Dyson Group Plc

Report and Accounts

Year ended 30 September 2014

Contents

The directors present their Strategic Report, Directors Report and Accounts for the year ended 30 September 2014.

Strategic Report

Principal Activities

The principal activities of the Group during the year under review comprised of the research, development, manufacture and sale of technical ceramics products, used primarily in the steel and glass industries as well as in a variety of other industries. As a result of the sale of the Group's independent builders' merchant in March 2013, the Technical Ceramics business was the Group's remaining business at the end of the year under review together with a number of investment properties within the UK.

Business review

Group Highlights

- Group closing net assets of £19.5m (2013: £18.2m). Profit for the year after tax £1.3m (2013: £0.1m profit).
- Group revenue from continuing operations of £5.4m (2013: £9.1m).
- Underlying operating loss (*) from continuing operations £1.5m (2013: £0.1m loss). This result has been suppressed by non-exceptional costs relating to the historic activities of the group, including restructuring activities.
- The Group is now focused on its Technical Ceramics and Property businesses.
- The Technical Ceramics business has had a difficult year as was anticipated, but continues to have exciting potential. Year on year, sales decreased by 40%, this was more pronounced due to abnormally high sales last year.
- The property business entered into a 5 year planning and promotion agreement for five properties with St Modwen Developments Ltd on 30 November 2011. St Modwen plc is a well established land promoter and brownfield land remediation specialist. Planning progress on these sites is encouraging.

** Underlying operating loss is defined to be operating loss before exceptional items and revaluation of investment properties.*

Financial Highlights

Continuing operations:

Group revenue decreased to £5.4m, this compares to £9.1m for the year to 30 September 2013. Underlying operating loss before tax was £1.5m loss (2013: £0.1m loss). As in the previous year, the underlying operating loss in the current year has been suppressed by non-exceptional costs relating to the historic activities of the Group, these costs will reduce significantly in the next year.

After an increase in value of investment property of £2.8m, a profit before tax from continuing operations of £1.3m arose (2013: £0.2m profit).

Cashflow

The group generated cash outflows from operating activities of £0.6m (2013: £2.3m, inflow) and £0.2m outflows from investing activities. With no cash flows arising from Financing activities, an overall decrease in cash and cash equivalents of £0.8m resulted.

Business unit review

Dyson Technical Ceramics

Technical Ceramic sales decreased by 40% on the previous year to £5.4m.This resulted from a large reduction in Tin oxide electrode sales, following an unusually high level in the preceding financial year. This movement arises from customer order timing issues and not a loss of business and we expect sales to return to a more normal level in the coming year. The Zirconia Nozzle business experienced difficult market conditions and fluctuating customer order patterns throughout the year. However, we are encouraged by new business developments and the future prospects for the business despite these uncertain market conditions. Business profitability has reduced due to the reduction in Tin Oxide sales. The business is focused on production efficiencies and cost reduction to both improve margins and maintain customer service.

The Property business

The Group owns 9 investment properties, that were sites mainly used in the Group's previous manufacturing and industrial operations or open cast mining operations. Five of these were identified as having significant development potential for residential or mixed use. On 30 November 2011, we entered into a 5 year planning and promotion agreement for these five properties with St Modwen Developments Ltd. St Modwen is a company specialising in land promotion and the remediation of brownfield sites. The progress made in obtaining appropriate planning consents for these properties is generally encouraging. However, the planning process is inherently uncertain and many of these sites have complexities to be worked through to determine the most appropriate alternative use. Once an appropriate planning consent has been obtained, the saleability of a site is dependent upon market conditions at that time, combined with the commercial attractiveness of the consent obtained. Contributions to the local community agreed as part of the consent, including affordable housing and educational support (often referred to as s106 contributions) will also reduce the financial outcome arising from the eventual sale of the sites. The above factors will determine the extent to which the balance sheet valuation of these properties will be realised or exceeded. Progress on the specific sites is as follows:

Property 1 in Stoke-On-Trent (11 acres *) – Outline planning permission for a mixed residential, leisure and retail development, providing approximately 110 homes, was obtained during the previous year. A sale, subject to grant of a detailed planning consent by the appropriate local authority, of the residential portion of this site is currently under negotiation with a national house builder.

Property 2 near Derby (30 acres *) – A planning application was submitted during the year for a residential community of around 300 homes. The planning committee of the appropriate local authority passed a resolution to grant planning permission on this scheme, subject to the agreement of the affordable housing and S106 contributions. We expect this to be resolved in the near future, whereupon we will proceed to market the site for sale.

Property 3 near Sheffield (10 acres *) – A contract to sell this property, subject to obtaining detailed planning consent from the appropriate local authority, was exchanged with a national house builder in December 2014. A detailed planning application has since been submitted for a residential development of around 80 houses. If the application is accepted, including agreement of an appropriate s106 contribution, in a form which satisfies the sale contract, then the sale will complete. However, as already mentioned above, the application process is inherently uncertain.

Property 4 near Sheffield (7 acres *) and property 5 near Derby (61 acres *) – Discussions are ongoing with the appropriate planning authorities and other interested parties in order to determine the most appropriate alternative uses for these sites. Planning applications are expected to be submitted in the next financial year or shortly thereafter for residential or mixed use schemes.

(*) areas quoted above are the areas available for potential alternative uses, this exclude certain adjoining land of little value, not suitable for alternate uses.

Of the remaining 4 properties, which are outside of the planning and promotion agreement, two are industrial sites of around 13 acres currently held for their rental income and the other two are untenanted land of around 28 acres. One of the tenanted sites, with a book value of £1.0m is being actively marketed for sale, and a sale is expected in the coming financial year. The Board intends to explore development and realisation opportunities for the other 3 properties.

Principle risks and uncertainties
The principle risks and uncertainties the group is exposed to are as follows. Some of these points are expanded upon in the previous narratives.

- The level of demand for its Technical Ceramics products and the effect of market conditions on this.
- The ability to maintain and increase margins and reduce costs in the Technical Ceramics business.
- Success in obtaining commercially viable planning consents on its significant investment properties and the market conditions prevailing at the time of subsequently selling these sites.

The group has £19.5m of unencumbered net assets, with no bank borrowings and £3.0m of bank balances at the balance sheet date. Therefore it is felt that the potential impact of the above risks is to shareholder value rather than creating a funding risk.

Approved and signed on behalf of the Board

Gavin Rosson
Director
24 February 2015
Dyson Group plc Registered Company Number 163096

Directors' Report

Results and Dividends, Dividend Policy

Group profit after taxation for the year amounted to £1.3 million (year to 30 September 2013: £0.1 million). No interim dividend has been paid during the year under review (year to 30 September 2013: 0.5p). In recent years, the Board has determined that it has been appropriate to pay interim dividends following the completion of the sale of certain trading businesses such as the Saffil Group and The Builders Centre (Sheffield) Ltd, having also assessed the liquidity and likely future funding requirements of the ongoing business. The Board will continue to assess, in a similar manner, whether to pay further interim dividends in the event of receiving proceeds from future disposals of the Group's investment properties. The directors do not recommend that a final dividend per Ordinary Share be paid for the year to 30 September 2014 (nil pence per Ordinary share for the year to 30 September 2013). The results for the period and transfer from retained profit are shown in the Group statement of changes in equity on page 13.

Directors

The directors who served in the year were Julian Cooper, Gavin Rosson and Magnus Sternbrink.

Under the Articles of Association of the Company, the Directors are not subject to retirement by rotation. Additionally, any person holding more than 30 per cent of the A Ordinary Shares in issue from time to time has the right to appoint one individual as a Director to the Board (such an appointee being an "**Investor Director**") on the basis set out under the Articles of Association and a Subscription and Investment Agreement dated 27 August 2010. Magnus Sternbrink will remain as a director of the Company appointed to the Board by AB Handel och Industri.

Julian Cooper ceased to be the Investor Director appointed by Uberior Equity Ltd on 20 March 2013 following the sale of their shares in the Company on that date although he remained as a director since that time and is to remain as Executive Chairman and director of the Company. Gavin Rosson will remain as the Company's Managing Director and Finance Director.

The executive directors usually attend the AGM. The Chairman and Managing Director will be prepared to answer any relevant question on the accounts at the forthcoming Annual General Meeting. Proxy voting figures are announced to shareholders at all general meetings.

Directors' Qualifying Indemnity Provision

Under the current Articles of Association, subject to the provisions of the Companies Act 2006, every Director and officer of the Company (other than the Auditors) shall be indemnified by the Company out of its own funds against any liability incurred by or attaching to them in connection with any negligence, default, breach of duty or breach of trust by them in relation to the Company (other than any liability to the Company or any associated company and any liability of the kind referred to in section 234(3) of the 2006 Act). Additionally, the Company may indemnify a Director, any officer of the Company (other than the Auditors) and any director of any associated company of the Company, if they are a trustee of an occupational pension scheme (within the meaning of section 235(6) of the 2006 Act).

