

Dyson James Group Limited
Annual report and financial statements for
the year ended 31 December 2015

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Dyson James Group Limited

Annual report and financial statements for the year ended 31 December 2015

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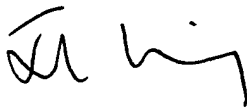
Dyson James Group Limited

Strategic report for the year ended 31 December 2015

The results for Dyson James Group Limited (the "Company") show income from fixed asset investments of £240.0m (2014: £360.0m) and a pre-tax profit of £227.7m (2014: £355.9m) for the year. The Company's total comprehensive income for the year was £230.2m (2014: £356.8m).

The Company's principal risks and uncertainties relate to the financial performance of its investments and related income. The directors expect a similar level of activity to continue in the forthcoming year.

By order of the Board on 10 March 2016.



J Shipsey
Director

Dyson James Group Limited

Directors' report for the year ended 31 December 2015

The directors present their annual report together with the audited financial statements of the Company for the year ended 31 December 2015.

Principal activities

The principal activity of the Company is that of a group holding company.

Dividends

Total dividends paid in respect of the year amounted to £240.0m (2014: £410.0m).

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 (Chairman)
J Dyson
S Dyson
A Hobson
I Robertson (resigned 31 December 2015)
W East
M Conze
J Rowan
J Shipsey

Directors' indemnities

During the year and up to the date of approval of the directors' report, the Dyson James Group Limited group (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 which are reasonable and prudent;
- state whether applicable UK 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 James Group Limited

Directors' report for the year ended 31 December 2015 (continued)

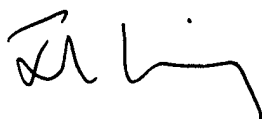
Disclosure of information to the auditors

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, has indicated its willingness to continue in office, and a resolution that it be re-appointed will be proposed at the Annual General Meeting.

By order of the Board on 10 March 2016



J Shipsey
Director

Independent auditor's report to the members of Dyson James Group Limited

We have audited the financial statements of Dyson James Group Limited ("the Company") for the year ended 31 December 2015 which comprise the balance sheet, the profit and loss account and the statement of changes in equity and the related notes 1 to 21. The financial reporting framework which has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'.

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 may 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.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities set out on 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. Our responsibility is to audit and express an opinion on 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.

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. In addition, we read all the financial and non-financial information in the Strategic Report and Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information which is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2015 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.

Independent auditor's report to the members of Dyson James Group Limited (continued)

Opinion on other matter prescribed by the Companies Act 2006

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

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;
- the financial statements are not in agreement with the accounting records and returns;
- 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.



Chris Gilbert (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Bristol
10 March 2016

Dyson James Group Limited**Profit and loss account**

For the year ended 31 December

	<i>Note</i>	2015 £m	2014 £m
Administrative expenses		(7.5)	(5.0)
Operating loss	2	(7.5)	(5.0)
Income from fixed asset investments	5	240.0	360.0
Profit on ordinary activities before interest and taxation		232.5	355.0
Finance income	6	3.8	10.7
Finance costs	7	(8.6)	(9.8)
Profit on ordinary activities before taxation		227.7	355.9
Tax on profit on ordinary activities	8	2.5	0.9
Total comprehensive income		230.2	356.8

All of the Company's operations are continuing.

There is no material difference between the profit on ordinary activities before taxation and the total comprehensive income 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 9 to 24 form an integral part of these financial statements.

Dyson James Group Limited

Balance sheet

At 31 December	Note	2015 £m	2015 £m	2014 £m	2014 £m
Fixed assets					
Investments	9		1,125.0		1,125.0
Current assets					
Debtors	10	83.7		7.9	
			83.7		7.9
Creditors: Amounts falling due within one year	11		(7.2)		(1.4)
Net current assets			76.5		6.5
Total assets less current liabilities			1,201.5		1,131.5
Creditors: Amounts falling due after more than one year	12		(306.5)		(226.6)
Provisions for liabilities	13		(0.3)		(0.4)
Net assets			894.7		904.5
Capital and reserves					
Called up share capital	15		0.0		0.0
Share premium			825.0		825.0
Profit and loss reserve			69.7		79.5
Total shareholders' funds			894.7		904.5

The notes and accounting policies on pages 9 to 24 form an integral part of these financial statements.

