial statements, there are no indications to imply that material changes to the fundamental assumptions and estimates are necessary.

### 4. Employees

The average monthly number of employees, including directors, during the period was 8 (2017 -11).

### 5. Intangible assets

	Website £
<b>Cost</b>	
At 1 November 2017	2,200
Additions	1,875
At 30 December 2018	4,075
<b>Amortisation</b>	
At 1 November 2017	1,760
Charge for the year	545
At 30 December 2018	2,305
<b>Net book value</b>	
At 30 December 2018	1,770
At 31 October 2017	440

# Hogan Music Limited

## Notes to the Financial Statements For the Period Ended 30 December 2018

### 6. Tangible fixed assets

	Long-term leasehold property £	Rental instruments £	Fixtures and fittings £	Office equipment £	Total £
<b>Cost or valuation</b>					
At 1 November 2017	66,582	33,116	25,501	42,367	167,566
Additions	-	1,049	73	659	1,781
At 30 December 2018	66,582	34,165	25,574	43,026	169,347
<b>Depreciation</b>					
At 1 November 2017	15,480	29,652	10,377	28,171	83,680
Charge for the period on owned assets	15,536	3,637	4,989	7,014	31,176
At 30 December 2018	31,016	33,289	15,366	35,185	114,856
<b>Net book value</b>					
At 30 December 2018	35,566	876	10,208	7,841	54,491
At 31 October 2017	51,102	3,464	15,124	14,196	83,886



# Hogan Music Limited

## Notes to the Financial Statements For the Period Ended 30 December 2018

### 7. Stocks

	30 December 2018 £	31 October 2017 £
Finished goods and goods for resale	287,317	237,701

### 8. Debtors

	30 December 2018 £	31 October 2017 £
Trade debtors	78,047	63,143
Amounts owed by group undertakings	20,000	-
Other debtors	47,608	-
Prepayments and accrued income	12,035	13,184
	<u>157,690</u>	<u>76,327</u>

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

	30 December 2018 £	31 October 2017 £
Bank overdrafts	-	39,485
Credit card	2,507	-
Trade creditors	66,022	36,578
Amounts owed to group undertakings	-	677,446
Amounts owed to related parties	865,299	-
Other creditors	3,183	3,389
Accruals and deferred income	11,886	8,894
	<u>948,897</u>	<u>765,792</u>

# Hogan Music Limited

## Notes to the Financial Statements For the Period Ended 30 December 2018

### 10. Share capital

	30 December 2018 £	31 October 2017 £
<b>Allotted, called up and fully paid</b>		
100 (2017 -100) Ordinary shares of £1.00 each	100	100

### 11. Related party transactions

At the period end the following balances were due to /(from) companies and a charity where B Rae is a common director or has significant influence:

	30 December 2018	31 October 2017
BDZ Holdings Limited	13,020	676,091
PX-Partnership Properties Limited	666	666
Boomerang Creative Limited	1,614	690
BDZ Investments Limited	850,000	-
Hogan Academy Limited	(55)	224
Opendoor Print Limited	(20,000)	-
Hogan Academy CIO	(47,553)	(22,254)

### 12. Post balance sheet events

On 31 December 2018, the shares were transferred to B Rae, the director.

On 6 September 2019, the shares we transferred to P Hogan and M Barbour.

### 13. Ultimate parent company

Hogan Music Limited was controlled by BDZ Investments Limited at 30 December 2018, a company registered in England and Wales holding 75% of the shares. BDZ Investments Limited is the parent undertaking of the smallest and largest group which includes the Company for which group accounts are prepared.

Consolidated group accounts can be obtained from Companies House.

### 14. Ultimate controlling party

As at the year end, the ultimate controlling party was B Rae by virtue of his 100% holdings of the shares of BDZ Investments Limited, the ultimate parent company.