The Board has the power, at the expense of the Company, to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors or officers of the Company, or of anybody (whether or not incorporated) in which the Company, or any of the predecessors of the Company, has any interest and which is in any way allied to or associated with the Company, or for the trustees of any pension fund, employees' share scheme or retirement, death or disability scheme for the benefit of or in which employees of the Company or subsidiary undertaking are interested.

Relevant Audit Information

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 group's auditor, each director has taken all the steps that 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

A resolution to reappoint Ernst & Young LLP as the Company's auditors will be put to the forthcoming Annual General Meeting.

Financial Instruments

The Group's financial risk management objectives and policies are discussed in note 17 to the accounts.

Donations

No political donations have been made during the year ended 30 September 2014 (£nil year to 30 September 2013).

Going Concern

After making enquiries, the directors are confident that the Company and the Group have adequate financial resources to continue in operational existence for the foreseeable future. They have therefore continued to adopt the going concern basis in preparing the financial statements.

Approved and signed by order of the Board

R P McQuinn

Richard P McQuinn LLB (Hons) ACIS Company Secretary
24 February 2015
Dyson Group plc Registered Company Number 163096

Annual General Meeting

The following paragraphs through to page 8 cover, amongst other things, matters which will also be subject to shareholder approval at the Annual General Meeting to be held at 2.00 p.m. on 26 March 2015 at Hotel Novotel Sheffield Centre, 50 Arundel Gate, Sheffield S1 2PR. The Notice of Annual General Meeting is to be found on pages 42 to 43.

Ordinary Resolution 1 – receipt of the Company's report and accounts

Resolution 1 seeks Shareholders' approval to receive the Strategic Report, Directors' Report and Company's accounts and the auditors' reports for the financial year ended 30 September 2014.

Ordinary Resolution 2 – re-appointment of Ernst & Young LLP as auditors of the Company

Resolution 2 seeks Shareholders' approval to re-appoint Ernst & Young LLP as auditors of the Company and to authorise the Directors to determine the remuneration of the auditors.

The Form of Proxy for the Annual General Meeting must be returned by 2.00 p.m. on 24 March 2015.

Any shareholder wishing to communicate with any member of the Board can still do so by writing to the Company's Registered Office, at Totley Works, Baslow Road, Sheffield S17 3BL.

Shareholder Communications

The Companies Act 2006 allows companies to formally send Companies Act documents (such as the Report and Accounts and notice of meetings etc.) to members by Hard Copy via the post and also to place such documents on a website, where the member agrees or is deemed to have agreed to receipt of communications in that way. This second method of website communication does away with the need to post what can be bulky documents to the shareholder.

At the Annual General Meeting held in March 2013 Shareholders approved an amendment to the Articles of Association to allow the Company to use the Group Website (**www.dyson-group.com)** to formally communicate with shareholders who agree or are deemed to have agreed to receipt of communications in that way. The facility became operational in time for despatch of Report and Accounts for the Year 30 September 2014.

Shareholders who decide to receive or are deemed to have agreed to receive documents via the Group Website can decide to opt back into receiving Hard Copies at a later date should they so choose or request a Hard Copy of any individual document.

The Company will always notify shareholders who do not receive Hard Copies when documents are available to access on the Group Website, with details of how to access the same and obtain a Form of Proxy if any vote is required. There may also be particular circumstances in which the Company needs to send documents to you in Hard Copy rather than by Group Website publication, in which case the Company reserves the right to do so.

Nothing in the above arrangements entitles shareholders to communicate with the Company electronically.

Settlement and trading of New D Ordinary Shares

In order to provide an opportunity for Shareholders to trade New D Ordinary Shares, the Company has appointed J P Jenkins Ltd (a company registered in England & Wales Company No: 08014724) to provide a matched bargain share dealing facility (the "Share Dealing Facility"). A shareholder wishing to buy or sell New D Ordinary Shares may be able to do so by contacting their existing stockbroker, who in turn will contact J P Jenkins Ltd to establish a corresponding seller or buyer of the New D Ordinary Shares. The indicated price of New D Ordinary Shares, along with a history of transactions, will be available from the J P Jenkins Limited website which is located at via www.jpjenkins.ltd.uk .To speak to J P Jenkins Limited regarding the Share Dealing Facility, New D Ordinary Shareholders should have their broker call (+44) (0)207 469 0938.

Shareholders should note that J P Jenkins Limited will not be able to provide any advice in relation to the merits or suitability of investing in New D Ordinary Shares of the Company. If you are in any doubt as to the action you should take, you are recommended immediately to seek your own personal financial advice from your stockbroker, bank manager, solicitor, accountant or other independent professional adviser duly authorised under FSMA if you are in the United Kingdom or, if not, another appropriately authorised independent financial adviser.

Shareholders should note that the Share Dealing Facility is not an investment exchange of any kind whatsoever, nor a public market, nor is it recognised or designated by the Financial Services Authority or any other regulatory authority anywhere in the world. Transactions in New D Ordinary Shares effected via the Share Dealing Facility will be conducted "off-exchange". Furthermore, Shareholders should note that the liquidity in the New D Ordinary Shares offered by the Share Dealing Facility is likely to be extremely limited.

For the avoidance of doubt, the above paragraphs do not constitute an offer to sell or an invitation or solicitation to purchase or subscribe for any securities in the Company.

Directors' Responsibilities Statement

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

Company law requires the directors to prepare Group and Parent Company financial statements for each financial year. Under that law the directors have elected to prepare the Group financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the Parent Company 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 Group and Parent Company financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Parent Company and of the profit or loss of the Group for that period.

In preparing those 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 International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements in respect of the Group financial statements;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements in respect of the Parent Company financial statements; and
- prepare the Group and Parent Company financial statements on the going concern basis unless it is in appropriate to presume that the Group will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent 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 Group and Parent 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 Dyson Group Plc

We have audited the financial statements of Dyson Group Plc for the year ended 30 September 2014 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Balance Sheet, the Consolidated Statement of Cash Flows and the related notes 1 to 24 and the Parent Company Balance Sheet and the related notes 1 to 15. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 9, 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 group's and the parent 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 Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that 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 group's and of the parent company's affairs as at 30 September 2014 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements 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 Strategic Report and the 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Stuart Watson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Leeds
24 February 2015

Consolidated income statement - for the year ended 30 September 2014

	Note	Before exceptional & other items* £000	Exceptional & other items* £000	2014 Total £000	Before exceptional & other items* £000	Exceptional & other items* £000	2013 Total £000
Revenue	2,3	**5,411**	-	**5,411**	9,077	-	9,077
Operating costs before exceptional and other items*		**(6,909)**	-	**(6,909)**	(9,218)	-	(9,218)
Underlying operating loss		**(1,498)**	-	**(1,498)**	(141)	-	(141)
Exceptional items	4b	-	-	-	-	(84)	(84)
Revaluation of investment property	12	-	**2,795**	**2,795**	-	454	454
Operating (loss)/profit	4a	**(1,498)**	**2,795**	**1,297**	(141)	370	229
Finance costs	5	-	-	-	(4)	-	(4)
Finance revenue	6	**14**	-	**14**	13	-	13
Net finance costs		**14**	-	**14**	9	-	9
(Loss)/profit from continuing operations before tax		**(1,484)**	**2,795**	**1,311**	(132)	370	238
Tax credit/(expense)	9	**2**	-	**2**	(143)	-	(143)
(Loss)/profit from continuing operations after tax		**(1,482)**	**2,795**	**1,313**	(275)	370	95
Discontinued operations							
(Loss)/profit for the year from discontinued operations	7	-	-	-	(23)	49	26
(Loss)/profit for the year		**(1,482)**	**2,795**	**1,313**	(298)	419	121

* "other items" comprises the revaluation of investment properties (note 12).

Consolidated statement of comprehensive income - for the year ended 30 September 2014

	2014 £000	2013 £000
Profit for the year	**1,313**	121
Other comprehensive income		
Revaluation of land and buildings	**11**	11
Tax on items relating to components of other comprehensive income (see note 9a)	**(2)**	143
Total comprehensive income for the year	**1,322**	275

Consolidated statement of changes in equity - *for the year ended 30 September 2014*

	Share capital	Capital redemption reserve (Note 1)	Revaluation reserve (Note 2)	Foreign currency translation reserve (Note 3)	Retained earnings	Investment in own shares (Note 4)	Total Equity
	£000	£000	£000	£000	£000	£000	£000
At 30 September 2012	1,654	7,500	3,735	(1,836)	8,393	(202)	19,244
Profit for the year	-	-	-	-	121	-	121
Other comprehensive income	-	-	154	-	-	-	154
Total comprehensive income for the year	-	-	154	-	121	-	275
Equity dividends paid (note 24)	-	-	-	-	(1,321)	-	(1,321)
At 30 September 2013	1,654	7,500	3,889	(1,836)	7,193	(202)	18,198
Profit for the year	-	-	-	-	1,313	-	1,313
Other comprehensive income	-	-	9	-	-	-	9
Total comprehensive income for the year	-	-	9	-	1,313	-	1,322
Equity dividends (note 24)	-	-	-	-	23	-	23
At 30 September 2014	**1,654**	**7,500**	**3,898**	**(1,836)**	**8,529**	**(202)**	**19,543**

Notes;

1. Capital redemption reserve – The capital redemption reserve is required to maintain the level of non-distributable reserves when the company purchases its own shares. The current capital redemption reserve relates to 7,500,000 Preferred Shares of £1 each which were redeemed on 27 March 2012 at par.

