

Pickford Holland & Co Limited

Report and Financial Statements

30 September 2020



Directors

J Cooper
G Rosson

Secretary

R P McQuinn

Auditors

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds LS11 5QR

Registered Office

Totley Works
Baslow Road
Sheffield S17 3BL

Directors' report

The directors present their report and financial statements for the year ended 30 September 2020.

Results and dividends

The profit for the year amounted to £nil (2019 – profit of £205,099), a dividend of £nil was paid during the year (2019 – £nil).

Principal activity and review of the business

The principal activity of the Company during the year continued to be the holding of investment property.

We are considering interest from a number of parties for varying uses for the company's only property, a site of 7 acres near Sheffield, which may result in either a unconditional sale or a sale subject to planning consent. The timescales for this are as yet unclear, but we seek to maximise the value.

The company's other property was untenanted land with a book value of £100,000 was sold in December 2018 for £100,000 less disposal costs of £4,905.

Principal risks and uncertainties

Strategic, financial, commercial, operational and environmental risks are all considered as part of the company's controls, which are designed to manage rather than eliminate the risk of failure to achieve business objectives. Therefore they can only provide reasonable, not absolute, assurance against material misstatement or loss. At present there are no immediate risks considered likely to have a significant impact on the short or long term value of the company.

On 11th March 2020, the World Health Organisation ("WHO") announced a global pandemic in relation to the Coronavirus outbreak ("Covid-19"), which has had a significant impact on the global and UK economies. The impact of Covid-19 on the company's activities has been limited and the Company remains in a robust cash and liquidity position.

Directors

The directors who served the company during the year were as follows:

J Cooper
G Rosson

Directors' qualifying third party indemnity provisions

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the provisions of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Going concern

The company has net current liabilities of £41,450 (2019 - £41,450), the parent company Dyson Group plc has agreed to assist the company in meeting its liabilities as and when they fall due, to the extent that money is not otherwise available to meet liabilities and they will continue to provide the financial support outlined for at least to 30 September 2022. Bank accounts and cashflows are managed centrally by Dyson Group plc.

The directors, who are also directors of Dyson Group plc, have considered Dyson Group plc's ability to provide this financial support in order to assess whether it is appropriate to place reliance upon it and have considered uncertainties in the cashflows of Dyson Group plc and the company. In making this assessment The Directors have prepared sensitivity analysis and cash flow forecasts to 30 September 2022 supporting their conclusions. Such forecasts consider the following:

The cash reserves of the company at the account signing date and the level of ongoing costs in the Company.

Directors' report (continued)

- The timing of future property disposal proceeds.
- These forecasts indicate that Dyson Group plc will have sufficient to meet its liabilities as they fall due for that period.

In addition, the Directors have undertaken a reverse stress test for Dyson Group plc which models the position whereby Dyson Group plc has no property disposal income and a normal level of expenditure, without any mitigation. Given the cash resources of Dyson Group plc, as noted above, even at this level of activity the Dyson Group plc will still have sufficient cash resources to meet its liabilities over the forecast period.

The Directors have concluded that Dyson Group plc's ability to provide financial support is adequate and that the Company has adequate resources to continue to meet its liabilities as they fall due for a period to 30 September 2022. Therefore, the Directors are satisfied they have a reasonable basis upon which to conclude that it remains appropriate to prepare the financial statements on a going concern basis.

Fixed assets

The company's investment properties were re-valued at the year end.

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, the directors have taken all the steps that they are obliged to take as directors in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

Ernst & Young LLP are to be reappointed as the company's auditor for the next financial year of the Company in accordance with section 485 of the Companies Act 2006 and, as such, will be reappointed before the end of the period of 28 days beginning with the latest time allowed for sending out copies of the company's annual accounts and reports for the financial year covered by this report to shareholders.

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006

On behalf of the Board

Gavin Rosson

G Rosson
Director
3 March 2021

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 including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (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 estimates that are reasonable and prudent;
- state whether applicable 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 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.

Independent auditor's report

to the members of Pickford Holland & Co Limited

Opinion

We have audited the financial statements of Pickford Holland & Co Limited for the year ended 30 September 2020 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Financial Position and the related notes 1 to 10, 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 30 September 2020 and of its result 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent auditors' report (continued)

to the members of Pickford Holland & Co Limited

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.

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 directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the 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 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.
- the directors were not entitled to take advantage of the small companies' exemption in not preparing the Strategic Report

Independent auditors' report (continued)

to the members of Pickford Holland & Co Limited

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, 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.

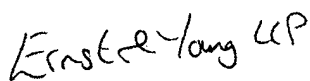
Auditor's responsibilities for the audit of the financial statements

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.

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

Handwritten signature of Tim Helm in black ink, reading "Ernst & Young LLP".

