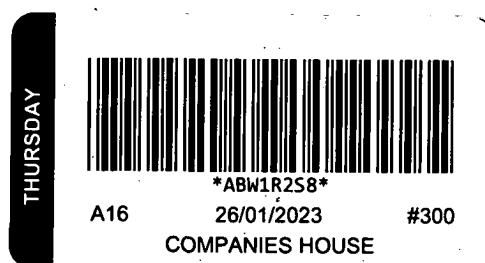


Registration number: OC396870

Eversheds Sutherland (Germany) LLP

Annual Report and Audited Financial Statements

for the Year Ended 30 April 2022



Eversheds Sutherland (Germany) LLP
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Eversheds Sutherland (Germany) LLP
Limited Liability Partnership Information

Designated members

ESG Holdco 1 LLP

ESG Holdco 2 LLP

Registered office

One Wood Street

London

EC2V 7WS

Independent Auditor

RSM UK Audit LLP

25 Farringdon Street

London

EC4A 4AB

Eversheds Sutherland (Germany) LLP

Members' Report for the Year Ended 30 April 2022

The designated members present their report on behalf of the members together with the audited financial statements for the year ended 30 April 2022.

Firm structure

Eversheds Sutherland (Germany) LLP is a limited liability partnership registered in England and Wales. The Partnership ceased trading on 31 December 2020.

Principal activity

The Partnership ceased to trade during the previous financial year and transactions in the year ended 30 April 2022 have been limited to payment of interest and intercompany payments.

Exit from the European Union

On 31 December 2020 a deal was reached concluding the UK's exit from the European Union. In order to mitigate any potential uncertainty with regards to clients or its operations the members have performed a restructure, such that the Partnership ceased to trade as of 31 December 2020, with the operations of the business continuing in a new local structure in Germany.

Designated members

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

ESG Holdco 1 LLP

ESG Holdco 2 LLP

Members' drawings and the subscription and repayment of members' capital

The allocation of profits is governed by the Members Agreement, which states that profits are distributed in full. The timing of payment of the profit is determined by the Board and takes into account the Partnership's cash requirements for operating and investment activities.

Profits are allocated and divided between members after each quarter and the finalisation of the financial statements. Prior to the allocation of profits and their division between members, drawings and on-account profit distributions are shown in debtors. Unallocated profits are shown in "Loans and other debts due to members".

The capital requirements of the Partnership are determined by the Board and are reviewed regularly. Each member is required to subscribe a proportion of this capital. The amount of capital subscribed by each member is linked to their status and the earnings allocated to that member. On leaving the Partnership, a member's capital is normally repaid within six months.

The members are required to make their own pension provisions, accordingly they are not reflected in these financial statements.

Members' capital and other debts rank after unsecured creditors in the event of a winding up.

Going concern

During the year ended 30 April 2021, the company ceased to trade and as such the members have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting.

Eversheds Sutherland (Germany) LLP
Members' Report for the Year Ended 30 April 2022 (continued)

Auditor

The members have taken all the steps that they ought to have taken to make themselves aware of any information needed by the partnership's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The members are not aware of any relevant audit information of which the auditors are unaware.

Statement of members' responsibilities in respect of the financial statements

The members are responsible for preparing the members' report and the financial statements in accordance with applicable law and regulation.

The Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008 require the members to prepare the financial statements for each financial year. Under these regulations the members have elected to prepare the Partnership's financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under these regulations the members must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Limited Liability Partnership and of the profit or loss of the Limited Liability Partnership for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Limited Liability Partnership will continue in business. As explained in note 1, the members do not believe the going concern basis to be appropriate and these financial statements have not been prepared on that basis.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the Limited Liability Partnership's transactions, disclose with reasonable accuracy at any time the financial position of the Limited Liability Partnership, and enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the Limited Liability Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the members on 24 January 2023 and signed on their behalf by:

DocuSigned by:



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Lee Ranson on behalf of ESG Holdco 1 LLP
Designated member

Eversheds Sutherland (Germany) LLP
Independent Auditor's Report to the Members of Eversheds Sutherland (Germany)
LLP