2. Revaluation reserve – The asset revaluation reserve is used to record increases in the fair value of land and buildings and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

3. Foreign currency translation reserve – The translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations, as well as from the translation of monetary assets and liabilities that form part of the Group's net investment in a foreign operation.

4. Investment in own shares – Ordinary shares of Dyson Group plc held by The Dyson Group Employee Trust are included as a deduction in reserves in both the Group and Company. This trust was established to provide share benefits to employees of the Group. The number of shares held in the trust is 11,179,443, this consists of 168,660 Ordinary 'New D' shares and as part of the share capital restructuring process 11,010,783 Ordinary 'C' shares were issued to the Dyson Group Employee Trust. (2013: Ordinary 'New D' shares of 168,660 and Ordinary 'C' shares of 11,010,783).

Consolidated balance sheet – as at 30 September 2014

	Note	2014 £000	2013 £000
Non-current assets			
Intangible assets	10	-	-
Property, plant and equipment	11	**2,459**	2,467
Investment properties	12	**11,375**	9,580
		13,834	12,047
Current assets			
Inventories	13	**1,310**	1,596
Trade and other receivables	14	**1,368**	1,909
Cash and short-term deposits	16	**3,017**	3,789
		5,695	7,294
Assets classified as held for sale – investment property	12	**1,000**	-
Total assets		**20,529**	19,341
Current liabilities			
Trade and other payables	15	**(986)**	(1,143)
Total liabilities		**(986)**	(1,143)
Net assets		**19,543**	18,198
Equity attributable to equity holders of the parent			
Share capital	18	**1,654**	1,654
Capital redemption reserve		**7,500**	7,500
Revaluation reserve		**3,898**	3,889
Foreign currency translation reserve		**(1,836)**	(1,836)
Retained earnings		**8,529**	7,193
Investment in own shares		**(202)**	(202)
Total equity		**19,543**	18,198

Approved by the Board on 24 February 2015

G Rosson BSC ACA – Director

Consolidated cash flow statement - for the year ended 30 September 2014

	Note	2014 £000	2013 £000
Operating activities			
Profit for the year from continuing operations		**1,313**	95
Profit for the year from discontinued operations		**-**	26
Profit for the year		**1,313**	121
Adjustments to reconcile group operating profit to net cash inflows from operating activities			
Tax on continuing operations		**(2)**	143
Net finance income		**(14)**	(9)
Depreciation of property, plant and equipment		**209**	183
Revaluation of investment property		**(2,795)**	(454)
Gain on disposal of subsidiary undertakings		**-**	(49)
Decrease in inventories		**286**	694
Decrease in trade and other receivables		**541**	1,599
(Decrease)/increase in trade and other payables		**(134)**	32
Net cash flow from operating activities		**(596)**	2,260
Investing activities			
Acquisition of property, plant and equipment		**(190)**	(372)
Interest received		**14**	13
Proceeds from disposal of subsidiary undertakings, net of cash disposed		**-**	1,235
Net cash flow from investing activities		**(176)**	876
Financing activities			
Interest paid		**-**	(4)
Dividends unclaimed/(paid)		**-**	(1,321)
Net cash flow from financing activities		**-**	(1,325)
Movement in cash and cash equivalents		**(772)**	1,811
Cash and cash equivalents at the start of the year		**3,789**	1,978
Cash and cash equivalents at the end of the year	16	**3,017**	3,789

Notes to the accounts

1 Accounting policies including basis of preparation

Statement of compliance

Dyson Group plc (the "Company") is a company incorporated and domiciled in the United Kingdom.

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group").

The Group financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU (Adopted IFRSs) as they apply to the financial statements of the Group for the year ended 30 September 2014 applied in accordance with the provisions of the Companies Act 2006. The Group's financial statements for the year ended 30 September 2014 were authorised for issue by the board of directors on 24 February 2014 and the balance sheet was signed on the Board's behalf by Gavin Rosson.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

Basis of Preparation of the Accounts

The consolidated financial statements have been prepared on a historical cost basis, except for investment properties, land and buildings and derivative financial instruments that have been measured at fair value.

The consolidated financial statements have been prepared on the going concern basis. The directors have reviewed cashflows, funding and resources of the Group, which illustrate the Group has significant bank balances and profitable ongoing businesses with positive cashflow, and have not identified any factors that would cast significant doubt on the ability of the Group to continue as a going concern.

Changes in accounting policy and adoption of new and revised standards

The following new or amended standards have been adopted in the financial statements:
• Amendment to IAS 1 "Presentation of Financial statement"
These changes have no material impact on the financial statements.

The directors also considered the impact on the Group of other new and revised accounting standard, interpretations or amendments. The following revised and new accounting standards are currently endorsed but not yet effective. None are expected to be material to the financial statements.

• Amendment to IAS 27 "Separate Financial Statements"
• Amendment to IAS 28 "Investments in Associates and Joint Ventures"
• Amendment to IAS 32 "Financial Instruments: Presentation"
• Amendment to IAS 36"Impairment of Assets"
• Amendment to IAS 39 "Financial Instruments: Recognition and Measurement"

• IFRS 10 "Consolidated Financial Statements"
• IFRS 11"Joint Arrangements"
• IFRS 12 "Disclosure of interests in Other Entities"
• IFRS 21 "Levies"

Significant accounting judgements and estimates – The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year are discussed below:

Impairment of goodwill – The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the future cash flows for the cash-generating unit and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying value of goodwill and additional information is included in note 10.

Exceptional items – The directors are required to apply their judgement in determining whether items meet the definition of an exceptional item in accordance with the stated definition of an exceptional item.

Provisions against inventory – In determining whether a provision is required in respect of inventory balances, the directors may be required to apply their judgement when assessing net realisable value.

Deferred tax assets – Management judgement is required to determine the amount of deferred tax assets that can be recognised based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies. The carrying value of the deferred tax asset on recognised tax losses at 30 September 2014 was £2,222,000 (30 September 2013: £1,661,000) and the unrecognised tax losses at 30 September 2014 were £5,011,000 (30 September 2013: £5,322,000). Further details are contained in note 9.

Revaluation of operating properties and investment properties – The Group carries its freehold investment properties at fair value, with changes in fair values being recognised in the income statement. In addition, it measures land and buildings at revalued amounts with changes in fair value being recognised in other comprehensive income. The Group engaged independent valuation specialists to determine fair value as at 30 September 2014. For the investment property 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.

Accounting Policies

Basis of consolidation – The Group financial statements consolidate the accounts of Dyson Group plc and all its subsidiaries drawn up to 30 September 2014 (2013: 30 September 2013). Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account. Subsidiaries are consolidated from the date of their acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of subsidiaries are prepared for the same reporting date using consistent accounting policies. All inter-company balances and transactions are eliminated, including unrealised profits arising from them.

Goodwill – All business combinations are accounted for by applying the purchase method. Any excess of the cost of a business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in the balance sheet as goodwill.

Goodwill recognised as an asset at 31 March 2004 is recorded at its carrying amount under UK GAAP and not amortised. After initial recognition, goodwill is stated at cost less any accumulated impairment losses. For the purpose of impairment testing goodwill is allocated to the related cash-generating units monitored by management and is not amortised but is tested annually for impairment and whenever events or changes in circumstances indicate that the carrying value may be impaired.

Intangible assets – Intangible assets acquired separately from a business are carried initially at cost. An intangible asset acquired as part of a business combination is recognised outside goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably. Intangible assets are subsequently stated at cost less accumulated amortisation and impairment losses.

Expenditure on research activities is recognised in the income statement as an expense as incurred.

Expenditure on internally generated goodwill and brands is recognised in the income statement as an expense as incurred.

Investment properties – Investment properties are measured initially at cost, including transaction costs, and thereafter are stated at fair value which reflects market conditions at the balance sheet date. Gains or losses arising from changes in the fair values of investment properties are included in the income statement in the year in which they arise.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal. Transfers are made to investment property when there is a change in use evidenced by the end of owner occupation. For a transfer from investment property to owner occupied property the deemed cost of property is the fair value at the date of change of use. If the property occupied by the Group becomes an investment property it is accounted for in accordance with the policy stated under property plant and equipment up to the date of change of use.

