

Registration number: OC396870

Eversheds Sutherland (Germany) LLP

Annual Report and Audited Financial Statements

for the Year Ended 30 April 2020

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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
Partnership number	OC396870
Registered office	One Wood Street London EC2V 7WS
Auditors	BDO LLP 55 Baker Street London W1U 7EU

Eversheds Sutherland (Germany) LLP

Members' Report for the Year Ended 30 April 2020

The designated members present their report on behalf of the members together with the audited financial statements for the year ended 30 April 2020.

Firm structure

Eversheds Sutherland (Germany) LLP is a limited liability partnership registered in England and Wales. The Partnership ceased trading on 31 December 2020. During the eight month trading period the Partnership's operations were in Germany, the main office being in Munich with others in Hamburg, Berlin and Dusseldorf.

Principal activity

The principal activity of the Partnership is the provision of legal services. The business ceased to trade on 31 December 2020.

COVID-19

The COVID-19 pandemic has caused significant disruption for businesses around the world and has had a substantial impact on the global economy. The spread of the pandemic along with country-wide lockdowns resulted in the firm quickly implementing remote working for all its partners and staff across most geographical locations. The ongoing investment in IT infrastructure and the collaborative culture of its people has meant remote working has had minimal impact on the firm's ability to deliver services to clients.

A top priority for management throughout this time has been the health and wellbeing of partners and staff. The firm has put in place a number of initiatives in this regard; keeping people connected across the business both formally and informally, introducing flexible working hours, and implementing additional online support and training.

The Partnership's underlying performance for the current financial year, and prior to the restructure, has been satisfactory with the COVID-19 outbreak having minimal impact.

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 has 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:

Martin H Warren (resigned 30 October 2019)

Ian J B Gray (resigned 31 December 2020)

Helen E Thomas (appointed 29 August 2019; resigned 31 December 2020)

Keri E Rees (appointed 5 September 2019; resigned 31 December 2020)

Simon D Oats (appointed 5 September 2019; resigned 31 December 2020)

Keith Froud (appointed 19 September 2019; resigned 31 December 2020)

Robin S C Johnson (appointed 29 November 2019; resigned 31 December 2020)

ESG Holdco 1 LLP (appointed 31 December 2020)

ESG Holdco 2 LLP (appointed 31 December 2020)

Eversheds Sutherland (Germany) LLP

Members' Report for the Year Ended 30 April 2020 (continued)

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

During the year the members receive monthly drawings and from time to time, additional members' remuneration. 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. The monthly drawings represent payments on account of current year remuneration and may be reclaimable from members until profits have been allocated.

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.

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.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them as auditors will be proposed at the next Board meeting.

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.

Eversheds Sutherland (Germany) LLP

Members' Report for the Year Ended 30 April 2020 (continued)

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 27 April 2021 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 2020 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Members' Interests and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008.

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 the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter - basis of preparation

We draw your attention to note 1 of the financial statements which explain that the Limited Liability Partnership has ceased to trade subsequent to the balance sheet date, as the business operations have continued to trade in another structure and it is the members' intention that they will continue to do so going forward. Accordingly the financial statements have been prepared on a basis other than that of going concern as described in note 1. Our opinion is not modified in respect of this matter.

Other information

The Members are responsible for the other information. The other information comprises the information included in the Annual Report and Audited Financial Statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

Responsibilities of Members

As explained more fully in the Statement of members' responsibilities in respect of the financial statements, 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.

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

Use of our report

This report is made solely to the Limited Liability Partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied by Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. 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.

DocuSigned by:



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Andrew Radford (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor
London, UK

Date: 28 April 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Eversheds Sutherland (Germany) LLP**Profit and Loss Account for the Year Ended 30 April 2020**

	Note	2020 € 000	2019 € 000
Turnover	2	<u>57,752</u>	<u>49,704</u>
Staff costs	4	(26,096)	(23,496)
Depreciation and other amounts written off from tangible fixed assets	5	(649)	(515)
Other operating charges		<u>(8,707)</u>	<u>(8,010)</u>
		<u>(35,452)</u>	<u>(32,021)</u>
Operating profit	3	22,300	17,683
Interest receivable and similar income		3	3
Interest payable and similar expenses		<u>(163)</u>	<u>(85)</u>
Profit for the year before members' remuneration and profit shares		22,140	17,601
Members' remuneration charged as an expense		<u>(22,140)</u>	<u>(17,601)</u>
Result for the year available for discretionary division among members		<u><u>-</u></u>	<u><u>-</u></u>

Turnover and operating profit derive wholly from continuing operations.

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.

