

Dyson Limited  
Annual report and financial statements  
for the year ended 31 December 2009

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# **Dyson Limited**

## **Annual report and financial statements for the year ended 31 December 2009**

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# **Dyson Limited**

## **Officers and Professional Advisors**

### **Directors**

Sir James Dyson

M McCourt

J Shipsey

### **Company Secretary**

A Briggs

### **Independent Auditors**

PricewaterhouseCoopers LLP

Chartered Accountant and Statutory Auditors

1 Embankment Place

London

WC2N 6RH

### **Principal Bankers**

Lloyds TSB Bank Plc

55 Corn Street

Bristol

BS99 7LE

### **Principal Solicitors**

Wragge & Co

55 Colmore Row

Birmingham

B3 2AS

### **Registered Office**

Tetbury Hill

Malmesbury

Wiltshire

SN16 0RP

## **Dyson Limited**

### **Directors' report for the year ended 31 December 2009**

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 2009

#### **Principal activity**

The principal activity of the Company is the sale and service of domestic appliances and commercial hand dryers. The Company also provides group services to other Dyson companies (including the provision of central services such as finance, logistics and property management costs) and licenses design rights and brand rights including trademarks to other Dyson James Limited group ("the Group") companies.

#### **Business review**

The directors of Dyson James Limited, the immediate parent company, manage the operations on a group wide basis. For this reason the directors believe that analysis using key performance indicators of Dyson Limited is not necessary or appropriate for an understanding of the development, performance and position of Dyson Limited. The development, performance and position of Dyson James Limited, which includes Dyson Limited, is discussed in the Group's Directors' Report, which does not form part of this report.

#### **Future developments**

The directors expect the general level of activity to continue in the forthcoming year.

#### **Financial risk management**

The Company's principal financial risks are those relating to foreign exchange and interest rates. The aim of the Company's financial risk management policies is to optimise financial performance by managing and mitigating those risks in a cost-effective manner.

#### **Results and dividends**

The profit for the financial year after tax amounted to £24.2m (2008: £37.5m) and has been transferred to reserves. During the year the Company paid an interim dividend of £178.0m from the profit and loss reserve (2008: £nil).

#### **Donations**

During the year the Company made total donations of £0.3m (2008: £3.1m) for charitable purposes, all of which were to the James Dyson Foundation (a registered charity). No payments were made for political purposes (2008: £nil).

#### **Employee involvement**

The Company's aim for all members of staff and applicants for employment is to fit the qualifications, aptitude and ability of each individual to the appropriate job and to provide equal opportunity regardless of sex, religion or ethnic origin. The Company does all that is practicable to meet its responsibility towards the employment of disabled people. Where an employee becomes disabled, every effort is made to provide continuity of employment in the same job or a suitable alternative.

The training and re-training of staff is a high priority. Much of this training is on the job as well as by internal and external courses. It is Company policy that career development and promotion opportunities should be available to all employees. The Company ensures that all employees are kept up to date by regular meetings and newsletters with major developments and changes within the organisation.

## **Dyson Limited**

### **Directors' report for the year ended 31 December 2009 (continued)**

#### **Creditor payment policy**

The Company agrees terms and conditions for its business transactions with suppliers. Payment is made on these terms, subject to the terms and conditions being met by the supplier. Trade creditors of the Company at 31 December 2009 equate to 33 days' purchases.

#### **Directors**

The directors who held office during the year and up to the date of signing the financial statements were as follows:

Sir James Dyson  
M McCourt  
J Shipsey

#### **Directors' indemnities**

During the year and up to the date of approval of the Directors' Report, the Group had in place qualifying third party indemnity provisions available for the benefit of the directors of the Company.