Property, plant and equipment – Land and buildings are measured initially at cost, including transaction costs, and thereafter are stated at fair value which reflects market conditions at the balance sheet date.

Any revaluation surplus is credited to the asset revaluation reserve included in the equity section of the balance sheet, except to the extent that it reverses a revaluation decrease of the same asset previously recognised in profit or loss, in which case the increase is recognised in profit or loss. A revaluation deficit is recognised in profit or loss, except that a deficit directly offsetting a previous surplus on the same asset is directly offset against the surplus in the asset revaluation reserve.

An annual transfer from the asset revaluation reserve to retained earnings is made for the difference between depreciation based on the revalued carrying amount of the assets and depreciation based on the assets original cost. Additionally, accumulated depreciation as at the revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. Upon disposal, any revaluation reserve relating to the particular asset being sold is transferred to retained earnings.

The asset's residual values, useful lives and methods of depreciation are reviewed, and adjusted if appropriate, at each financial year end.

Land and buildings are depreciated to their estimated residual value over 20 to 50 years on a straight line basis.

Plant and equipment are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the balance sheet date, of each asset on a straight line basis as follows:

Plant and equipment	3 to 10 years

No depreciation is provided on assets in the course of construction.

Impairment – The carrying amounts of the Group's assets other than inventories, financial assets within the scope of IAS 39 and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date, or more frequently if events or circumstances indicate that the carrying value may be impaired.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Calculation of recoverable amount – The recoverable amount of assets and cash generating units is the higher of their fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment – An impairment loss in respect of goodwill is not reversed. In respect of other assets, an assessment is made at each reporting date as to whether there is an indication that a previously recognised impairment loss may no longer exist or may have decreased. If such an indication exists the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. If that is the case the carrying value is increased to its recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets – Financial assets are recognised when the Group becomes party to the contracts that give rise to them and are classified as financial assets at fair value through profit or loss; loans and receivables; held-to maturity investments; or as available-for-sale financial assets, as appropriate. The Group determines the classification of its financial assets at initial recognition and, where allowed and appropriate, re-evaluates this designation at each financial period end. When financial assets are recognised initially, they are measured at fair value, being the transaction price plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Reassessment only occurs if there is a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required.

Derecognition of financial assets – A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

    a) the Group has transferred substantially all the risks and rewards of the asset, or

    b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets – The Group assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Evidence of impairment may include indications that the debtors or a group of debtors is experiencing significant financial difficulty, default or delinquency in interest or principal payments, the probability that they will enter bankruptcy or other financial reorganisation and when observable data indicate that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Inventories – Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes all costs incurred in bringing each product to its present location and condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

Trade and other receivables – Trade receivables, which generally have 30 - 90 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectable amounts. The Group tests for impairment of trade and other receivables when there is objective evidence that the carrying amount may not be recoverable. In determining the recoverability of trade and other receivables the Group considers any change in the credit quality and the recoverable amount receivable at the reporting date.

Cash and cash equivalents – Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

Taxation – Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement.

Foreign currencies – Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All foreign exchange differences are recognised in the income statement, except where hedge accounting is applied and for exchange differences on monetary assets and liabilities that form part of the Group's net investment in a foreign operation. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated at the rate of exchange ruling at the balance sheet date, with the income statement translated at the average rate for the period. The resulting exchange differences are taken directly to a separate component of equity. They are recognised in the income statement upon disposal.

Investment in own shares – Dyson Group plc shares held by the Company and the Group are classified in shareholders' equity as "investment in own shares" and are recognised at cost. Consideration received for the sale of such shares is also recognised in equity, with any differences between the proceeds from sale and the original cost being taken to revenue reserves. No gain or loss is recognised in the performance statements on the purchase, sale, issue or cancellation of equity shares.

Revenue recognition – Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods – Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer and can be reliably measured.

Interest – Revenue is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

Rental income – Rental income arising from operating leases on investment properties is accounted for on a straight line basis over the lease term on ongoing leases.

Leases – Rentals payable under operating leases are charged in the income statement on a straight line basis over the lease term.

Exceptional items – Exceptional items are those items of financial performance that the directors consider should be separately disclosed to assist in understanding the underlying trading and financial performance achieved by the Group, so as to facilitate comparison with prior periods and to help assessment of trends in financial performance.

Underlying operating profit – Underlying operating profit is defined to be the operating profit before exceptional items, and revaluations of investment properties

Retirement benefits – The Group operates a defined contribution pension scheme.

Contributions to defined contribution schemes are recognised in the income statement in the period in which they become payable.

Assets held for sale – Non-current assets and disposal groups are classified as held for sale, as defined by IFRS 5, only if available for immediate sale in their present condition and the sale is highly probable and expected to be completed within one year from the date of classification. Such assets are measured at the lower of carrying amount and fair value less costs to sell and are not depreciated or amortised.

2 Revenue

Revenue recognised in the income statement is analysed as follows:

	Continuing	Discontinued	2014 Total	Continuing	Discontinued	2013 Total
	£000	**£000**	**£000**	£000	£000	£000
Sale of goods	**5,411**	**-**	**5,411**	9,077	1,048	10,125
Finance revenue	**14**	**-**	**14**	13	-	13
Rental income	**304**	**-**	**304**	267	-	267
Total revenue	**5,729**	**-**	**5,729**	9,357	1,048	10,405

3 Analysis of revenue from external customers by geographical area

	Continuing	Discontinued	2014 Total	Continuing	Discontinued	2013 Total
	£000	**£000**	**£000**	£000	£000	£000
Europe	**3,773**	**-**	**3,773**	7,507	1,048	8,555
Asia Pacific & Africa	**832**	**-**	**832**	916	-	916
America	**806**	**-**	**806**	654	-	654
Total sale of goods revenue	**5,411**	**-**	**5,411**	9,077	1,048	10,125

IFRS 8 Operating Segments -

IFRS 8 need only be applied by entities whose debt or debt securities are publicly traded or by entities that are in the process of issuing equity or debt securities in public securities market. The company has elected not to apply IFRS 8 voluntarily and consequently does not present any segmental information.

4a Operating profit/(loss)

	2014			2013		
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
	£000	**£000**	**£000**	£000	£000	£000
Revenue	**5,411**	-	**5,411**	9,077	1,048	10,125
Cost of sales	**(4,596)**	-	**(4,596**	(6,942)	(747)	(7,689)
Gross profit	**815**	-	**815**	2,135	301	2,436
Distribution costs	**(285)**	-	**(285)**	(278)	(104)	(382)
Administrative expenses	**767**	-	**767**	(1,628)	(220)	(1,848)
Operating profit/(loss)	**1,297**	-	**1,297**	229	(23)	206
Operating profit/(loss) is stated *after charging/(crediting) the following:*						
Auditors' remuneration for audit of the financial statements	**55**	-	**55**	78	-	78
Auditors' remuneration for taxation services	**28**	-	**28**	21	-	21
Auditors' remuneration for other advice	-	-	-	22	-	22
Depreciation of property, plant and equipment	**209**	-	**209**	175	8	183
Profit on sale of plant and equipment	-	-	-	-	-	-
Increase in fair value of investment properties	**(2,795)**	-	**(2,795)**	(454)	-	(454)
Operating lease rentals – *plant and equipment*	**19**	-	**19**	27	-	27
Foreign exchange losses/(gains)	**11**	-	**11**	(5)	-	(5)
Research and development	**110**	-	**110**	103	-	103

4b Exceptional items

	2014			2013		
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
	£000	**£000**	**£000**	£000	£000	£000
Gain on disposal of subsidiary undertaking	-	-	-	-	49	49
Capital restructure	-	-	-	(84)	-	(84)
Total	-	-	-	(84)	49	(35)

Gain on disposal of subsidiary undertaking. On 14 March 2013 the Group completed the sale of The Builders Centre (Sheffield) Limited to Frank Key Group. See note 7 for further detail.

Capital restructure. During the previous year the share capital of Dyson Group Plc was restructured and Uberior Equity Limited disposed of their equity interest the associated legal costs incurred were £84,000.

5 Finance costs

	2014			2013		
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
	£000	**£000**	**£000**	£000	£000	£000
Other	**-**	**-**	**-**	4	-	4
	-	**-**	**-**	4	-	4

6 Finance revenue

	2014			2013		
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
	£000	**£000**	**£000**	£000	£000	£000
Bank interest	**14**	**-**	**14**	13	-	13

7 Discontinued operations

There were no discontinued operations in the current year. In the previous year the sale of The Builders Centre (Sheffield) Limited was completed on 14 March 2013.

In accordance with IFRS 5 the results of the Builders Centre (Sheffield) Limited have been treated as discontinued and shown as a single line in the consolidated income statement.