The financial statements on pages 6 to 24 were approved by the board of directors and authorised for issue on 10 March 2016 and were signed on its behalf by:



J Shipsey
Director

Dyson James Group Limited

Statement of changes in equity

	Share capital	Share premium	Profit and loss reserve	Total
	£m	£m	£m	£m
At 1 January 2014	0.0	825.0	133.6	958.6
Changes on transition to FRS 102	-	-	(0.9)	(0.9)
At 1 January 2014 as restated	0.0	825.0	132.7	957.7
Total comprehensive income	-	-	356.8	356.8
Dividends paid	-	-	(410.0)	(410.0)
At 31 December 2014	0.0	825.0	79.5	904.5
Total comprehensive income	-	-	230.2	230.2
Dividends paid	-	-	(240.0)	(240.0)
At 31 December 2015	0.0	825.0	69.7	894.7

The notes and accounting policies on pages 9 to 24 form an integral part of these financial statements.

Dyson James Group Limited

Statement of accounting policies

Basis of accounting

The Company is incorporated in the United Kingdom under the Companies Act.

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

These financial statements have been prepared on the going concern basis, under the historical cost convention (modified to include certain items at fair value), in accordance with FRS 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland'.

The prior year financial statements were restated for material adjustments on adoption of FRS 102 in the current year.

The Company transitioned from the previously extant UK GAAP to FRS 102 as at 1 January 2015. An explanation of how the transition to FRS 102 has affected the reported financial position and financial performance is given in note 21.

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.

Qualifying entity disclosure exemptions

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, 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.

Fixed asset investments

Investments in subsidiary undertakings are recorded at historical cost less provision for impairment.

Pensions

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

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.

Dyson James Group Limited

Statement of accounting policies (continued)

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.

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.

- **Derivative financial instruments**

The Company uses cross currency swaps to reduce exposure to foreign exchange rates and to adjust interest rate exposures. The Company does not hold or issue derivative financial instruments for speculative purposes.

Derivative financial instruments are initially measured at fair value on the date on which a derivative contract is entered into and are subsequently measured at fair value through profit or loss. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of cross currency swap contracts is determined by calculating the present value of the estimated future cash flows based on observable yield curves.

- **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 revenue in the profit and loss account.

- **Finance costs**

Arrangement fees payable for entering into new facilities are capitalised, then charged to the profit and loss account over the life of the loan.

Dyson James Group Limited

Statement of accounting policies (continued)

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 which 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 average 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 that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015****1. Cash flow statement and related party disclosures**

The Company is a wholly-owned subsidiary of Holkham Group Limited. The results of the Company are included in the consolidated financial statements of Holkham Group 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 102. The Company is also exempt under the terms of FRS 102.33.1A 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 Holkham Group Limited, in which the Company is included, are publicly available.

2. Operating loss

	2015	2014
	£m	£m
Operating loss is stated after charging:		
Staff costs	0.5	0.5
Loss on foreign exchange	0.6	4.3

Fees payable for the audit of the Company's financial statements of £3,500 (2014: £3,000) were borne by another Group company.

3. Directors' remuneration

	2015	2014
	£m	£m
Aggregate emoluments	8.6	8.3
Company contributions paid to defined contribution pension schemes	0.1	0.1
	8.7	8.4

£7.6m of the directors' remuneration (2014: £7.8m) was borne by a fellow Group company. The number of directors with benefits accruing during the year under a defined contribution scheme is 1 (2014: 3). The scheme is administered by a fellow subsidiary company. The directors' remuneration disclosed above includes the following amounts for the highest paid director:

Highest paid director

	2015	2014
	£m	£m
Aggregate emoluments	3.4	3.2
Company contributions paid to defined contribution pension schemes	0.1	0.1
	3.5	3.3

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****4. Staff costs**

	2015	2014
	£m	£m
Wages and salaries	0.4	0.4
Social security costs	0.1	0.1
	0.5	0.5

A fellow Group company operates a defined contribution pension scheme. The assets are held and managed independently of the finances of the Company. The average monthly number of employees paid by the Company during the year was:

	2015	2014
	Number	Number
Sales and administration	5	5

5. Income from fixed asset investments

	2015	2014
	£m	£m
Dividends received	240.0	360.0

6. Finance income

	2015	2014
	£m	£m
Interest receivable on intra-Group loans	1.2	0.3
Interest receivable on intra-Group cross currency swaps	2.6	3.2
Gains on derivative financial assets and liabilities measured at fair value through profit or loss	-	7.2
Total finance income	3.8	10.7

Fixed rate interest was receivable on intra-Group cross currency swaps at 4.4% (2014: 4.4%).