Opinion

We have audited the financial statements of Eversheds Sutherland (Germany) LLP (the 'limited liability partnership') for the year ended 30 April 2022 which comprise the profit and loss account, the balance sheet, the statement of changes in members' interests and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 30 April 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the limited liability partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – non-going concern basis of preparation

We draw your attention to note 1 of the financial statements which describes the preparation of the financial statements on a non-going concern basis. As described in note 1, the company ceased trading in the year ended 30 April 2021 and the members have concluded that it is no longer appropriate to prepare the financial statements on a going concern basis. There have been no adjustments made to the financial statements as a result of the application of the non-going concern basis of accounting. Our opinion is not modified in respect of this matter.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The members are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Eversheds Sutherland (Germany) LLP

Independent Auditor's Report to the Members of Eversheds Sutherland (Germany) LLP (continued)

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 applied to limited liability partnerships requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit; or
- the members were not entitled to prepare the financial statements in accordance with the small limited liability partnerships' regime.

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement set out on page 3, the members are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

Eversheds Sutherland (Germany) LLP

Independent Auditor's Report to the Members of Eversheds Sutherland (Germany) LLP (continued)

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the limited liability partnership operates in and how the limited liability partnership is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and the LLP SORP 2018. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures.

The audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

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

Use of our report

This report is made solely to the limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Hywel Pegler (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP, Statutory Auditor

Chartered Accountants

25 Farringdon Street

London

EC4A 4AB

Date

DocuSigned by:

Hywel Pegler

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24 January 2023

Eversheds Sutherland (Germany) LLP
Profit and Loss Account for the Year Ended 30 April 2022

	Note	2022 € 000	2021 € 000
Turnover	2	-	40,787
Staff costs	4	-	(17,165)
Depreciation and other amounts written off from tangible fixed assets		-	(509)
Other operating charges		-	(6,774)
Total operating costs		-	(24,448)
Operating profit	3	-	16,339
Interest receivable/(payable) and similar expenses		57	(126)
Profit for the year before members' remuneration and profit shares		57	16,213
Members' remuneration charged as an expense		(57)	(16,213)
Result for the year available for discretionary division among members		-	-

The Partnership has no recognised gains or losses for the year other than these included in the results above, therefore no separate statement of comprehensive income has been presented.


Eversheds Sutherland (Germany) LLP**(Registration number: OC396870)****Balance Sheet as at 30 April 2022**

	Note	2022 € 000	2021 € 000
Current assets			
Debtors	5	5,025	4,782
Cash at bank and in hand		8	204
		<u>5,033</u>	<u>4,986</u>
Creditors: Amounts falling due within one year	6	<u>(5,033)</u>	<u>(4,986)</u>
Total assets less current liabilities		-	-
Creditors: Amounts falling due after more than one year		-	-
Net assets attributable to members		<u>-</u>	<u>-</u>
Represented by:			
Total members' interests			
Members' capital		-	-
Other amounts		-	-
		<u>-</u>	<u>-</u>
Total members' interests			
Loans and other debts due to members		-	-
		<u>-</u>	<u>-</u>

The members acknowledge their responsibilities for complying with the requirements of the Act, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 with respect to accounting records and the preparation of accounts.

The financial statements on pages 7 to 14 of Eversheds Sutherland (Germany) LLP (registered number OC396870) were approved and authorised for issue by the members on 24 January 2023 and were signed on their behalf by:

DocuSigned by:



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Lee Ranson on behalf of ESG Holdco 1 LLP
Designated member

Eversheds Sutherland (Germany) LLP
Statement of Changes in Members' Interests
At 30 April 2022

	Members' capital classified as a liability	Other amounts	Total loans and other debts due to members
	€ 000	€ 000	€ 000
At 01 May 2020	5,108	5,197	10,305
Members' remuneration charged as an expense	-	16,213	16,213
Members' interests after profit for the year	5,108	21,410	26,518
Repayments of capital	(5,108)	-	(5,108)
Drawings and distributions	-	(12,820)	(12,820)
Transfer of other amounts to group undertaking	-	(3,614)	(3,614)
Transfer of amounts due to former members	-	(4,976)	(4,976)
At 30 April 2021	-	-	-