The results of the Builders Centre (Sheffield) Limited for 2013 are presented below:

	2013
	£000
Revenue	1,048
Operating costs	(1,071)
Operating loss – see note 4a	(23)
Loss on discontinued operations before taxation and exceptional items	(23)
Gain on disposal of discontinued operations	49
Profit on discontinued operations before taxation	26
Taxation expense	-
Profit on discontinued operations after taxation	26
Taxation expense related to profit on ordinary activities for the year	-
Taxation expense	-

The net cash flows attributable to the Builders Centre (Sheffield) Limited are as follows:

	2013
	£000
Operating cash flows	154
Financing cash flows	-
Investing cash flows	-
Total cash flows	154

Disposal of the subsidiary undertakings

On 14 March 2013 the group completed the disposal of the Builder Centre (Sheffield) Limited. The profit on disposal is illustrated below:

	2013
	£000
Total consideration satisfied by cash	1,486
Less: Associated costs (1)	(251)
Net proceeds	1,235
Less net assets disposed of (2)	(1,186)
Profit on disposal of discontinued activities	49

(1) Associated costs

	£000
Long term incentive plan payments and management bonuses	165
Legal and professional costs	86
Total costs	251

(2) A summary of the net assets which were disposed of is as follows:

	£000
Property, plant and equipment	816
Inventory	206
Trade and other receivables	538
Deferred tax assets	39
Cash	-
Total assets	1,599
Trade and other payables	(413)
Total liabilities	(413)
Net assets disposed of	1,186

Proceeds from disposal of the Builders Centre (Sheffield) Limited included in the consolidated cash flow statement are net proceeds of £1,235,000.

8 Employee costs and directors' remuneration

			2014			2013
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
	£000	**£000**	**£000**	£000	£000	£000
Wages and salaries	**1,842**	**-**	**1,842**	1,945	196	2,141
Social security costs	**189**	**-**	**189**	213	19	232
Defined contribution pension costs	**76**	**-**	**76**	86	-	86
Total	**2,107**	**-**	**2,107**	2,244	215	2,459

The amounts disclosed above exclude amounts paid under long term incentive plans and management bonuses of £nil (2013: £165,000 in respect of the disposal of the Builders Centre (Sheffield) Limited).

Directors' remuneration

	2014	2013
	£000	£000
Remuneration in respect of qualifying services	**185**	186
Personal pension contributions	**14**	13
Remuneration receivable under long term incentive plans	**-**	69

The average monthly number of persons employed by the Group during the year was as follows:

			2014			2013
	Continuing	**Discontinued**	**Total**	Continuing	Discontinued	Total
	No.	**No.**	**No.**	No.	No.	No.
Administration	**28**	**-**	**28**	23	9	32
Manufacturing	**32**	**-**	**32**	43	6	49
Total	**60**	**-**	**60**	66	15	81

9 Taxation

	2014 £000	2013 £000
a) Tax on profit on ordinary activities		
Tax charged in the income statement		
Current tax expense		
UK Corporation tax	-	-
Foreign tax	-	-
Current income tax charge	-	-
Adjustment in respect of previous periods	-	-
Total current tax	-	-
Deferred tax		
Origination and reversal of temporary differences	(2)	(3)
Effect of changes in tax rate on opening deferred tax balances	-	146
Adjustments in respect of previous periods	-	-
Total deferred tax	(2)	143
Taxation (credit)/charge	(2)	143
Taxation (credit)/charge in income statement for continuing operations	(2)	143
Taxation charge in income statement for discontinued operations	-	-
Taxation (credit)/charge	(2)	143
Tax relating to items charged or credited to equity		
Deferred tax on net (gain)/loss on revaluation of properties	(2)	143
Tax (charge)/credit in the statement of comprehensive income	(2)	143

b) Reconciliation of the total tax charge

	2014 £000	2013 £000

The tax expense in the income statement for the year is different to the standard rate of corporation tax in the UK of 22% (2013: 23.5%)

The differences are reconciled below:

	2014 £000	2013 £000
Profit before taxation	**1,311**	264
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 22% (2013: 23.5%)	**288**	62
Effects of:		
Brought forward tax losses utilised	**776**	652
Items non-deductible for tax purposes	**8**	(73)
Non taxable income	**(615)**	-
Effect of rate change on closing deferred tax balances	-	146
Loss on disposal of non qualifying assets	-	-
ACA's re Industrial Buildings not now recognised	-	-
Benefit of indexation on capital gains	-	103
Movement on unrecognised deferred tax	-	-
Utilisation of unrecognised deferred tax assets	**(459)**	(747)
Taxation (credit)/charge in income statement	**(2)**	143

c) **Deferred taxation**

Deferred tax is included in the balance sheet as follows:

	2014 Net £000	2013 Net £000	**2014 Movement in income statement £000**	**2014 Movement in equity £000**	2013 Movement in income statement £000	2013 Movement in equity £000	2013 Builder Centre disposal £000
Deferred income tax liabilities							
Accelerated capital allowances	**(446)**	(446)	-	-	106	-	(39)
Revaluation of land and buildings	**(1,733)**	(1,172)	**(559)**	**(2)**	30	143	-
Other temporary differences	-	-	-	-	-	-	-
Rolled over capital gains	**(43)**	(43)	-	-	265	-	-
Deferred income tax liabilities	**(2,222)**	(1,661)	**(559)**	**(2)**	401	143	(39)
Deferred income tax assets							
Accelerated capital allowances	**(733)**	(683)	**(50)**	-	26	-	-
Accelerated capital allowances not recognised	**733**	683	**50**	-	(65)	-	-
Other timing differences	-	(1)	**1**	-	1	-	-
Other timing differences not recognised	-	1	**(1)**	-	(1)	-	-
Tax losses	**7,233**	6,983	**250**	-	(331)	-	-
Less not recognised	**(5,011)**	(5,322)	**311**	-	(174)	-	-
Tax losses recognised	**2,222**	1,661	**561**	-	(544)	-	-
Pension	-	445	**445**	-	(578)	-	-
Less not recognised	-	(445)	**(445)**	-	578	-	-
Deferred income tax assets	**2,222**	1,661	**561**	-	(544)	-	-
Net deferred tax asset/(liability)	-	-	**2**	**(2)**	(143)	143	(39)

The tax losses not recognised of £25,055,000 (2013: £26,610,000) are available indefinitely for offset against future taxable profits of the companies in which the losses arose, it is anticipated that half of these will be used in the future. Deferred tax assets have not been recognised in respect of these losses because it is not considered probable that there will be future taxable profit against which these tax losses can be utilised and they may not be used to offset taxable profits elsewhere in the Group.

d) Temporary differences associated with group investments

There are no temporary differences associated with investments in subsidiaries.

e) Factors affecting future tax charge

The standard rate of corporation tax in the United Kingdom for the year is 22% (2013: 23.5%). The Finance Act 2014 received Royal Assent on 17 July 2014 and enacted a reduction in the main rate of corporation tax to 20% with effect from 1 April 2015. Deferred tax has therefore been provided at 20%.

10 Intangible assets- Goodwill

	£000
Cost	
Balance at 1 October 2012	7,897
At 30 September 2013 and 1 October 2013	7,897
Balance at 30 September 2014	7,897
Amortisation and impairment	
Balance at 1 October 2012	7,897
At 30 September 2013 and 1 October 2013	7,897
Balance at 30 September 2014	7,897
Net book value	
At 1 October 2012	-
At 30 September 2013 and 1 October 2013	-
At 30 September 2014	-

There are no other intangible assets with indefinite useful lives within the Group at 30 September 2014 or at 30 September 2013.

11 Property, plant and equipment

	Freehold properties £000	Plant & equipment £000	Assets in course of construction £000	Total £000
Cost or valuation				
At 1 October 2012	875	4,610	218	5,703
Additions	-	-	372	372
Disposals	-	(37)	-	(37)
Reclassification	-	386	(386)	-
At 30 September 2013	875	4,959	204	6,038
At 1 October 2013	875	4,959	204	6,038
Additions	-	-	190	190
Reclassification	-	370	(370)	-
At 30 September 2014	**875**	**5,329**	**24**	**6,228**
Accumulated depreciation				
At 1 October 2012	-	3,445	-	3,445
Charge for the year	11	163	-	174
Disposals	-	(37)	-	(37)
Revaluations	(11)	-	-	(11)
At 30 September 2013	-	3,571	-	3,571
At 1 October 2013	-	3,571	-	3,571
Charge for the year	11	198	-	209
Revaluations	(11)	-	-	(11)
At 30 September 2014	**-**	**3,769**	**-**	**3,769**
Net book value				
At 1 October 2012	875	1,165	218	2,258
At 30 September 2013 and 1 October 2013	875	1,388	204	2,467
At 30 September 2014	**875**	**1,560**	**24**	**2,459**

The cost of fully depreciated assets at 30 September 2014 was £2,986,000 (2013: £2,898,000).

Operating properties are stated at fair value, which has been determined based on valuations performed by BNP Paribas Real Estate Consultants, as at 30 September 2014 and 30 September 2013. Valuations were prepared on the basis of Market Value, as defined by the Red Book-RICS Valuation Standards, 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.