Interest was receivable on intra-Group variable rate deposits at the Group finance company's cost of funds (2014: Group finance company's cost of funds).

Interest was receivable on intra-Group fixed rate loans at 2.5% to 3.3% (2014: none).

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****7. Finance costs**

	2015	2014
	£m	£m
Amortisation of bank loan arrangement fees	-	0.2
Loan interest payable	3.4	3.2
Interest payable on intra-Group loans	3.6	4.0
Interest payable on intra-Group cross currency swaps	0.4	2.1
Other interest payable	-	0.3
Losses on derivative financial assets and liabilities measured at fair value through profit or loss	1.2	-
Total finance costs	8.6	9.8

Fixed external loan interest was payable at a weighted average rate of 4.4% (2014: 4.4%).

Variable rate interest was payable on intra-Group cross currency swaps at 2.1% (2014: 2.1%) above LIBOR.

Interest was payable on intra-Group variable rate loans at 1.2% above the Group finance company's cost of funds and at 1.4% above the sterling LIBOR rate (2014: 1.2% above the Group finance company's cost of funds and 1.4% above the sterling LIBOR rate).

8. Tax on profit on ordinary activities

	2015	2014
	£m	£m
Current tax:		
- UK corporation tax on profit for the period	(2.0)	(1.5)
- adjustments in respect of previous periods	-	(0.0)
Total current tax	(2.0)	(1.5)
Deferred tax:		
- origination and reversal of timing differences	(0.5)	0.6
- adjustments in respect of previous periods	(0.0)	0.0
Total deferred tax	(0.5)	0.6
Tax on profit on ordinary activities	(2.5)	(0.9)

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****8. Tax on profit on ordinary activities (continued)**

The tax assessed for the year is lower (2014: lower) than the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%). The differences are explained below:

	2015	2014
	£m	£m
Profit on ordinary activities before tax	227.7	355.9
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.25% (2014: 21.5%)	46.1	76.5
Effects of:		
Non-taxable income	(48.6)	(77.4)
Tax on profit on ordinary activities	(2.5)	(0.9)

Reductions in the United Kingdom's corporation tax rate from 20% to 19% with effect from 1 April 2017 and from 19% to 18% with effect from 1 April 2020 were substantively enacted on 26 October 2015.

The deferred tax included in the balance sheet is as follows:

	2015	2014
	£m	£m
Included in debtors (note 10)	0.4	-
Included in provisions for liabilities (note 13)	(0.3)	(0.4)
Net deferred tax asset/(liability)	0.1	(0.4)
Net deferred tax asset/(liability) comprises:		
Short term timing differences	0.1	(0.4)
Net deferred tax asset/(liability)	0.1	(0.4)
	£m	£m
At 1 January	(0.4)	0.2
Deferred tax credited/(charged) to profit and loss account	0.5	(0.6)
At 31 December	0.1	(0.4)

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****9. Investments**

	2015	2014
	£m	£m
Unlisted investments		
At 1 January and 31 December	1,125.0	1,125.0

The only subsidiary held directly by the Company is:

Company name	Country of incorporation	Shares held	Company holding %	Principal activity
Dyson James Ltd	UK	Ordinary	100	Intermediate holding company

The subsidiaries held indirectly by the Company are as follows:

Company name	Country of incorporation	Shares held	Company holding %	Principal activity
Dyson Ltd	UK	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Research Ltd	UK	Ordinary	100	Holder of exclusive brand rights and trademarks
Dyson Technology Ltd	UK	Ordinary	100	Research and development, holder of product design rights and patents.
Dyson Estates Ltd	UK	Ordinary	100	Purchase and rental of commercial premises
Dyson Finance Ltd	UK	Ordinary	100	Provision of treasury services
Dyson Exchange Ltd	UK	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Appliances (Australia) Pty Ltd	Australia	Ordinary	100	Sale and service of domestic and commercial appliances

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****9. Investments (continued)**