#### **Statement of directors' responsibilities**

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable United Kingdom Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions, disclose with reasonable accuracy at any time the financial position of the Company, and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Dyson Limited

### Directors' report for the year ended 31 December 2009 (continued)

#### Auditors and disclosure of information to auditors

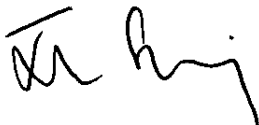
The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware

- there is no relevant audit information as defined by Section 418 of the Companies Act 2006 of which the Company's auditor is unaware, and
- each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information, and that the Company's auditor is aware of that information

#### Independent Auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and PricewaterhouseCoopers LLP will therefore continue in office

By order of the Board on 21 May 2010



J Shipsey  
Director

## **Dyson Limited**

### **Independent auditors' report to the members of Dyson Limited**

We have audited the financial statements of Dyson Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet, the statement of accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

#### **Respective responsibilities of directors and auditors**

As explained more fully in the statement of directors' responsibilities set out on page 3 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Dyson Limited

### Independent auditors' report to the members of Dyson Limited (continued)

#### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



Alison Lees (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
21 May 2010



**Dyson Limited****Profit and loss account for the year ended 31 December 2009**

	<i>Note</i>	<b>2009</b> £m	2008 £m
<b>Turnover</b>	<b>2</b>	<b>184 3</b>	183 6
Cost of sales		(123.4)	(132 7)
<b>Gross profit</b>		<b>60 9</b>	50 9
Administrative expenses		(54.4)	(45 9)
Administrative expenses – revaluation of investment	11	(25.1)	26 7
<b>Administrative expenses</b>		<b>(79 5)</b>	(19 2)
<b>Operating (loss)/profit</b>	<b>3</b>	<b>(18 6)</b>	31 7
Income from fixed asset investments		44 0	-
<b>Profit on ordinary activities before interest and taxation</b>		<b>25 4</b>	31 7
Interest receivable and similar income	6	1.7	11 8
Interest payable and similar charges	7	(0 2)	(1 6)
<b>Profit on ordinary activities before taxation</b>		<b>26 9</b>	41 9
Tax on profit on ordinary activities	8	(2.7)	(4 4)
<b>Profit for the financial year</b>	<b>17</b>	<b>24 2</b>	37 5

All of the Company's operations are continuing

The Company has no recognised gains and losses other than those included above and therefore no statement of total recognised gains and losses has been presented

The notes and accounting policies on pages 10 to 22 form an integral part of these financial statements

**Dyson Limited****Note of historical cost profits and losses for the year ended  
31 December 2009**

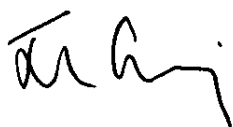
	<i>Note</i>	<b>2009</b> £m	2008 £m
Reported profit on ordinary activities before taxation		<b>26 9</b>	41 9
Loss/(profit) on revaluation of investments	11	<b>25 1</b>	(26 7)
<b>Historical cost profit on ordinary activities before taxation</b>		<b>52 0</b>	15 2
<b>Historical cost profit for the year after taxation</b>		<b>49.3</b>	10 8

**Dyson Limited****Balance sheet as at 31 December 2009**

	<i>Note</i>	<b>2009 £m</b>	<b>2009 £m</b>	<b>2008 £m</b>	<b>2008 £m</b>
<b>Fixed assets</b>					
Intangible assets	9		-		0 0
Tangible assets	10		<b>16 3</b>		14 8
Investments	11		<b>79 3</b>		104 4
			<b>95.6</b>		119 2
<b>Current assets</b>					
Stocks	12	<b>0 5</b>		0 6	
Debtors	13	<b>38 3</b>		137 6	
Cash at bank and in hand		<b>1 5</b>		27 3	
			<b>40 3</b>		165 5
<b>Creditors: Amounts falling due within one year</b>	14		<b>(64 9)</b>		(52 4)
<b>Net current (liabilities)/assets</b>			<b>(24.6)</b>		113 1
<b>Total assets less current liabilities</b>			<b>71.0</b>		232 3
<b>Provisions for liabilities and charges</b>	15		-		(7 5)
<b>Net assets</b>			<b>71.0</b>		224 8
<b>Capital and reserves</b>					
Called up share capital	16		<b>0 0</b>		0 0
Profit and loss reserve	17		<b>71.0</b>		224 8
<b>Total shareholders' funds</b>	17		<b>71.0</b>		224 8

The notes and accounting policies on pages 10 to 22 form an integral part of these financial statements

The financial statements on pages 7 to 22 were approved by the board of directors on 21 May 2010 and were signed on its behalf by



J Shipsey  
Director

# Dyson Limited

## Statement of accounting policies

### Basis of accounting

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of fixed asset investments and in accordance with the Companies Act 2006 and applicable accounting standards. The principal accounting policies which, unless otherwise stated have been applied consistently with the prior year, are set out below.