Any revaluation surplus is credited to the asset revaluation reserve included in the equity section of the balance sheet. Any revaluation deficit directly offsetting a previous surplus in the same asset is directly offset against the surplus in the asset revaluation reserve. The effective date of the revaluation was 30 September 2014.

If the land and buildings were measured using the cost model, the carrying amounts would be as follows:

	2014 £000	2013 £000
Cost	**1,100**	1,100
Accumulated depreciation	**(740)**	(733)
Net carrying amount	**360**	367

12 Investment properties

	2014 £000	2013 £000
Valuation		
At 1 October 2013	**9,580**	9,126
Revaluations	**2,795**	454
Investment property classed as held for sale	**(1,000)**	-
At 30 September 2014	**11,375**	9,580

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 2014 and 30 September 2013. 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.

Rental income from investment property for the year was received of £304,000 (2013: £267,000), direct operating expenses (including repairs and maintenance) arising from investment property that generated income during the year amounted to £194,000 (2013: £104,000) and direct operating expenses (including repairs and maintenance) arising from investment property that did not generate rental income during the year amounted to £171,000 (2013: £189,000).

Investment property classed as held for sale relates to one of the investment properties which under IFRS 5 will be recovered principally through a sale transaction rather than through continuing use. The property is available for immediate sale in its present condition and is subject only to terms that are usual and customary for sales of such assets and its sale is highly probable. The sale is expected to take place in the second half of the next financial year. A net income of £32,000 is included in the current year's consolidated income statement in respect of this property.

Property Planning and Promotion agreement

On 30 November 2011 the Group entered into a 5 year property planning and promotion agreement with St Modwen Developments Ltd on its five most significant investment properties. Under the terms of this agreement, St Modwen will at their own cost and risk seek to obtain suitable planning permissions in order to enhance the value of these sites. When a suitable planning permission is granted on an individual site, that site will typically be marketed and sold under the terms of the agreement and the proceeds distributed between Dyson and St Modwen under a mechanism set out in the agreement. Planning progress on these sites is encouraging. The property valuations take account of the property planning and promotion agreement.

13 Inventories

	2014 £000	2013 £000
Raw materials and consumables	**618**	642
Work in progress	**166**	320
Finished goods and goods for resale	**526**	634
	1,310	1,596

Inventory write-backs to the value of £nil were recognised in the year (2013: £1,000).

14 Trade and other receivables

	2014 £000	2013 £000
Trade receivables	**1,188**	1,401
Less provision for impairment of receivables and credit notes	**(6)**	(23)
Trade receivables net	**1,182**	1,378
Other receivables	**9**	66
Prepayments and accrued income	**177**	465
	1,368	1,909

Trade receivables are non-interest bearing and are generally on 30 - 90 day terms.

The provision for impairment of receivables comprises credit note provisions of £3,000 (2013: £1,000) and allowances for doubtful debts of £3,000 (2013: £22,000).

Trade receivables are denominated in the following currencies:

	2014 £000	2013 £000
Sterling	**1,029**	1,132
Euro	**6**	126
US Dollar	**153**	143
Total	**1,188**	1,401

In determining the recoverability of trade receivables the Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting date. Out of the carrying amount of the trade receivables of £1,188,000 (2013: £1,401,000), £983,000 (2013: £1,168,000) relates to the 10 largest debtors. The directors believe that there is no further credit provision required in excess of the allowance for doubtful debts. As at 30 September 2014, trade receivables at nominal value of £3,000 (2013: £22,000) were impaired and fully provided for. The provision for impairment of receivables is utilised as and when debts are written off.

Movement in allowance for doubtful debts:

	2014 £000	2013 £000
At 1 October	**23**	35
Charge for the year	**3**	18
Amounts written off	**(16)**	(19)
Unused amounts reversed	**(7)**	(11)
At 30 September	**3**	23

The analysis of trade receivables that were past due but not impaired is as follows:

	2014 £000	2013 £000
60-90 days	**91**	114
90-120 days	**12**	36
>120 days	**45**	17
Total	**148**	167

Of the total trade receivables balance of £1,188,000 (2013: £1,401,000) there are debtors with a carrying amount of £278,000 (2013: £nil) which remain unpaid at the reporting date for which the Group has not provided.

The credit quality of the financial assets neither past due nor impaired is considered to be very good as the Group has well established credit risk assessment procedures and the directors believe that the credit quality of the financial assets are of a very high standard. Historically, these procedures have proved effective in minimising the level of impaired and past due debtors.

15 Trade and other payables

	2014 £000	2013 £000
Trade payables	**563**	632
Other payables	**101**	96
Other taxes and social security	**12**	63
Accruals	**310**	352
	986	1,143

Trade payables and other payables are non-interest bearing and are normally settled on 30 – 60 day terms.

16 Cash and short-term deposits

	2014 £000	2013 £000
Cash at bank and in hand	**3,017**	3,789

Cash at bank earns interest at floating rates based upon daily bank deposit rates. The fair value of cash at bank and in hand is £3,017,000 (2013: £3,789,000).

17 Financial instruments

Treasury management – The Group currently operates in a cash surplus position with no borrowings. This position is kept under review. The Group's policy is that there are no treasury transactions undertaken of a speculative nature and financial instruments are not traded

Liquidity risk – The Group policy is to manage liquidity risk so as to ensure sufficient funds are available to meet foreseeable needs. As at 30 September 2014 and 30 September 2013 the Group had no external bank debt.

Currency risk – The Group has invested in operations outside the United Kingdom and also buys and sells goods denominated in currencies other than sterling. The Group policy is not to hedge investments in overseas investments and to consider transactional hedging on an individual contract basis. There were no financial assets or liabilities for which hedge accounting had been used at the period end. The following table demonstrates the sensitivity to a reasonable possible change in the sterling against the Euro and US Dollar exchange rates with all other variables held constant, of the Group's profit before tax (due to foreign exchange translation of monetary assets and liabilities) and the Group's equity due to the impact of translating the net assets of foreign operations into sterling. A positive change in rate represents a weakening of the foreign currency versus sterling.

	Change In rate	2014 Effect on profit before tax £000	2014 Effect on equity £000	2013 Effect on profit before tax £000	2013 Effect on equity £000
Euro/Sterling	+5%	**(2)**	-	(6)	-
	-5%	**2**	-	6	-
US Dollar/Sterling	+5%	**(8)**	-	(7)	-
	-5%	**8**	-	7	-

Credit risk – There are no significant concentrations of credit risk within the Group. The maximum credit risk exposure relating to financial assets is represented by the carrying value at the balance sheet date.

The Group has established procedures to minimise the risk of default by trade debtors including detailed credit checks undertaken before a customer is accepted. Historically, these procedures have proved effective in minimising the level of impaired and past due debtors.

Fair values of financial assets and liabilities – At 30 September 2014 there are no significant differences between the fair value (based upon expected future cash flows discounted at prevailing discount rates) and market value of the Group's financial assets and liabilities (30 September 2013: no significant differences).

Interest rate risk – At 30 September 2014, the Group had £nil borrowings (2013: £nil) and therefore no significant interest rate risk.

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18 Share capital

	2014 No. 000	2013 No. 000	**2014 £000**	2013 £000
Allotted, called up and fully paid				
Ordinary 'A1' shares of £0.00001 each	**26,577**	26,577	**-**	-
Ordinary 'A2' shares of £0.00001 each	**95,810**	95,810	**1**	1
Ordinary 'B' shares of £0.00001 each	**90,839**	90,839	**1**	1
Ordinary 'C' shares of £0.00001 each	**11,011**	11,011	**-**	-
Ordinary 'New D' shares of £0.00001 each	**51,032**	51,032	**1**	1
'New deferred' shares of £0.00001 each	**165,128,713**	165,128,713	**1,651**	1,651
	165,403,982	165,403,982	**1,654**	1,654

Shares

The ordinary shares rank equally with regards to the rights to receive any dividend and any other income distribution, apart from the deferred shares which do not have any rights to any dividend or other income distribution.

The voting rights attached to holders of the shares are as follows:

- A1 Ordinary, C Ordinary, D Ordinary and New D Ordinary Shareholders are entitled to receive notice, attend and speak at any general meeting of the Company and have one vote.
- A2 Ordinary Shareholders are not entitled to receive notice of, nor attend, speak or vote at, any general meeting of the Company.
- B Ordinary Shareholders are not entitled to receive notice of, nor attend, speak or vote at, any general meeting of the Company, with the exception of any resolution to liquidate (as defined by the Articles of Association) the Company or to reduce the Company's capital (other than on a redemption or purchase of Shares made in accordance with the provisions of the Articles of Association) or that affects, modifies or varies the rights of the B Ordinary Shares, whereupon such a resolution may not be passed without the prior approval of all of the holders of the B Ordinary Shares.
- New Deferred Shareholders have the rights and are subject to the restrictions set out in the Articles in relation to Deferred Shares (as defined in the Articles) and accordingly will confer no voting or economic rights. Amongst other matters, pursuant to the Articles, (i) the holders of New Deferred Shares (in respect of their holdings of New Deferred Shares) will not be entitled to receive notice of, attend, speak or vote at any general meeting of the Company and (ii) (subject to the Companies Act) the Company will be entitled to cancel any New Deferred Share without payment to the holder thereof in respect of such New Deferred Share. The Company will also be permitted, pursuant to the Articles, to buy back all of the New Deferred Shares for a nominal aggregate price for all New Deferred Shares of £0.01. No share certificates will be issued in respect of the New Deferred Shares.