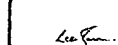
Eversheds Sutherland (Germany) LLP**(Registration number: OC396870)****Balance Sheet as at 30 April 2020**

	Note	2020 € 000	2019 € 000
Fixed assets			
Tangible assets	5	2,844	1,669
Current assets			
Debtors	6	23,832	24,644
Cash at bank and in hand		2,549	2,213
		<u>26,381</u>	<u>26,857</u>
Creditors: Amounts falling due within one year	7	<u>(18,836)</u>	<u>(21,950)</u>
Net current assets		<u>7,545</u>	<u>4,907</u>
Total assets less current liabilities		10,389	6,576
Provisions for liabilities	8	<u>(84)</u>	<u>(69)</u>
Net assets attributable to members		<u>10,305</u>	<u>6,507</u>
Represented by:			
Loans and other debts due to members			
Members' capital		5,108	4,941
Other amounts		5,197	1,566
		<u>10,305</u>	<u>6,507</u>
Total members' interests			
Loans and other debts due to members		<u>10,305</u>	<u>6,507</u>
		<u>10,305</u>	<u>6,507</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 17 of Eversheds Sutherland (Germany) LLP (registered number OC396870) were approved and authorised for issue by the members on 27 April 2021 and were signed on their behalf by:

DocuSigned by:



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Lee Ranson on behalf of ESG Holdco 1 LLP
Designated member

The notes on pages 10 to 17 form an integral part of these financial statements.

Eversheds Sutherland (Germany) LLP**Statement of Changes in Members' Interests
At 30 April 2020**

	Members' capital classified as a liability € 000	Other amounts € 000	Total loans and other debts due to members € 000
At 01 May 2018	4,472	3,502	7,974
Members' remuneration charged as an expense	-	17,601	17,601
Members' interests after profit for the year	4,472	21,103	25,575
Members' capital introduced	469	-	469
Drawings and distributions	-	(19,537)	(19,537)
At 30 April 2019	4,941	1,566	6,507

	Members' capital classified as a liability € 000	Other amounts € 000	Total loans and other debts due to members € 000
At 01 May 2019	4,941	1,566	6,507
Members' remuneration charged as an expense	-	22,140	22,140
Members' interests after profit for the year	4,941	23,706	28,647
Members' capital introduced	1,473	-	1,473
Repayments of capital	(1,306)	-	(1,306)
Drawings and distributions	-	(18,509)	(18,509)
At 30 April 2020	5,108	5,197	10,305

Eversheds Sutherland (Germany) LLP

Notes to the Financial Statements for the Year Ended 30 April 2020

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 has ceased to trade and the business is now operating under a new local structure in Germany. This new 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 break-up 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, any foreseeable losses on ongoing contracts and any impact on trade sectors considered to be materially affected by COVID-19.
- 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. Additional consideration has been given to review any debtors that are potentially significantly impacted by COVID-19 and specific provision has been made on this basis.
- Property provisions are made for dilapidations and surplus properties. These provisions require management's best estimate of the costs that will be incurred based on contractual requirements. In addition, the timing of the cash flows and the discount rates used to establish net present value of the obligations require management's judgement.

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 2020 (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.

COVID-19

The COVID-19 pandemic has caused significant disruption for businesses around the world and has had a substantial impact on the global economy. The spread of the pandemic along with country-wide lockdowns resulted in the firm quickly implementing remote working for all its partners and staff across most geographical locations. The ongoing investment in IT infrastructure and the collaborative culture of its people has meant remote working has had minimal impact on the firm's ability to deliver services to clients.

A top priority for management throughout this time has been the health and wellbeing of partners and staff. The firm has put in place a number of initiatives in this regard; keeping people connected across the business both formally and informally, introducing flexible working hours, and implementing additional online support and training.

The Partnership's underlying performance for the current financial year, and prior to the restructure, has been satisfactory with the COVID-19 outbreak having minimal impact.

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.

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 the Partnership 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 Partnership'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. Consequently, neither partnership taxation nor related deferred taxation is accounted for in these financial statements.

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:

Eversheds Sutherland (Germany) LLP

Notes to the Financial Statements for the Year Ended 30 April 2020 (continued)

1 Accounting policies (continued)

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

Impairment of assets

Assets that are subject to depreciation are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. If any such indication exists an impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Amounts recoverable on contracts

Amounts recoverable on contracts are stated at fair value where the right to consideration has been obtained. Where the substance of a contract is such that a right to consideration does not arise until the occurrence of a critical event that is outside the control of the Partnership, the asset and revenue are valued at nil.

Contract balances included in debtors are stated after provision has been made for any foreseeable losses and the deduction of applicable payments on account. Provision is made for losses on all contracts as soon as they are foreseen.

Trade debtors

Trade debtors are amounts due from customers for services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Partnership will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the Partnership does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Provision for property commitments

Provision is made for the value of unavoidable dilapidation costs payable at the end of the Partnership's property leases. The provision is not discounted as the impact of discounting is immaterial.

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.

Eversheds Sutherland (Germany) LLP

Notes to the Financial Statements for the Year Ended 30 April 2020 (continued)

1 Accounting policies (continued)

Financial instruments

Classification

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

Trade and other debtors are non-derivative financial assets with fixed or determinable payment that are not quoted in an active market. They are included in current assets, except for maturities greater than 12 months after the balance sheet date, which are classified as non-current assets.

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.

