

Dyson Exchange Limited  
Annual report and financial statements  
for the year ended 31 December 2018



# **Dyson Exchange Limited**

## **Annual report and financial statements for the year ended 31 December 2018**

### **Contents**

Strategic report for the year ended 31 December 2018	1
Directors' report for the year ended 31 December 2018	2
Independent auditor's report to the members of Dyson Exchange Limited	4
Profit and loss account	7
Balance sheet	8
Statement of changes in equity	9
Statement of accounting policies	10
Notes to the financial statements for the year ended 31 December 2018	12

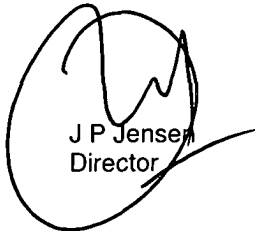
## Dyson Exchange Limited

### Strategic report for the year ended 31 December 2018

On 1 January 2017, Dyson Technology Limited (a wholly owned subsidiary of Weybourne Group Limited) purchased the trade and assets of Dyson Exchange Limited (the "Company") at net book value of £101m excluding intercompany balances settled in the year. Following the transfer of the trade and assets, the Company ceased to trade. It is the directors' intention to liquidate the Company. The accounts have therefore been prepared on a basis other than going concern with all assets shown as current.

The results for the Company show turnover of £nil (2017: £nil) and a pre-tax profit of £1.7k (2017: £24.6k) for the year. The Company's total comprehensive income for the financial year was £1.7k (2017: £19.6k). Profit before taxation as a percentage of turnover was nil% (2017: nil%).

By order of the Board on 8 April 2019



J P Jensen  
Director

# Dyson Exchange Limited

## Directors' report for the year ended 31 December 2018

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 2018.

### Principal activities

On 1 January 2017, Dyson Technology Limited (a wholly owned subsidiary of Weybourne Group Limited) purchased the trade and assets of the Company at net book value of £101m. Previously, the principal activity of the Company was the sale of domestic appliances and commercial hand dryers to fellow Dyson James Group Limited group (the "Group") companies and other distributors worldwide.

### Dividends

Total dividends paid in respect of the year amounted to £1,230k (2017: £181,000k).

### Going concern

The Company ceased to trade on the 1 January 2017 and therefore the financial statements have been prepared on a basis other than going concern with all assets shown as current.

### Directors

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

M W Bowen  
J P Jensen  
J Rowan

### 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 and of fellow Group companies.

### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, 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 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 judgments 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 which are sufficient to show and explain the Company's transactions and 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 for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Dyson Exchange Limited

### Directors' report for the year ended 31 December 2018 (continued)

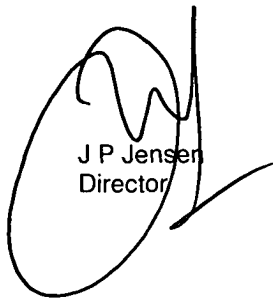
#### Disclosure of information to the auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps which he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

#### Auditors

The auditor, Ernst & Young LLP, was appointed as auditor of the Company for the year ended 31 December 2018.

By order of the Board on 8 April 2019



J P Jensen  
Director

# **Independent auditor's report to the members of Dyson Exchange Limited**

## **Opinion**

We have audited the financial statements of Dyson Exchange Limited (the 'Company') for the year ended 31 December 2018 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of changes in equity and the related notes 1 to 11, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the Company's affairs as at 31 December 2018 and of its loss 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.

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Emphasis of matter – financial statements prepared on a basis other than going concern**

We draw attention to the Strategic report of the financial statements which explains that the directors intend to liquidate the company and therefore do not consider it appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly the financial statements have been prepared on a basis other than going concern as described in Strategic report. Our opinion is not modified in respect of this matter.

## **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

# **Independent auditor's report to the members of Dyson Exchange Limited (continued)**

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

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

## **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## **Independent auditor's report to the members of Dyson Exchange Limited (continued)**

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Ernst & Young LLP*

Eleri James (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
Bristol  
Date: 9 April 2019



# Dyson Exchange Limited

## Profit and loss account

For the year ended 31 December		2018	2017
	Note	£'000	£'000
Turnover		-	-
Cost of sales		-	-
<b>Gross profit</b>		-	-
Administrative expenses		(3.3)	(0.2)
<b>Operating loss</b>	1	(3.3)	(0.2)
Finance income	4	1.8	24.8
<b>Profit on ordinary activities before taxation</b>		(1.5)	24.6
Tax on profit on ordinary activities	5	0.6	(5.0)
<b>Total comprehensive income</b>		(0.9)	19.6

On 1 January 2017, the Company transferred its trade and assets to a fellow Group company and ceased to trade.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents. The Company has no recognised gains and losses other than those included above.