The Company is exempt by virtue of s400 and s401 of the Companies Act 2006 from the requirement to prepare group financial statements. The financial statements of the Company have been included in the consolidated financial statements of its immediate parent company, Dyson James Limited.

### Turnover

Turnover represents the invoiced value of goods sold and services provided, recognised on delivery of product or completion of service, net of Value Added Tax, discounts and promotional expenditure.

### Fixed asset investments

Investments in subsidiary undertakings are initially recorded at cost and then subsequently revalued to their net asset value at each balance sheet date. Revaluation gains and losses are generally taken to the revaluation reserve. Revaluation losses which exceed previous gains are dealt with in the profit and loss account. Revaluation gains on entities whose losses have been dealt with in the profit and loss account in prior years are taken to the profit and loss account to the extent of the loss. Exchange gains are taken to reserves.

### Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided on tangible fixed assets at rates calculated so as to write off the cost, less estimated residual value, of each asset on a straight line basis, over their useful economic lives, as follows:

Freehold buildings	2% per annum
Plant, equipment, fixtures and fittings	
Information Technology	12.5% - 33.3% per annum
Other	10% per annum
Motor vehicles	25% per annum

Assets in the course of construction are not depreciated until they are ready for use. No depreciation is provided against freehold land.

### Intangible fixed assets

Intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is provided from the date of acquisition to write off the cost less estimated residual value of each asset (on a straight line basis) over their useful lives as follows:

Licence	20% per annum
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### Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all direct expenditure. Where necessary, provision is made for obsolete, slow moving and defective stocks.

## **Dyson Limited**

### **Statement of accounting policies (continued)**

#### **Deferred taxation**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date

A net deferred tax asset is recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and/or from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

#### **Foreign currencies**

Trading items in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at mid-market rates of exchange ruling at the balance sheet date

Exchange differences arising on transactions are taken to the profit and loss account

#### **Operating leases**

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the life of the lease

#### **Pensions**

Contributions in respect of defined contribution pension schemes are charged to the profit and loss account as they fall due

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009****1 Cash flow statement and related party disclosures**

The Company is a wholly-owned subsidiary of Dyson James Limited. The results of Dyson Limited are included in the consolidated financial statements of Dyson James Limited, which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996). The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Dyson James Limited Group.

**2 Turnover**

Turnover is derived solely from the principal activities of the Company and originates in the UK.

**3 Operating (loss)/profit**

	<b>2009</b>	2008
	<b>£m</b>	£m
Operating (loss)/profit is stated after charging/(crediting)		
Staff costs	<b>37.6</b>	38.4
Depreciation of tangible fixed assets	<b>2.7</b>	2.2
Licence fee income from Brand and Design Rights	<b>(4.1)</b>	-
Loss on disposal of intangible fixed assets	-	1.1
Operating leases – other	<b>3.0</b>	3.0
(Gain)/loss on foreign exchange for the year	<b>(0.2)</b>	2.9

Fees payable for the audit of the Company's financial statements were £40,000 (2008: £40,000).

**4 Directors' remuneration**

The directors received no remuneration (2008: £nil) from any Group company in respect of their services to the Company.

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****5 Staff costs**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Wages and salaries	<b>32.8</b>	33.1
Social security costs	<b>3.7</b>	3.8
Other pension costs	<b>1.1</b>	1.5
	<b>37.6</b>	38.4

The Company operates three defined contribution pension schemes. The assets are held and managed independently of the finances of the Company.

The average monthly number of employees (including directors) during the year was as follows:

	<b>2009</b>	<b>2008</b>
	<b>Number</b>	<b>Number</b>
Sales and administration	<b>633</b>	657

**6 Interest receivable and similar income**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Intercompany guarantee fees receivable	<b>0.1</b>	0.3
Bank interest	<b>0.3</b>	1.1
Discounts on forward foreign exchange deals	-	1.8
Interest receivable on Group loans	<b>1.3</b>	8.6
	<b>1.7</b>	11.8

Bank interest receivable under a Group cash pooling arrangement and interest receivable on Group loans were at margins ranging from 0.55% to 2.25% above the Group finance company's cost of funds (2008: 0.55% above LIBOR).