	Other amounts	Total loans and other debts due to members
	€ 000	€ 000
At 01 May 2021	-	-
Members' remuneration charged as an expense	57	57
Transfer of amounts due to former members	(57)	(57)
At 30 April 2022	-	-

Eversheds Sutherland (Germany) LLP

Notes to the Financial Statements for the Year Ended 30 April 2022

1 Accounting policies

General information

Eversheds Sutherland (Germany) LLP is a UK limited liability partnership incorporated in England and Wales. These financial statements were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

Basis of preparation

In response to the UK's exit from the European Union on 31 December 2020, the Partnership ceased to trade and the business is operating under a new local structure in Germany. This structure consists of a local partnership, Eversheds Sutherland (Germany) Rechtsanwälte Steuerberater Solicitors Partnerschaft mbB, to continue the Partnership's provision of legal services and a local service company, Eversheds Sutherland (Services) GmbH. Due to this restructure the members deemed the going concern basis of preparation no longer appropriate. The assets and liabilities of the Partnership were transferred to the two new local entities at net book value and did not require any adjustment to carrying values or profit from those prepared on a going concern basis. Whilst the Partnership has ceased to trade the future of the legal entity has not yet been decided.

The financial statements have been prepared on a non-going concern basis in accordance with the Companies Act 2006 as applied to Limited Liability Partnerships Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and applicable accounting standards in the United Kingdom, including Financial Reporting Standard 102. The financial statements have also been prepared in accordance with the Statement of Recommended Practice 2018, "Accounting by Limited Liability Partnerships (SORP 2018)".

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the partnership's accounting policies. In preparing these financial statements, the members have made the following estimates:

- Determine the fair value of amounts recoverable on contracts. Factors taken into consideration in reaching such amounts include reviewing historic performance and any foreseeable losses on ongoing contracts.
- Determine the provision required for recoverability of trade debtors. Factors taken into consideration in reaching such amounts include ageing at year end, historical information and post year end settlements and write offs.
- Property provisions are made for dilapidations and surplus properties including the timing of cash flows. These provisions require management's best estimate of the costs that will be incurred based upon previous experience of exit costs, contractual requirements and following advice and estimates from chartered surveyors.

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to the use of exemptions by the members.

The Partnership has taken advantage of the following disclosure exemptions available to qualifying entities:

- No cash flow statement has been presented for the Partnership;
- No disclosure has been given for the aggregate remuneration of the key management personnel of the Partnership; and
- No disclosure has been given of related party transactions with other wholly owned members of the same group;

Eversheds Sutherland (Germany) LLP

Notes to the Financial Statements for the Year Ended 30 April 2022 (continued)

1 Accounting policies (continued)

- No disclosure has been given for the financial instruments of the Partnership.

The principal accounting policies, which have been applied consistently throughout the current and preceding years, are set out below.

Turnover

Turnover is the total amount receivable by the Partnership for the services provided excluding value added tax. Included within this figure is the fair value of amounts recoverable on contracts where it is probable that the economic benefits will flow to the Partnership and the turnover can be reliably measured.

Turnover represents the stage of completion of the contract based on costs incurred to date compared to expected total contract cost. Where payments are received from clients in advance of services provided, the amounts are recorded as deferred income and included as part of creditors due within one year.

Professional disbursements are costs passed straight on to the client with net nil impact to the profit and loss account.

Foreign currency translation

(a) Functional and presentation currency

The functional currency of Eversheds Sutherland (Germany) LLP is considered to be euros because that is the currency of the primary economic environment in which the Partnership operates.

(b) Transactions and balances

Foreign currency transactions are translated into the entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Taxation

The taxation payable on the Partnership's profits is the personal liability of the members, although payment of such liabilities is administered by the Partnership on behalf of its members. Consequently, neither Partnership taxation nor related deferred taxation is accounted for in these financial statements. Sums set aside in respect of members' tax obligations are included in the balance sheet within loans and other debts due to members, or are set against amounts due from members as appropriate.