The notes and accounting policies on pages 10 to 15 form an integral part of these financial statements.

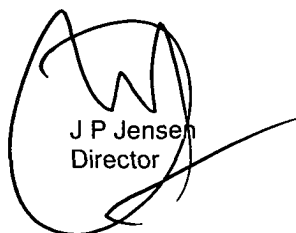
# Dyson Exchange Limited

## Balance sheet

At 31 December		2018	2018	2017	2017
	Note	£'000	£'000	£'000	£'000
<b>Current assets</b>					
Debtors	6	67.7		1,300.9	
Cash at Bank		-		(0.4)	
			67.7		1,300.5
Creditors: Amounts due within one year	7		-		(1.9)
<b>Net current assets</b>			67.7		1,298.6
<b>Total assets less current liabilities</b>			67.7		1,298.6
<b>Net assets</b>			67.7		1,298.6
<b>Capital and reserves</b>					
Called up share capital	8		0.0		0.0
Profit and loss reserve			67.7		1,298.6
<b>Total shareholders' funds</b>			67.7		1,298.6

The notes and accounting policies on pages 10 to 15 form an integral part of these financial statements.

The financial statements on pages 7 to 15 were approved by the board of directors and authorised for issue on 8 April 2019 and were signed on its behalf by:

  
 J P Jensen  
 Director

**Dyson Exchange Limited****Statement of changes in equity**

	Share capital £'000	Profit and loss reserve £'000	Total £'000
<b>At 1 January 2017</b>	<b>0.0</b>	<b>182,279.0</b>	<b>182,279.0</b>
Total comprehensive income	-	19.6	19.6
Dividends paid (note 9)	-	(181,000.0)	(181,000.0)
<b>At 31 December 2017</b>	<b>0.0</b>	<b>1,298.6</b>	<b>1,298.6</b>
Total comprehensive income	-	(0.9)	(0.9)
Dividends paid (note 9)	-	(1,230.0)	(1,230.0)
<b>At 31 December 2018</b>	<b>0.0</b>	<b>67.7</b>	<b>67.7</b>

The notes and accounting policies on pages 10 to 15 form an integral part of these financial statements.

# Dyson Exchange Limited

## Statement of accounting policies

### Basis of accounting

The Company is a private company limited by share capital incorporated in the United Kingdom under the Companies Act.

The address of the registered office is Tetbury Hill, Malmesbury, Wiltshire, SN16 0RP. The nature of the Company's operations and its principal activities are set out in the Directors' Report.

The functional currency of the Company is considered to be sterling because that is the currency of the primary economic environment in which the Company operates.

### Basis of preparation of financial statements

It is the intention to liquidate the Company. The accounts have therefore been prepared on a basis other than going concern with all assets being disclosed as current.

### Qualifying entity disclosure exemptions

The Company is a wholly-owned subsidiary of Dyson James Group Limited. The results of the Company are included in the consolidated financial statements of Dyson James Group Limited, which are publicly available. Consequently, the Company meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Exemptions have been taken in relation to financial instruments, the presentation of a cash flow statement and remuneration of key management personnel.

### Significant judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions which affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. There are no judgements which have a significant effect on amounts recognised in the financial statements.

### 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 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.

### Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified according to the substance of the contractual arrangements entered into.

- Financial assets and liabilities

All financial assets and liabilities, except for those financial assets classified as at fair value through profit or loss, are initially measured at transaction price, unless the arrangement constitutes a financing transaction.

In a financing transaction, the financial asset or liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## Dyson Exchange Limited

### Statement of accounting policies (continued)

#### Financial instruments (continued)

- **Financial assets and liabilities (continued)**  
Financial assets are derecognised when the contractual rights to cash flows from the asset expire or are settled, or substantially all of the risks and rewards of ownership or control of the financial asset are transferred.  
  
Financial liabilities are derecognised when the obligation specified in the contract is discharged, is cancelled or expires.
- **Short-term debtors and creditors**  
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the profit and loss account in other operating expenses.
- **Interest-bearing loans and borrowings**  
All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the counterparty (including interest). After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment. The effective interest rate amortisation is included in finance costs in the profit and loss account.