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****7 Interest payable and similar charges**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Bank interest	-	0.7
Premia on forward foreign exchange deals	-	0.5
Interest payable on Group loans	0.1	0.4
Other interest	0.1	-
	<b>0.2</b>	<b>1.6</b>

Interest was payable on Group loans at margins ranging from 0.65% to 2.35% above the Group finance company's cost of funds (2008: 0.65% above LIBOR)

**8 Tax on profit on ordinary activities**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
<b>Current tax</b>		
- UK corporation tax on profits for the period	10.5	13.0
- adjustments in respect of previous periods	0.4	(0.5)
<b>Total current tax</b>	<b>10.9</b>	<b>12.5</b>
<b>Deferred tax</b>		
- origination and reversal of timing differences	(8.2)	(8.2)
- adjustments in respect of previous periods	-	0.1
<b>Total deferred tax (note 15)</b>	<b>(8.2)</b>	<b>(8.1)</b>
<b>Tax on profit on ordinary activities</b>	<b>2.7</b>	<b>4.4</b>



**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****8 Tax on profit on ordinary activities (continued)**

The tax assessed for the year is higher (2008 higher) than the standard rate of corporation tax in the UK 28% (2008 28.5%). The differences are explained below

	2009 £m	2008 £m
Profit on ordinary activities before taxation	26.9	41.9
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2008 28.5%)	7.5	12.0
Effects of		
Profit on patent sale being taxable over 6 years	8.3	8.4
Expenses not deductible for tax purposes	0.1	0.4
Depreciation in excess of capital allowances	0.1	0.1
Other timing differences	(0.2)	(0.3)
Adjustments in respect of prior year	0.4	(0.5)
Write-back on revaluation of investments	7.0	(7.6)
Non-taxable dividends	(12.3)	-
<b>Current tax charge for the year</b>	<b>10.9</b>	<b>12.5</b>

With effect from 1 April 2008 the United Kingdom corporation tax rate was reduced from 30% to 28%. This gave a blended 28.5% tax rate for the prior year. The Company's profits for the current accounting period are taxed at an effective rate of 28% and will be taxed at 28% in the future.

**9 Intangible assets**

The remaining intangible asset with a net book value of £1,000 was disposed of during the year.

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****10 Tangible assets**

	Freehold land and buildings	Plant, equipment, fixtures and fittings	Motor vehicles	Total
	£m	£m	£m	£m
<b>Cost</b>				
At 1 January 2009	0.3	25.6	0.1	26.0
Additions	-	4.2	-	4.2
Disposals	-	(0.3)	-	(0.3)
<b>At 31 December 2009</b>	<b>0.3</b>	<b>29.5</b>	<b>0.1</b>	<b>29.9</b>

<b>Accumulated depreciation</b>				
At 1 January 2009	-	11.1	0.1	11.2
Charge for the year	-	2.7	0.0	2.7
Disposals	-	(0.3)	-	(0.3)
<b>At 31 December 2009</b>	<b>-</b>	<b>13.5</b>	<b>0.1</b>	<b>13.6</b>

<b>Net book amount</b>				
<b>At 31 December 2009</b>	<b>0.3</b>	<b>16.0</b>	<b>-</b>	<b>16.3</b>
At 31 December 2008	0.3	14.5	-	14.8

The cost and net book amounts include assets in the course of construction as follows

<b>At 31 December 2009</b>	<b>-</b>	<b>1.8</b>	<b>-</b>	<b>1.8</b>
At 31 December 2008	-	2.1	-	2.1

Capital expenditure contracted but not provided for at the year end was £0.8m (2008: £0.6m)

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****11 Investments**

£m

**Investments in Group companies at cost**

<b>At 1 January 2009 and 31 December 2009</b>	<b>196.1</b>
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**Revaluation adjustments**

At 1 January 2009	(91.7)
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Revaluation movements	(25.1)
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<b>At 31 December 2009</b>	<b>(116.8)</b>
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**Net book amount**