Tim Helm (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds
3 March 2021

Income statement

for the year ended 30 September 2020

		2020	2019
	Notes	£	£
Turnover		—	—
Loss on disposal of investment property		—	(4,905)
Gain on revaluation of investment property	5	—	200,000
Profit on ordinary activities before taxation	2	—	195,095
Tax	4	—	10,004
Profit for the year		—	205,099

All activities relate to continuing operations.

Statement of comprehensive income

for the year ended 30 September 2020

	2020	2019
	£	£
Profit for the year	—	205,099
Other Comprehensive Income	—	—
Total other comprehensive income	—	—
Total comprehensive income for the year	—	205,099

Statement of changes in equity

at 30 September 2020

	<i>Called up share capital £</i>	<i>Profit and loss account £</i>	<i>Total Equity £</i>
At 1 October 2018	684,000	569,451	1,253,451
Profit for the year	-	205,099	205,099
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	205,099	205,099
At 30 September 2019	684,000	774,550	1,458,550
Profit for the year	-	-	-
Other comprehensive income	-	-	-
Total comprehensive income for the year	-	-	-
At 30 September 2020	684,000	774,550	1,458,550

Statement of financial position

at 30 September 2020

	Notes	2020 £	2019 £
Fixed assets			
Tangible assets	5	1,500,000	1,500,000
Creditors: amounts falling due within one year	6	(41,450)	(41,450)
Net current liabilities		(41,450)	(41,450)
Total assets less current liabilities		1,458,550	1,458,550
Provisions for liabilities	7	-	-
Net assets		1,458,550	1,458,550
Capital and reserves			
Called up share capital	8	684,000	684,000
Profit and loss account		774,550	774,550
Shareholder's funds		1,458,550	1,458,550

The Report and Financial Statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors on 3 March 2021 and signed on its behalf by:

Gavin Rosson

G Rosson
Director

Notes to the financial statements

at 30 September 2020

1. Accounting policies

Statement of compliance

Pickford Holland & Co Limited is a limited liability company limited by shares and incorporated in England. The Registered Office is Totley Works, Baslow Road, Sheffield, S17 3BL

The Company's financial statements have been prepared in compliance with FRS 102 as it applies to the financial statements of the Company for the year ended 30 September 2020.

Basis of preparation

The financial statements are prepared under the historical cost convention and in accordance with applicable accounting standards.

The Company is considered to be a qualifying entity (Under FRS 102) due to it being a subsidiary of Dyson Group Plc at the reporting date. As a qualifying entity, the Company has adopted the following disclosure exemptions:

- The requirements relating to certain disclosures in respect of key management personnel
- The requirements relating to certain disclosures in respect of financial instruments
- The requirement to present a statement of cash flows and related notes

The Company has also adopted the disclosure exemption in respect of related party transactions between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

The accounts of Dyson Group Plc are available to the public and are available from the address shown in note 10.

Significant accounting judgements and estimates

Revaluation of investment properties – The freehold investment properties are carried at fair value, with changes in fair values being recognised in the income statement. The Company engaged independent valuation specialists to determine fair value as at 30 September 2020. The valuer used a valuation technique based on a discounted cash flow model as there is a lack of comparable market data because of the nature of the property. The determined fair value of the investment properties is most sensitive to the estimated yield as well as the long term vacancy rate.

Fixed assets

All fixed assets are initially recorded at cost.

Fixed asset investment properties

Investment properties are measured at fair value at each reporting date, with changes in fair values being recognised in the income statement.

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Notes to the financial statements

at 30 September 2020

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Going concern

The company has net current liabilities of £41,450 (2019 - £41,450), the parent company Dyson Group plc has agreed to assist the company in meeting its liabilities as and when they fall due, to the extent that money is not otherwise available to meet liabilities and they will continue to provide the financial support outlined for at least to 30 September 2022. Bank accounts and cashflows are managed centrally by Dyson Group plc.

The directors, who are also directors of Dyson Group plc, have considered Dyson Group plc's ability to provide this financial support in order to assess whether it is appropriate to place reliance upon it and have considered uncertainties in the cashflows of Dyson Group plc and the company. In making this assessment The Directors have prepared sensitivity analysis and cash flow forecasts to 30 September 2022 supporting their conclusions. Such forecasts consider the following:

The cash reserves of the company at the account signing date and the level of ongoing costs in the Company.

- The timing of future property disposal proceeds.
- These forecasts indicate that Dyson Group plc will have sufficient to meet its liabilities as they fall due for that period.

In addition, the Directors have undertaken a reverse stress test for Dyson Group plc which models the position whereby Dyson Group plc has no property disposal income and a normal level of expenditure, without any mitigation. Given the cash resources of Dyson Group plc, as noted above, even at this level of activity the Dyson Group plc will still have sufficient cash resources to meet its liabilities over the forecast period.