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences which 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. Unless disclosed separately, the deferred tax asset will crystallise after more than one year.

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

**Dyson Exchange Limited****Notes to the financial statements for the year ended 31 December 2018****1. Operating loss**

Fees payable for the audit of the Company's financial statements of £2.0k (2017: £6.5k) were borne by another Group company.

**2. Directors' remuneration**

The directors' remuneration in respect of qualifying services to the Company was borne by a fellow Group company and it is not practical to allocate the amount for services in respect of the Company. The total amount of directors' remuneration is included in the Dyson James Group Limited financial statements.

**3. Staff costs**

There were no persons employed under contracts of service during the year (2017: none).

**4. Finance income**

	2018 £'000	2017 £'000
Interest receivable on intra-Group loans	1.8	24.6
Other interest receivable	-	0.2
<b>Finance income</b>	<b>1.8</b>	<b>24.8</b>

Interest was receivable on intra-Group variable rate deposits at 0.2% below LIBOR rates (2017: 0.2% below LIBOR rates).

**Dyson Exchange Limited****Notes to the financial statements for the year ended 31 December 2018****5. Tax on profit on ordinary activities**

	2018 £'000	2017 £'000
<b>Current tax:</b>		
- UK corporation tax on profits for the period	(0.3)	5.0
- adjustments in respect of previous periods	(0.3)	-
<b>Total current tax</b>	<b>(0.6)</b>	<b>5.0</b>
<b>Tax on profit on ordinary activities</b>	<b>(0.6)</b>	<b>5.0</b>

The tax assessed for the year is lower than (2017: the same as) the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below:

	2018 £'000	2017 £'000
<b>Profit on ordinary activities before tax</b>	<b>(1.5)</b>	<b>24.6</b>
Loss / (profit) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2017: 19.25%)	(0.3)	5.0
Effects of:		
Adjustments in respect of previous periods	(0.3)	-
<b>Tax on profit on ordinary activities</b>	<b>(0.6)</b>	<b>5.0</b>

A reduction in the United Kingdom's corporation tax rate from 19% to 17% to take effect on 1 April 2020 was substantively enacted on 6 September 2016.

**Dyson Exchange Limited****Notes to the financial statements for the year ended 31 December 2018****6. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Group relief receivable from parties under common control	<b>0.3</b>	-
Corporation tax receivable	<b>0.2</b>	-
Amounts owed by Group undertakings – interest bearing (see note 4)	<b>48.7</b>	1,300.9
Amounts owed by Group undertakings – non-interest bearing	<b>18.5</b>	-
	<b>67.7</b>	1,300.9

Non-interest and interest bearing amounts owed by Group undertakings are unsecured and repayable on demand.

**7. Creditors – Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
Corporation tax payable	-	1.9
	-	1.9

**8. Called up share capital**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Allotted and fully paid share capital</b>		
1 Ordinary share of £1	0.0	0.0

**9. Dividends**

	<b>2018</b>	<b>2017</b>
	<b>£'000</b>	<b>£'000</b>
<b>Equity shares</b>		
Dividend paid of £1,230k (2017: £181,000k) per Ordinary share	<b>1,230.0</b>	181,000.0



## **Dyson Exchange Limited**

### **Notes to the financial statements for the year ended 31 December 2018**

#### **10. Ultimate parent undertaking and controlling party**

At 31 December 2018 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 Weybourne Group Limited, a company incorporated in the United Kingdom.

The smallest group within which the financial statements of the Company will be consolidated in respect of the year ended 31 December 2018 is Dyson James Group Limited. Copies of the financial statements of Dyson James Group Limited will be available from the Company Secretary at Tetbury Hill, Malmesbury, Wiltshire, SN16 0RP.

The largest group within which the financial statements of the Company will be consolidated in respect of the year ended 31 December 2018 is Weybourne Group Limited. Copies of the financial statements of Weybourne Group Limited will be available from the Company Secretary at Winckworth Sherwood, Minerva House, 5 Montague Close, London, SE1 9BB. The ultimate controlling party is Sir James Dyson by virtue of his controlling interest in the shares of Weybourne Group Limited.

#### **11. Related party transactions**

The Company is exempt under the terms of FRS 102 section 33.1A from disclosing related party transactions. This exemption allows the Company not to disclose details of transactions with other Group companies qualifying as related parties, as the consolidated financial statements of Dyson James Group Limited, in which the Company is included, are publicly available.