<b>At 31 December 2009</b>	<b>79.3</b>
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At 31 December 2008	104.4
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The principal subsidiaries held by the Company are

Company name	Country of incorporation	Shares held	Company holding %	Principal activity
Dyson International Ltd	UK	Ordinary	100	Intermediate holding company
Dyson Appliances Australia*	Australia	Ordinary	100	Sale and service of domestic appliances
Dyson Canada Ltd*	Canada	Ordinary	100	Sale and service of domestic appliances
Dyson SAS*	France	Ordinary	100	Sale and service of domestic appliances
Dyson GmbH*	Germany	Ordinary	100	Sale and service of domestic appliances
Dyson BV*	Holland	Ordinary	100	Sale and service of domestic appliances
Dyson KK*	Japan	Ordinary	100	Sale and service of domestic appliances
Dyson Manufacturing Sdn Bhd*	Malaysia	Ordinary	100	Manufacturing support
Dyson Technology Inc*	USA	Ordinary	100	Intermediate holding company
Dyson Inc*	USA	Ordinary	100	Sale and service of domestic appliances

\* held indirectly by the Company

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****12 Stocks**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Raw materials and consumables	<b>0.3</b>	0.3
Finished goods and goods for resale	<b>0.2</b>	0.3
	<b>0.5</b>	0.6

**13 Debtors**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Trade debtors	<b>21.2</b>	17.4
Amounts owed by Group undertakings - interest bearing (see note 6)	-	94.8
Amounts owed by Group undertakings - non interest bearing	<b>15.6</b>	19.6
Group relief receivable from group undertakings	-	0.1
Deferred tax asset	<b>0.7</b>	-
Other debtors	<b>0.4</b>	5.1
Prepayments	<b>0.4</b>	0.6
	<b>38.3</b>	137.6

Amounts owed by Group undertakings are unsecured and repayable on demand

**Deferred taxation comprises**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Accelerated capital allowances	<b>0.2</b>	0.3
Short term timing differences	<b>0.5</b>	0.7
Profits on patent sale being taxable over 6 years	-	(8.5)
<b>Deferred tax asset/(liability)</b>	<b>0.7</b>	(7.5)

There was no unprovided deferred tax at 31 December 2009 (2008: £nil)

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****14 Creditors – Amounts falling due within one year**

	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
Trade creditors	<b>0 9</b>	<b>2 6</b>
Amounts owed to Group undertakings - interest bearing (see note 7)	<b>5 2</b>	<b>-</b>
Amounts owed to Group undertakings - non interest bearing	<b>18 0</b>	<b>17 3</b>
Corporation tax	<b>4.2</b>	<b>8 6</b>
Group relief payable to group undertakings	<b>0 4</b>	<b>-</b>
Other taxes and social security	<b>6.6</b>	<b>7 1</b>
Accruals and deferred income	<b>29 3</b>	<b>16 8</b>
Other creditors	<b>0 3</b>	<b>0 0</b>
	<b>64 9</b>	<b>52 4</b>

Amounts owed to Group undertakings are unsecured and repayable on demand

**15 Provisions for liabilities and charges**

<b>Deferred tax</b>	<b>2009</b>	<b>2008</b>
	<b>£m</b>	<b>£m</b>
At 1 January 2009	<b>7 5</b>	<b>15 6</b>
Credited to profit and loss account	<b>(8 2)</b>	<b>(8 1)</b>
Transferred to debtors (note 13)	<b>0.7</b>	<b>-</b>
<b>At 31 December 2009</b>	<b>-</b>	<b>7 5</b>

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****16 Share capital**

	2009 £m	2008 £m
<b>Authorised, allotted, called up and fully paid share capital</b>		
2,222 ordinary shares of £1 each	0 0	0 0

**17 Reconciliation of movements in shareholders' funds**

	Share capital £m	Profit and loss reserve £m	Total 2009 £m	2008 £m
Shareholders' funds at 1 January	0 0	224 8	224 8	187 3
Profit for the financial year	-	24 2	24 2	37 5
Dividend paid	-	(178 0)	(178 0)	-
<b>Shareholders' funds at 31 December</b>	<b>0 0</b>	<b>71 0</b>	<b>71.0</b>	<b>224 8</b>