The Directors have concluded that Dyson Group plc's ability to provide financial support is adequate and that the Company has adequate resources to continue to meet its liabilities as they fall due for a period to 30 September 2022. Therefore, the Directors are satisfied they have a reasonable basis upon which to conclude that it remains appropriate to prepare the financial statements on a going concern basis.

2. Profit on ordinary activities before taxation

Auditor remuneration is borne by another Group company.

3. Staff costs

The company has no employees in the current or preceding year. As such no salaries or wages have been paid to employees during the year (2019 – £nil). None of the directors of the company received any remuneration in respect of qualifying services to this company (2019 – £nil).

Notes to the financial statements

at 30 September 2020

4. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2020 £	2019 £
<i>Current tax:</i>		
UK corporation tax	–	–
Total current tax (note 4(b))	–	–
<i>Deferred tax:</i>		
Origination and reversal of timing differences	–	(10,004)
Tax on profit on ordinary activities	–	(10,004)

(b) Factors affecting current tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 19% (2019 – 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	–	195,095
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 – 19 %)	–	37,068
Non-taxable revaluation of investment properties	–	(38,000)
Impact of future tax rate changes	–	1,178
Benefit of indexation on revaluation	–	–
Group losses claimed free of charge	–	(10,250)
Total tax for the year	–	(10,004)

Notes to the financial statements

at 30 September 2020

4. Tax (continued)

(c) Deferred tax

Deferred tax provided in the financial statements and the amounts not provided are as follows:

	2020		2019	
	<i>Provided</i>	<i>Not provided</i>	<i>Provided</i>	<i>Not provided</i>
	£	£	£	£
Other timing differences	—	—	—	—
Tax losses	—	38,503	—	34,450
Deferred taxation asset/(liability)	—	38,503	—	34,450

Deferred tax is only provided in the financial statements to the extent that it is probable that taxable profit will be available in the future against which the tax losses can be utilised.

(d) Factors that may affect future tax charges

The standard rate of corporation tax in the United Kingdom for the year is 19% (2019: 19%). The Finance Act 2017 enacted a reduction in the main rate of corporation tax to 17% with effect from 1 April 2020. This has now been revoked and deferred tax has therefore been provided at a rate of 19%.

Notes to the financial statements

at 30 September 2020

5. Tangible fixed assets

	<i>Investment properties</i> £
Valuation:	
As at 1 October 2019	1,500,000
Revaluation	—
As at 30 September 2020	<u>1,500,000</u>
Net book value:	
As at 30 September 2020	<u>1,500,000</u>
As at 30 September 2019	<u>1,500,000</u>

Investment properties are stated at fair value, which has been determined based on valuations performed by BNP Paribas Real Estate Consultants as at 30 September 2020 and 30 September 2019. The valuers are industry specialists in valuing these types of investment properties. Valuations were prepared on the basis of Market Value, as defined by the Red Book, as “The estimated amount for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm’s-length transaction after proper marketing wherein the parties had acted knowledgeably, prudently and without compulsion.” Market values were based on estimated prices excluding Value Added Tax, stamp duty or other taxes. No adjustments were made for costs that would be incurred in the event of a disposal.

Fair values of each property were assessed individually, and not on an aggregate portfolio basis. In determining the market values used, consideration was given to market evidence for similar property and, in respect of property for which market value was informed by its ultimate redevelopment potential, by undertaking development appraisals in respect of those properties.

On the historical cost basis, investment properties would have been included at a net carrying amount of £756,295 (2019 – £756,295).

During the previous year the company sold an investment property valued at £100,000 for £100,000 less disposal costs of £4,905, realising a loss on disposal of £4,905.

6. Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts owed to parent company	<u>41,450</u>	<u>41,450</u>

Notes to the financial statements

at 30 September 2020

7. Provisions for liabilities

	2020 £	2019 £
Deferred tax	—	—
	<u> </u>	<u> </u>
As at 1 October 2019		—
Deferred tax credit in profit and loss account		—
		<u> </u>
As at 30 September 2020		—
		<u> </u>

8. Issued share capital

		2020 £		2019 £
<i>Allotted, called up and fully paid</i>	<i>No.</i>		<i>No.</i>	
Ordinary shares of £0.25 each	2,736,000	684,000	2,736,000	684,000
		<u> </u>		<u> </u>

9. Contingent liabilities

At 30 September 2020 no commitments or contingencies existed (2019 – £nil).

10. Ultimate parent undertaking and controlling party

The company's immediate and ultimate parent undertaking and controlling party is Dyson Group plc. It has included the company in its group financial statements, copies of which are available by emailing investor.relations@dyson-group.com.