Insurance arrangements

Substantial insurance cover in respect of professional negligence claims is carried. Cover is principally written through the commercial market. Where appropriate, a provision is made for the expected outcome of the claims. No separate disclosure is made of the cost and nature of claims covered by insurance, as to do so could seriously prejudice the position of the Partnership.

2 Turnover

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

Eversheds Sutherland (Germany) LLP

Notes to the Financial Statements for the Year Ended 30 April 2020 (continued)

3 Operating profit

Operating profit is stated after charging:

	2020 € 000	2019 € 000
Audit fees	16	16
Depreciation and other amounts written off from tangible fixed assets:		
Owned assets	649	515
Foreign currency loss/(gain)	9	(32)
Rentals payable under operating leases		
Plant and machinery	2	34
Land and buildings	<u>3,621</u>	<u>3,379</u>

4 Staff costs

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

	2020 € 000	2019 € 000
Wages and salaries	20,924	18,198
Social security costs	2,697	2,645
Other pension costs	13	11
Other staff costs	<u>2,462</u>	<u>2,642</u>
	<u>26,096</u>	<u>23,496</u>

The average number of persons employed by the Partnership (including members) during the year, analysed by category was as follows:

	2020 No.	2019 No.
Members	44	38
Legal advisors	130	94
Administrative and support staff	<u>121</u>	<u>117</u>
	<u>295</u>	<u>249</u>

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 €1,535,221 (2019: €1,183,064).

Eversheds Sutherland (Germany) LLP**Notes to the Financial Statements for the Year Ended 30 April 2020 (continued)****5 Tangible fixed assets**

	Office furniture and fittings € 000	Computer and communications equipment € 000	Short leasehold improvements € 000	Total € 000
Cost				
At 01 May 2019	1,503	728	921	3,152
Additions	643	53	1,778	2,474
Disposals	(143)	(32)	(510)	(685)
At 30 April 2020	<u>2,003</u>	<u>749</u>	<u>2,189</u>	<u>4,941</u>
Accumulated depreciation				
At 01 May 2019	740	485	258	1,483
Provided in the year	239	185	225	649
Disposals	109	(109)	(35)	(35)
At 30 April 2020	<u>1,088</u>	<u>561</u>	<u>448</u>	<u>2,097</u>
Net book amount at 30 April 2020	<u>915</u>	<u>188</u>	<u>1,741</u>	<u>2,844</u>
Net book amount at 30 April 2019	<u>763</u>	<u>243</u>	<u>663</u>	<u>1,669</u>

6 Debtors

	2020 € 000	2019 € 000
Amounts recoverable on contracts	5,832	5,946
Trade debtors	16,655	18,004
Other debtors	954	381
Amounts owed by group undertakings	302	286
Prepayments	89	27
	<u>23,832</u>	<u>24,644</u>

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

Eversheds Sutherland (Germany) LLP**Notes to the Financial Statements for the Year Ended 30 April 2020 (continued)****7 Creditors: Amounts falling due within one year**

	2020	2019
	€ 000	€ 000
Trade creditors	1,818	1,316
Amounts owed to group undertakings	10,567	12,821
Other taxes and social security	765	2,280
Other creditors	358	371
Accruals and deferred income	5,328	5,162
	<u>18,836</u>	<u>21,950</u>

Amounts owed to group undertakings are unsecured, and repayable on demand. Interest is payable on the funding loan at a rate of 1.10% per annum.

Under the terms of the Members' Agreement, any distributions made to members which exceed the aggregate amount of profits due to them, may, in the event of a winding-up, be offset by the members against amounts due on capital account. Beyond this amounts due to members rank pari passu with other creditors, save that any remaining amounts designated as capital shall be subject to any law that may apply relating to the ranking of capital.

8 Provisions for liabilities

	Provision for dilapidations
	€ 000
At 1 May 2019	69
Provided in profit and loss account	<u>15</u>
At 30 April 2020	<u>84</u>

Dilapidations provisions are expected to be utilised at the lease end date. The provision is based on estimates prepared by management experts working with the group. These are not discounted as the time value of money is considered to be immaterial to the Partnership. The provision is expected to crystallise between two and ten years from the balance sheet date.

Eversheds Sutherland (Germany) LLP

Notes to the Financial Statements for the Year Ended 30 April 2020 (continued)

9 Leasing commitments

The Partnership had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

	2020		2019	
	Land and buildings € 000	Other € 000	Land and buildings € 000	Other € 000
Not later than one year	4,468	500	3,646	269
Later than one year and not later than five years	17,309	927	12,661	-
Later than five years	2,018	-	3,132	-
	<u>23,795</u>	<u>1,427</u>	<u>19,439</u>	<u>269</u>

10 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.

11 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 and Eversheds Sutherland (Germany) 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.

12 Post balance sheet events

In response to the UK's exit from the European Union on 31 December 2020, the Partnership has ceased to trade and is now operating under a new local structure in Germany. The members have determined that the restructure is a non-adjusting subsequent event with no impact on the recognition and measurement of assets and liabilities.