Capital management

The group's capital management policy is to maintain an adequate level of capital to meet the needs of the Group's businesses and to return any surplus above this to shareholders.

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19 Capital commitments

Capital commitments contracted at 30 September 2014 for which no provision has been made were £30,000 (2013: £44,000).

20 Operating lease commitments

The Group has entered into commercial leases on certain motor vehicles and items of machinery. These leases have an average duration of between 3 and 5 years. There are no significant leases with options of renewal. There are no restrictions placed upon the lessee by entering into these leases.

Future minimum rentals payable under non-cancellable operating leases are as follows:

	2014	2013
	£000	£000
Not later than one year	**9**	19
After one, but not more than five years	**8**	17
After five years	**-**	-
	17	36

21 Contingencies

Contingent liabilities exist in certain of the subsidiary undertakings in relation to bonds and guarantees these total £25,000 (2013: £25,000).

As at 30 September 2014 no commitments and contingencies exist (2013: £nil).

22 Related parties

Transactions between the Company and all of its subsidiaries which are related parties, have been eliminated on consolidation and are not disclosed in this note.

During the year, the directors were remunerated for services provided to the Group. The directors are considered to be the key management personnel. Directors' remuneration is covered in note 8.

23 Principal subsidiary undertakings

The main trading subsidiary undertakings are shown below

	Incorporated in	Business activity
Dyson Industries Limited	Great Britain	Holding of investment property
Dyson Technical Ceramics Limited	Great Britain	Manufacturer of industrial ceramics
Pickford Holland & Company Limited	Great Britain	Holding of investment property
Beepart Limited	Great Britain	Holding of investment property

24 Dividends paid and proposed

	2014 £000	2013 £000
Equity dividends on ordinary shares		
Unclaimed dividends	**(23)**	-
Declared and paid during the year		
Interim dividend of nil p (2013: 0.5p)	-	1,321
No final dividend for 2014 (2013: nil).	-	-
	(23)	1,321

The Articles of Association of the Company specify that if twelve years have passed from the date on which a dividend or other sum became due for payment, and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company. An amount of £23,000 has been credited to shareholders funds in the period in respect of such unclaimed dividends.

Parent company accounts - prepared using UK generally accepted accounting practice (UK GAAP)

Balance sheet - as at 30 September 2014

	Note	2014 £000	2013 £000
Fixed assets			
Investments	2	**14,775**	13,512
		14,775	13,512
Current assets			
Debtors:			
Amounts falling due within one year	3	**29**	325
		29	325
Cash at bank and in hand		**1,839**	2,642
		1,868	2,967
Creditors: Amounts falling due within one year	4	**(38)**	(66)
Net current assets		**1,830**	2,901
Total assets less current liabilities		**16,605**	16,413
Creditors: Amounts falling due after more than one year	5	**(1,871)**	(2,504)
Net assets		**14,734**	13,909
Capital and reserves			
Called up share capital	7	**1,654**	1,654
Capital redemption reserve	8a	**7,500**	7,500
Profit and loss account	8b	**5,782**	4,957
Investment in own shares	10	**(202)**	(202)
Shareholders' funds	11	**14,734**	13,909

The financial statements were approved by the board of directors on 24 February 2015 and signed on its behalf by:

Gavin Rosson BSC ACA
Director

Notes to the parent company accounts

1 Accounting policies

1.1 Basis of preparation
The Company financial statements are prepared in accordance with applicable United Kingdom law and accounting standards as defined by the Companies Act 2006 and under the historical cost convention and are made up to 30 September 2014 (2013: 30 September 2013).

The accounting policies of the Company have been consistently applied over both the current and preceding period.

The company has not followed consistent accounting policies with the Group as the Group financial statements are prepared under International Financial Reporting Standards and the Company directors have taken the decision to continue preparing Company financial statements in accordance with UK GAAP.

The Company financial statements have been prepared on the going concern basis.

1.2 Accounting policies
Profit and loss account – In accordance with the exemption allowed by section 408 of the Companies Act 2006, the Company has not presented its own profit and loss account. Details of the profit for the year can be found in note 8b.

Investments – Fixed asset investments, including investments in subsidiaries, are held at cost less provision for impairment. Investments are reviewed for impairment if there are any indications that the carrying value may not be recoverable.

Taxation – The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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, or a right to pay less, tax in the future have occurred at the balance sheet date, with the following exceptions:

- provision is made for the tax that would arise on remittance of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable;
- 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.

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.

Investment in own shares – Dyson Group plc shares held by the Company are classified in shareholders' equity as "investment in own shares" and are recognised at cost. Consideration received for the sale of such shares is also recognised in equity, with any differences between the proceeds from sale and the original cost being taken to revenue reserves. No gain or loss is recognised in the performance statements on the purchase, sale, issue or cancellation of equity shares.

Foreign currencies – Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All foreign exchange differences are recognised in the profit and loss account, except where hedge accounting is applied. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Treasury – The directors have taken advantage of the exemption in FRS 29 and have excluded disclosures relating to financial instruments from the financial statements on the basis that the parent company has presented group accounts that comply with FRS 29.

2 Investments

	Shares in subsidiaries at cost £000	Loans to subsidiaries £000	Total £000
At 1 October 2013	10,727	2,785	13,512
Investment	-	484	484
Repayment	-	(30)	(30)
Disposal	-	-	-
Impairment	1,213	(395)	818
Exchange movements	-	(9)	(9)
At 30 September 2014	**11,940**	**2,835**	**14,775**

A list of the main subsidiary undertakings is given in note 15.

3 Debtors

	2014 £000	2013 £000
Prepayments: amounts falling due within one year	**29**	325
	29	325

4 Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Other creditors	**30**	52
Accruals	**8**	14
	38	66

5 Creditors: Amounts falling due after more than one year

	2014 £000	2013 £000
Amounts owed to subsidiary undertakings	**1,871**	2,504
	1,871	2,504

6 *Deferred taxation*

There is no deferred tax asset or liability at 30 September 2014 (30 September 2013: £nil). There are unrecognised deferred tax assets at 30 September 2014 of £506,000 (2013: £312,000). These relate wholly to losses.

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7 Share capital

	2014 No. 000	2013 No. 000	**2014 £000**	2013 £000
Allotted, called up and fully paid				
Ordinary 'A1' shares of £0.00001 each	**26,577**	26,577	**-**	-
Ordinary 'A2' shares of £0.00001 each	**95,810**	95,810	**1**	1
Ordinary 'B' shares of £0.00001 each	**90,839**	90,839	**1**	1
Ordinary 'C' shares of £0.00001 each	**11,011**	11,011	**-**	-
Ordinary 'New D' shares of £0.00001 each	**51,032**	51,032	**1**	1
'New deferred' shares of £0.00001 each	**165,128,713**	165,128,713	**1,651**	1,651
	165,403,982	165,403,982	**1,654**	1,654

Shares

The ordinary shares rank equally with regards to the rights to receive any dividend and any other income distribution, apart from the deferred shares which do not have any rights to any dividend or other income distribution.

The voting rights attached to holders of the shares are as follows:

- A1 Ordinary, C Ordinary, D Ordinary and New D Ordinary Shareholders are entitled to receive notice, attend and speak at any general meeting of the Company and have one vote.
- A2 Ordinary Shareholders are not entitled to receive notice of, nor attend, speak or vote at, any general meeting of the Company.
- B Ordinary Shareholders are not entitled to receive notice of, nor attend, speak or vote at, any general meeting of the Company, with the exception of any resolution to liquidate (as defined by the Articles of Association) the Company or to reduce the Company's capital (other than on a redemption or purchase of Shares made in accordance with the provisions of the Articles of Association) or that affects, modifies or varies the rights of the B Ordinary Shares, whereupon such a resolution may not be passed without the prior approval of all of the holders of the B Ordinary Shares.
- New Deferred Shareholders have the rights and are subject to the restrictions set out in the Articles in relation to Deferred Shares (as defined in the Articles) and accordingly will confer no voting or economic rights. Amongst other matters, pursuant to the Articles, (i) the holders of New Deferred Shares (in respect of their holdings of New Deferred Shares) will not be entitled to receive notice of, attend, speak or vote at any general meeting of the Company and (ii) (subject to the Companies Act) the Company will be entitled to cancel any New Deferred Share without payment to the holder thereof in respect of such New Deferred Share. The Company will also be permitted, pursuant to the Articles, to buy back all of the New Deferred Shares for a nominal aggregate price for all New Deferred Shares of £0.01. No share certificates will be issued in respect of the New Deferred Shares.

