

Registration number: OC400962

Kier Foley Street LLP

Annual Report and Financial Statements

for the Year Ended 30 June 2019



Kier Foley Street LLP

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Kier Foley Street LLP

Limited liability partnership information

Designated members Kier Foley Street Holdco 1 LLP
Kier Foley Street Holdco 2 LLP

Registered office Tempsford Hall
Sandy
Bedfordshire
SG19 2BD

Independent Auditors PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Kier Foley Street LLP

Members' Report for the Year Ended 30 June 2019

The members present their report and the financial statements for the year ended 30 June 2019. The comparatives presented are for the year ended 30 June 2018.

Business Review

The trading results for the year are set out in the Statement of Comprehensive Income and Statement of Changes in Equity on pages 8 and 10 respectively.

Kier Foley Street LLP (The "LLP") made a loss of £32k (2018: profit of £1,202k). At 30 June 2019 the limited liability partnership had a net liability value of £31k (2018: net asset value of £1k)

Risks and uncertainties

The LLP is party to the Members' Risk Management and Internal Control systems. This requires the partnership to:

- Identify Risks and record them in the risk register;
- Diagnose and qualify the risk as to their likelihood and impact, record the controls established and monitor their effectiveness;
- Develop a plan to mitigate the likelihood and impact of the identified risks;
- Regularly review the risk registers and action plans; and
- Report key issues upwards to Members.

The Business, its objectives and strategy

Kier Foley Street LLP is a special purpose vehicle set up to purchase and refurbish an office building in London, this office building was completed and sold in the previous year.

The Board submits its annual report and the audited financial statements of Kier Foley Street LLP ("the LLP") for the year ended 30 June 2019.

Designated members

The member of the LLP who were in office during the year and up to the date of signing the financial statements were Kier Foley Street Holdco 1 LLP and Kier Foley Street Holdco 2 LLP. The designated members delegate their responsibilities on a day to day basis to the following individuals (collectively the "Board").

L Howard
L Thomas

Members' profit shares

Members are remunerated solely out of the profits of the LLP. The allocation of profits to those who were members during the financial period occurs following the finalisation of the bi-annual and annual financial statements.

The allocation of profits between members is determined by entitlements outlined in the Members' Agreement and is dependent on certain profit criteria being achieved.

Going concern

The members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. The LLP therefore continues to adopt the going concern basis in preparing its financial statements. Although the LLP has a net liability position it will receive support from its parents to ensure it is able to meet all future obligations as they fall due.

Kier Foley Street LLP

Members' Report for the Year Ended 30 June 2019 (continued)

Disclosure of information to the auditors

The board members who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the auditors are unaware; and each board member has taken all the steps that they ought to have taken as a board member to make themselves aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office - this intent has been agreed by the members.

Kier Foley Street LLP

Statement of Members' Responsibilities for the Year Ended 30 June 2019

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

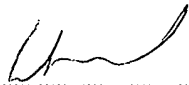
Company law requires the members to prepare financial statements for each financial year. Under that law the members have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law 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 the financial statements, the members are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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.

The members 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.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the limited liability partnership's transactions and 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 Companies Act 2006.

Approved by all designated members on 27 JANUARY 2020 and signed on their behalf by:



L Howard

Kier Foley Street LLP

Independent auditors' report to the members of Kier Foley Street LLP

Report on the audit of the financial statements

Opinion

In our opinion, Kier Foley Street LLP's financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 30 June 2019 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); 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 Companies Act 2006) Regulations 2008.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: Balance Sheet as at 30 June 2019; the Statement of Comprehensive Income, the Statement of Changes in Member's Interests and the Cashflow Statement for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained 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, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

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

We have nothing to report in respect of the above matters.

However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the limited liability partnership's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the limited liability partnership's trade, customers, suppliers and the wider economy.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the members for the financial statements

As explained more fully in the Statement of members' responsibilities in respect of the financial statements set out on page 4, the members are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The members are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinion, has been prepared for and only for the members of the partnership as a body in accordance with the Companies Act 2006 as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the limited liability partnership, 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.

We have no exceptions to report arising from this responsibility.



Alex Lazarus (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
27 January 2020

Kier Foley Street LLP

(Registration number: OC400962)

Statement of Comprehensive Income for the Year Ended 30 June 2019

	Note	2019 £ 000	2018 £ 000
Turnover		-	30,864
Cost of sales		-	(29,594)
Gross profit		-	1,270
Administrative expenses		(32)	(68)
Operating (loss)/profit		(32)	1,202
(Loss)/profit for the financial year available for discretionary division among members		(32)	1,202
Total comprehensive (loss)/profit for the financial year available for discretionary division among members		(32)	1,202

All activities relate to continuing operations.