Company name	Country of incorporation	Shares held	Company holding %	Principal activity
Dyson Canada Ltd	Canada	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson SAS	France	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson GmbH	Germany	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson BV	Netherlands	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson KK	Japan	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Spain SL	Spain	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson SA	Switzerland	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Austria GmbH	Austria	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson LLC	Russia	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Srl	Italy	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Ireland Ltd	Ireland	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Singapore Pte. Ltd	Singapore	Ordinary	100	Sale and service of domestic and commercial appliances

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****9. Investments (continued)**

Company name	Country of incorporation	Shares held	Company holding %	Principal activity
Dyson Technology (Shanghai) Ltd	China	Ordinary	100	Sale and service of domestic and commercial appliances
Dyson Asia Holdings Pte. Ltd	Singapore	Ordinary	100	Intermediate holding company
Dyson Inc.	USA	Ordinary	100	Sale and service of domestic appliances
Dyson Direct Inc.	USA	Ordinary	100	Sale and service of domestic appliances
Dyson B2B Inc.	USA	Ordinary	100	Sale and service of commercial appliances
Dyson B2B Tech. Services Inc.	USA	Ordinary	100	Provision of marketing support
Dyson Tech. Services Inc.	USA	Ordinary	100	Provision of marketing support
Dyson Technology Inc.	USA	Ordinary	100	Intermediate holding company
Sakti3 Inc.	USA	Ordinary	100	Research & development
Dyson Manufacturing Sdn Bhd	Malaysia	Ordinary	100	R&D contract services & manufacturing
Dyson International Ltd	UK	Ordinary	100	Intermediate holding company
Dyson Operations Pte. Ltd	Singapore	Ordinary	100	Managing the Group's global product development & manufacturing activities

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****9. Investments (continued)**

Company name	Country of incorporation	Shares held	Company holding %	Principal activity
Dyson Overseas Distribution Ltd	UK	Ordinary	100	Provision of marketing support
Dyson Electrical Engineering (Nanjing) Co. Ltd	China	Ordinary	100	Dormant
Dyson Electrical Technology (Foshan) Ltd	China	Ordinary	100	Dormant
Dyson Electrical Trading (Beijing) Co. Ltd	China	Ordinary	100	Dormant

10. Debtors

	2015	2014
	£m	£m
Amounts owed by Group undertakings – interest bearing (see Note 6)	81.9	6.0
Amounts owed by Group undertakings – non-interest bearing	0.4	0.0
Group relief receivable from parties under common control	1.0	0.7
Deferred tax asset	0.4	-
Derivative assets	-	1.2
	83.7	7.9

Amounts owed by Group undertakings are unsecured and repayable on demand.

Deferred tax comprises:

	2015	2014
	£m	£m
Short term timing differences	0.4	-

There was no unrecognised deferred tax asset or liability at 31 December 2015 (2014: £nil).

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****10. Debtors (continued)**

	2015	2014
	£m	£m
Movement on deferred tax asset		
At 1 January	-	0.2
Credited/(charged) to the profit and loss account	0.4	(0.2)
At 31 December	0.4	-

11. Creditors – Amounts falling due within one year

	2015	2014
	£m	£m
Amounts owed to Group undertakings – non-interest bearing	3.9	0.1
Interest payable	-	1.1
Accruals and deferred income	3.3	0.2
	7.2	1.4

Amounts owed to Group undertakings are unsecured and repayable on demand.

12. Creditors – Amounts falling due after more than one year

	2015	2014
	£m	£m
Amounts owed to Group undertakings – interest bearing (note 7)	225.5	149.6
Loans due after more than one year	81.0	77.0
	306.5	226.6

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****13. Provisions for liabilities**

	2015	2014
	£m	£m
Deferred tax:		
At 1 January	0.4	-
(Credited)/charged to the profit and loss account	(0.1)	0.4
At 31 December	0.3	0.4

Deferred tax comprises short term timing differences.

14. Loans and other borrowings**Maturity of financial liabilities**

	2015	2014
	£m	£m
Within two to five years	306.5	188.1
In more than five years	-	38.5
	306.5	226.6

The financial liability due within two to five years relates to loan notes of US\$120.0m issued via a private placement which mature in August 2017 and August 2020 (2014: US\$60.0m), a £150.0m drawdown on a £200.0m long term loan facility with the Group finance company (2014: £150.0m) and fixed term loans of £75.5m with the Group finance company which mature in August 2017 and August 2020 (2014: £nil).

The financial liability due in more than five years in 2014 related to loan notes of US\$60.0m issued via a private placement which mature in August 2020.