8a Capital redemption reserve

	2014 £000	2013 £000
As at 1 October 2013 and 30 September 2014	**7,500**	7,500

The capital redemption reserve relates to 7,500,000 Preferred Shares of £1 each which were redeemed on 27 March 2012 at par.

8b Profit and loss account

	2014 £000	2013 £000
At 1 October 2013	**4,957**	5,385
Profit for the year	**802**	893
Dividends	**23**	(1,321)
At 30 September 2014	**5,782**	4,957

In accordance with the exemptions allowed by section 408 of the Companies Act 2006, the Company has not presented its own profit and loss account but made a profit for the year of £802,000 (2013: profit of £893,000).

9 Dividends paid and proposed

	2014 £000	2013 £000
Equity dividends on ordinary shares		
Unclaimed dividends	**(23)**	-
Declared and paid during the year		
Interim dividend of nil p (2013: 0.5p)	-	1,321
No final dividend for 2014 (2013: nil).	-	-
	(23)	1,321

The Articles of Association of the Company specify that if twelve years have passed from the date on which a dividend or other sum became due for payment, and the distribution recipient has not claimed it, the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company. An amount of £23,000 has been credited to shareholders funds in the period in respect of such unclaimed dividends.

10 Investment in own shares

Ordinary shares of Dyson Group plc held by The Dyson Group Employee Trust are included as a deduction in reserves in both the Group and Company.
This trust was established to provide share benefits to employees of the Group. The number of shares held in the trust is 11,179,443, this consists of 168,660 Ordinary 'New D' shares and 11,010,783 Ordinary 'C' shares. (2013: ordinary 'New D' shares of 168,660 and ordinary 'C' shares of 11,010,783). Dividends of £nil (2013: £1,000) were waived on these shares.

	Own shares at cost £000
As at 1 October 2013 and 30 September 2014	202

11 Reconciliation of movement in shareholders' funds

	2014 £000	2013 £000
Opening shareholders' funds	**13,909**	14,337
Profit for the financial year	**802**	893
Dividends	**23**	(1,321)
Closing shareholders' funds	**14,734**	13,909

12 Related party transactions

The company has taken advantage of the exception under FRS 8 "Related Party Transactions" not to disclose transactions with its wholly owned subsidiaries. It has no other related party transactions.

13 Contingencies

Contingent liabilities exist in relation to bonds and guarantees. These total £25,000 (2013: £25,000).

14 Statutory and other information

There are no employees of the company. The directors of the company were paid by another Group company in 2014 and 2013.

15 Principal subsidiary undertakings

The main trading subsidiary undertakings are shown below.

All the subsidiary undertakings are wholly owned and have coterminous year ends. All holdings are of Ordinary shares.

	Incorporated in	Business activity
Dyson Industries Limited	Great Britain	Holding of investment property
Dyson Technical Ceramics Limited	Great Britain	Manufacturer of industrial ceramics
Pickford Holland & Company Limited	Great Britain	Holding of investment property
Beepart Limited	Great Britain	Holding of investment property

NOTICE OF ANNUAL GENERAL MEETING

Dyson Group plc
(Incorporated in England & Wales with registered number 00163096)

Notice is hereby given that the 94th Annual General Meeting of Dyson Group plc ("Company") will be held at Hotel Novotel Sheffield Centre, 50 Arundel Gate, Sheffield S1 2PR on 26 March 2015 at 2.00 p.m. for the transaction of the following business:

Ordinary Resolution 1 - That the Strategic Report, Directors' Report, Accounts and Reports of the Auditors for the year ended 30 September 2014 be received.

Ordinary Resolution 2 – That Ernst & Young LLP be reappointed as Auditors, to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the Company and that the directors be authorised to fix the Auditors' remuneration.

By order of the Board

Richard P McQuinn LLB (Hons) ACIS

Company Secretary
2 March 2015

Registered office

Totley Works
Baslow Road
Sheffield
S17 3BL

Notes:

Entitlement to attend and vote

1. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001 the right to attend or vote at the meeting is determined by reference to the register of members. Only those shareholders registered in the register of members of the Company as at 6.00 p.m. on 24 March 2015 (or, if the meeting is adjourned, 6.00 p.m. on the date which is two days before the date of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote (and the number of votes they may cast) at the meeting.

2. The rights to attend and vote at the meeting are set out in the Articles of Association of the Company.

3. Pursuant to Article 19.4 of the Articles of Association of the Company, all resolutions put to the vote of a meeting shall be decided on a poll, rather than on a show of hands.

Proxies

4. A shareholder is entitled to appoint another person as his or her proxy or proxies to exercise all or any of his rights to attend and to speak and vote at a meeting of the Company. A proxy need not be a shareholder.

   A shareholder may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such shareholder. To appoint more than one proxy, a member will need to complete a separate form of proxy in relation to each appointment. Members will need to state clearly on each form of proxy the number of shares in relation to which the proxy is appointed. Failure to specify the number of shares each proxy appointment relates to or specifying a number which when taken together with the numbers of shares set out in the other proxy appointments is in excess of the number of shares held by the shareholder may result in the proxy appointment being invalid.

   A proxy may only be appointed in accordance with the procedures set out in notes 5 to 7 below and the notes to the proxy form.

   Delivery of an appointment of a proxy shall not preclude a shareholder from attending and voting in person at the meeting or poll concerned.

5. A Form of Proxy for use in connection with the Annual General Meeting is enclosed with this notice. When appointing more than one proxy, complete a separate proxy form in relation to each appointment. Additional proxy forms may be obtained by photocopying the Form of Proxy. State clearly on each proxy form the number of shares in relation to which the proxy is appointed.

   To be valid, a proxy form must be completed, signed and sent to the offices of the Company's Registrars, Neville Registrars Limited, Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA so as to arrive no later than 2.00 p.m. on 24 March 2015, (or, if the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting). Notice of termination of a proxy's authority must be received at the same address.

6. As an alternative to completing the hard copy Form of Proxy, a shareholder may appoint a proxy or proxies electronically with Neville Registrars Limited at www.sharegateway.co.uk using your personal proxy registration code as shown on the Form of Proxy enclosed with this document. For an electronic proxy appointment to be valid, the appointment must be received by the Company's registrars no later than 2.00 p.m. on 24 March 2015 (or, if the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting). Any electronic communication sent by a shareholder to the Company or the Company's Registrars which is found to contain a virus will not be accepted by the Company, but every effort will be made by the Company to inform the shareholder of the rejected communication. Notice of termination of a proxy's authority must be received at the same electronic address.

7. CREST members who wish to appoint a proxy or proxies for the meeting (or any adjournment of it) through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by Neville Registrars Limited (ID 7RA11) no later than 2.00 p.m. on 24 March 2015 (or, if the meeting is adjourned, no later than 48 hours before the time of any adjourned meeting). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Neville Registrars Limited is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his or her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

The Company may treat a CREST Proxy Instruction as invalid in the circumstances set out in Regulation 35(5) (a) of the Uncertificated Securities Regulations 2001.

Corporate Representatives

8. Any corporation which is a shareholder may, in accordance with the Companies Statutes (as defined in the Articles of Association of the Company), by resolution of its directors or other governing body, authorise such persons as it thinks fit to act as its representative(s) at any meeting of the Company or of any class of shareholders. A person so authorised shall be entitled to exercise the same powers on behalf of such corporation as the corporation could exercise if it were an individual shareholder (provided that where there is more than one representative and the vote is otherwise than on a show of hands they do not do so in relation to the same shares) and such corporation shall for the purposes of the Articles of Association be deemed to be present in person at any such meeting if the person so authorised is present at such meeting.

Communications with the Company

9. Except as expressly provided above, shareholders who wish to communicate with the Company in relation to the meeting should do so by calling Neville Registrars Limited on 0121 585 1131. No other methods of communication will be accepted. You may not use any electronic address provided either in this notice of annual general meeting or any related documents (including the proxy form) to communicate with the Company or Neville Registrars Limited for any purposes other than those expressly stated.

Directors and Advisers

Board of Directors

Julian Cooper MA MBA ACA – Chairman

Gavin Rosson BSC ACA – Managing Director

Magnus Sternbrink MSC BA – Non Executive Director

Registrars

Neville Registrars Limited
Neville House, 18 Laurel Lane, Halesowen, West Midlands B63 3DA
Tel: 0121 585 1131

Auditors

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

Solicitors

DLA Piper UK LLP
1 St Paul's Place, Sheffield S1 2JX

Irwin Mitchell
Riverside East, 2 Millsands, Sheffield S3 8DT

Registered Office

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Website:www.dyson-group.com
E-mail:investor.relations@dyson-group.com

Registered Company No: 163096