**18 Related party transactions**

The Company is exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Dyson James Limited Group. Other related party transactions during the year which were all on normal commercial terms are as follows:

- a) Profred Partners LLP, a limited liability partnership in which Sir James Dyson has a beneficial interest, provided the Company with services amounting to £1,614,000 (2008: £3,184,000) during 2009. At the year end the balance payable to Profred Partners LLP amounted to £71,739 (2008: £267,000). The Company provided staff services to Profred Partners LLP amounting to £62,000 (2008: £57,000). At the year end the balance payable to Profred Partners LLP amounted to £2,000 (2008: receivable from £9,000).
- b) The Company provided staff services to White Rainbow Limited, a limited company in which Sir James Dyson has a beneficial interest, amounting to £269,000 (2008: £165,000) during the year. At the year end the balance receivable from White Rainbow amounted to £20,000 (2008: £15,000).

**Dyson Limited****Notes to the financial statements for the year ended  
31 December 2009 (continued)****18 Related party transactions (continued)**

- c) The Company charged £36,005 (2008 £196,000) to the profit and loss account in respect of amounts payable to Sir James Dyson for the use of his image since 2005. At the end of 2009, the balance payable to the related party amounted to £231,816 (2008 £205,000)
- d) The Company made donations of £269,679 (2008 £3,092,000) for charitable purposes to the James Dyson Foundation (a registered charity). At the end of 2009 the Company owed £165,120 (2008 was owed £7,900) for donations not yet transferred

**19 Financial Commitments**

The Company had annual commitments under non-cancellable operating leases expiring as follows

	<b>2009</b>	<b>2009</b>	<b>2008</b>	<b>2008</b>
	<b>Land and Buildings</b>	<b>Other</b>	<b>Land and Buildings</b>	<b>Other</b>
	<b>£m</b>	<b>£m</b>	<b>£m</b>	<b>£m</b>
Within one year	<b>0.0</b>	<b>0.0</b>	-	<b>0.3</b>
Within two to five years	<b>0.0</b>	<b>0.6</b>	-	<b>0.2</b>
In more than five years	<b>2.3</b>	<b>0.0</b>	<b>2.3</b>	-
	<b>2.3</b>	<b>0.6</b>	<b>2.3</b>	<b>0.5</b>

**20 Ultimate parent company and controlling party**

At 31 December 2009 the immediate parent company was Dyson James Limited, a company incorporated in the United Kingdom. At that date Dyson James Limited was a wholly owned subsidiary of Clear Cover Limited, a company incorporated in Malta.

The smallest and largest group in which the financial statements of the Company are consolidated in respect of the year ended 31 December 2009 is that headed by Dyson James Limited. Copies of the financial statements of Dyson James Limited are available from the Company Secretary at Tetbury Hill, Malmesbury, Wiltshire, SN16 0RP.

On 8 January 2010 Clear Cover Limited sold Dyson James Limited to Dyson James Group Limited (a company incorporated in the United Kingdom on 24 November 2009) in exchange for shares and loan notes. Clear Cover Limited remains the ultimate parent company. The initial set of financial statements for Clear Cover Limited will be for the period to 31 December 2010.

## **Dyson Limited**

### **Notes to the financial statements for the year ended 31 December 2009 (continued)**

#### **20 Ultimate parent company and controlling party (continued)**

The ultimate controlling party is Sir James Dyson by virtue of his controlling interest in the shares of Clear Cover Limited

#### **21 Pension costs**

Pension costs of £1.1m (2008: £1.6m) were charged in the year in relation to Group defined contribution pension schemes. £18,296 (2008: £7,000) was included in other creditors at the year end as amounts payable to the schemes.

#### **22 Contingent liabilities**

The Company and certain other subsidiaries of Dyson James Limited have jointly and severally guaranteed the borrowings on a £150.0m bank facility. This facility was reduced to £50.0m in May 2010. At 31 December 2009, the Group drawdown was £12.0m (2008: £155.0m) of which £nil (2008: £nil) is included in Dyson Limited's year end balances.