Tangible fixed assets and depreciation

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the costs, less their estimated residual values, on a straight line basis over the following estimated economic lives:

Short leasehold improvements	Leasehold term
Office furniture and fittings	5 years
Computer and communications equipment	3 to 5 years

Eversheds Sutherland (Germany) LLP
Notes to the Financial Statements for the Year Ended 30 April 2022 (continued)

1 Accounting policies (continued)

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand.

Operating leases

Payments made under operating leases and any lease incentives are recognised in the profit and loss account on a straight line basis over the term of the lease. Where amounts are received from third parties, notably landlords, as contributions towards the cost of tangible fixed assets are released to the profit and loss account, so that they match depreciation charged on the assets acquired which is over the life of the lease. Incentives are recognised as a liability.

Financial instruments

Classification

The Partnership classifies its financial assets as trade and other debtors, cash and bank balances and amounts due from group undertakings. The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Partnership determines the classification of its financial liabilities at initial recognition. Financial liabilities are recognised initially at fair value plus in the case of loans and borrowings, directly attributable transaction costs, and subsequently at amortised costs using the effective interest method.

The Partnership's financial liabilities include trade and other creditors, and balances due to group undertakings.

Recognition and measurement

Financial assets and financial liabilities are recognised in the Partnership's balance sheet when the Partnership becomes a party to the contractual provisions of the instrument.

Impairment of financial assets

In respect of assets carried at amortised cost, the Partnership assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

Eversheds Sutherland (Germany) LLP**Notes to the Financial Statements for the Year Ended 30 April 2022 (continued)****2 Turnover**

All turnover is attributable to the continuing principle activity of the Partnership, the provision of legal services, and all arose within Germany.

3 Operating profit

Operating profit is stated after charging:

	2022 € 000	2021 € 000
Audit fees	-	19
Depreciation and other amounts written off from tangible fixed assets:		
Owned assets	-	509
Foreign currency gain	-	(22)
Rentals payable under operating leases		
Land and buildings	-	2,375

Fees incurred for audit in 2022 and 2021 respectively have been borne by the ultimate controlling party, Eversheds Sutherland (International) LLP.

4 Staff costs

Staff costs during the year (excluding members) were as follows:

	2022 € 000	2021 € 000
Wages and salaries	-	14,660
Social security costs	-	1,959
Other pension costs	-	8
Other staff costs	-	538
	-	17,165

The average number of persons employed by the Partnership (including members) during the period prior to the restructure on 31 December 2020, analysed by category was as follows:

	2022 No.	2021 No.
Members	-	45
Legal advisors	-	139
Administrative and support staff	-	118
	-	302

Profits are not fully shared amongst members until the financial statements have been finalised and approved by members. The estimated entitlement of the highest paid member for the current year is €nil (2021: €1,735,990).

Eversheds Sutherland (Germany) LLP
Notes to the Financial Statements for the Year Ended 30 April 2022 (continued)

5 Debtors

	2022	2021
	€ 000	€ 000
Amounts owed by group undertakings	<u>5,025</u>	<u>4,782</u>

Amounts owed by group undertakings are unsecured, interest free, and repayable on demand.

6 Creditors: Amounts falling due within one year

	2022	2021
	€ 000	€ 000
Amounts owed to group undertakings	-	10
Amounts due to former members	<u>5,033</u>	<u>4,976</u>
	<u>5,033</u>	<u>4,986</u>

Amounts owed to group undertakings are unsecured, and repayable on demand.

7 Related party transactions

The partnership has taken advantage of the exemption in FRS 102 Section 33 "Related Party Disclosures" and has not disclosed transaction with other companies in the same group on the grounds that the members of Eversheds Sutherland (International) LLP are the controlling party of Eversheds Sutherland (Germany) LLP, whose financial statements are publicly available.

8 Ultimate parent undertaking and controlling party

The ultimate controlling parties are the members of Eversheds Sutherland (International) LLP, a limited liability partnership incorporated in England. Eversheds Sutherland (International) LLP is the parent undertaking of the smallest and largest group to consolidate these financial statements. The consolidated financial statements of Eversheds Sutherland (International) LLP are available from its registered office at One Wood Street, London, EC2V 7WS.