The Company's external loan notes were guaranteed by a number of Group companies (see note 20). For interest rates charged on these loans, see note 7.

15. Called up share capital and reserves

	2015	2014
	£m	£m
Allotted and fully paid share capital		
1,002 ordinary shares of £1 each	0.0	0.0

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****16. Dividends**

	2015	2014
	£m	£m
Equity shares		
Dividends paid of £239,521 per ordinary share (2014: £409,182 per ordinary share)	240.0	410.0

17. Ultimate parent undertaking and controlling party

At 31 December 2015 the immediate parent company was Holkham Group Limited, a company incorporated in the United Kingdom.

The smallest and largest group within which the financial statements of the Company will be consolidated in respect of the year ended 31 December 2015 is that headed by Holkham Group Limited. Copies of the financial statements of Holkham 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 Holkham Group Limited.

18. Related party transactions

The Company is exempt under the terms of FRS 102.33 from disclosing related party transactions with entities which are part of the Group. Other related party transactions during the year (all on normal commercial terms) were as follows:

During 2015, the Company pledged £6.4m and paid donations totalling £5.3m for charitable purposes to a connected charity and the balance owed for donations not yet transferred at the end of 2015 was £2.1m.

19. Pension costs

Pension costs of £5,728 (2014: £5,445) were charged in the year in relation to a Group defined contribution pension scheme. At the year end £477 was included in intra-Group creditors (2014: £nil) as amounts payable to the scheme.

Dyson James Group Limited

Notes to the financial statements for the year ended 31 December 2015 (continued)

20. Contingent liabilities

At 31 December 2015, the Company and certain other Group companies have jointly and severally guaranteed the borrowings on Group bank facilities totalling £290.0m (2014: £290.0m) under a revolving credit facility (RCF), on £135.0m (2014: £nil) of loan notes issued by Dyson Finance Limited under a private placement and on US\$120.0m of loan notes (2014: US\$120.0m) issued by the Company under a private placement. At 31 December 2015, the drawdown on the RCF was £55.0m (2014: £125.0m) of which £nil (2014: £nil) is included in the Company's year end balances.

The Group uses derivative instruments to manage foreign exchange and interest rate risk. The Company and certain other Group companies have jointly and severally guaranteed these obligations under ISDA agreements with certain bank counterparties.

21. Transition to FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 January 2015.

The impact from the transition to FRS 102 is as follows:

Reconciliation of equity at 1 January 2014

	£m
Equity shareholders' funds at 1 January 2014 under previous UK GAAP	958.6
Derivatives at fair value	(1.1)
Deferred tax	0.2
Equity shareholders' funds at 1 January 2014 under FRS 102	957.7

Reconciliation of equity at 31 December 2014

	£m
Equity shareholders' funds at 31 December 2014 under previous UK GAAP	903.1
Derivatives at fair value	1.8
Deferred tax	(0.4)
Equity shareholders' funds at 31 December 2014 under FRS 102	904.5

The following were changes in accounting policies arising from the transition to FRS 102:

Derivatives:

Cross currency swaps are recorded on the balance sheet at fair value and accounted for at fair value through profit and loss. Under previous UK GAAP these were recognised as follows:

- The final exchange of principal of cross currency swaps was recorded on the balance sheet at reporting date spot rates with unrealised gains and losses accounted through profit and loss. Net interest was accrued through profit and loss.

Dyson James Group Limited**Notes to the financial statements for the year ended 31 December 2015 (continued)****21. Transition to FRS 102 (continued)****Deferred tax**

Under FRS 102, deferred tax is recognised on the fair value of derivatives, whereas under previous UK GAAP this was not required as derivatives were valued as mentioned above. Consequently deferred tax has been recognised on all fair value re-measurements.

Reconciliation of total comprehensive income for the year ended 31 December 2014

	£m
Total comprehensive income for the year ended 31 December 2014	
under previous UK GAAP	354.5
Derivatives at fair value	2.9
Deferred tax	(0.6)
Total comprehensive income for the year ended 31 December 2014	
under FRS 102	<u>356.8</u>

Transitional relief

On transition to FRS 102 from previous UK GAAP, the Company has taken advantage of transitional relief as follows:

Investments in subsidiaries

The Company has elected to treat the carrying amount of investments in subsidiaries under previous UK GAAP at the date of transition as deemed cost on transition to FRS.