Kier Foley Street LLP

(Registration number: OC400962)
Balance Sheet as at 30 June 2019

	Note	2019 £ 000	2018 £ 000
Current assets			
Debtors	4	197	389
Cash at bank and in hand		<u>9</u>	<u>421</u>
		206	810
Current liabilities			
Creditors: Amounts falling due within one year	5	<u>(237)</u>	<u>(809)</u>
Net current (liabilities)/assets		<u>(31)</u>	<u>1</u>
Net (liabilities)/assets attributable to members		<u>(31)</u>	<u>1</u>
Represented by:			
Members' other interests			
Other reserves		<u>(31)</u>	<u>1</u>
Total members' interests		<u>(31)</u>	<u>1</u>

The financial statements on pages 8 to 15 were approved by the members on 27 JANUARY 2020 and were signed on their behalf by:



L. Howard

Approved by all designated members and signed on their behalf.

Kier Foley Street-LLP

(Registration number: OC400962)
Statement of Changes in Members' Interests.
For the year ended 30 June 2019

	Members' capital £ 000	Other reserves £ 000	Total 2018 £ 000
Balance as at 1 July 2017	23,260	1,799	25,059
Profit for the financial year available for discretionary division among members and total comprehensive profit for the year	-	1,202	1,202
Members' interests after profit for the year	23,260	3,001	26,261
Capital repaid	(23,260)	-	(23,260)
Division of profits	-	(3,000)	(3,000)
Balance as at 30 June 2018	-	1	1

	Members' capital £ 000	Other reserves £ 000	Total 2019 £ 000
Balance as at 1 July 2018	-	1	1
Loss for the financial year available for discretionary division among members	-	(32)	(32)
Members' interests after loss for the year	-	(31)	(31)
Balance as at 30 June 2019	-	(31)	(31)

Kier Foley Street LLP

(Registration number: OC400962)

Cash Flow Statement for the Year Ended 30 June 2019

	Note	2019 £ 000	2018 £ 000
Net cash (outflow)/inflow from operating activities	6	<u>(412)</u>	<u>76,145</u>
Cash flows from financing activities			
Loan repayment		-	(49,528)
Capital repaid		-	(23,260)
Distribution to partners		<u>-</u>	<u>(3,000)</u>
Net cash outflow from financing activities		<u>-</u>	<u>(75,788)</u>
Net (decrease)/increase in cash and cash equivalents		(412)	357
Cash and cash equivalents at 1 July 2018/2017		<u>421</u>	<u>64</u>
Cash and cash equivalents at 30 June		<u><u>9</u></u>	<u><u>421</u></u>
Reconciliation to cash at bank and in hand:			
Cash at bank and in hand		<u><u>9</u></u>	<u><u>421</u></u>

The notes on pages 12 to 15 form an integral part of these financial statements.

Kier Foley Street LLP

Notes to the Financial Statements

1 Accounting policies

General information

Kier Foley Street LLP is a property development company set up to redevelop an office building in London.

Kier Foley Street LLP is a limited liability company incorporated in the United Kingdom. The address of its registered office is Tempsford Hall, Sandy, Bedfordshire, SG19 2BD.

Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued 2017. These financial statements have been prepared using the historical cost basis.

Cash drawings will only be distributed upon mutual consent of both partners. There has been and there is no intention to transfer equity into partner loans.

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Going concern

The members have a reasonable expectation that the LLP has adequate resources to continue in operational existence for the foreseeable future. The LLP therefore continues to adopt the going concern basis in preparing its financial statements. Although the LLP has a net liability position it will receive support from its parents to ensure it is able to meet all future obligations as they fall due.

Members' drawings

Cash drawings will only be distributed upon mutual consent of both partners. There has been and there is no intention to transfer equity into partner loans.

Turnover

Sale of property is recognised on unconditional exchange of contracts exclusive of VAT.

Kier Foley Street LLP

Notes to the Financial Statements (continued)

1 Accounting policies (continued)

Profit

Turnover in respect of property developments is taken on unconditional exchange of contracts on disposal of finished developments. Profit taken is subject to any amounts necessary to cover residual commitments relating to development performance. Provision is made for any losses foreseen in completing a development as soon as they become apparent.

Where developments are sold in advance of construction being completed, turnover and profit are recognised from the point of sale and as the significant outstanding acts of construction and development are completed. If a development is sold in advance of the commencement of construction, no turnover or profit is recognised at the point of sale. Turnover and profit are recognised in line with the progress on construction, based on the percentage completion of the construction and development work. If a development is sold during construction but prior to completion, revenue and profit are recognised at the time of sale in line with the percentage completion of the construction and development works at the time of sale and thereafter in line with the percentage of completion of the construction and development works.

Borrowing costs

As per FRS 102 all borrowing costs are capitalised when incurred in conjunction with the construction of a qualifying asset until the asset is deemed ready for sale.

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.

Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimates have been made include:

Stocks are held at cost and are deemed recoverable.

The members have made a judgement that preparation of the financial statements on a going concern basis is appropriate.

Kier Foley Street LLP

Notes to the Financial Statements (continued)

2 Auditors' remuneration

	2019 £ 000	2018 £ 000
Audit of the financial statements	<u>7</u>	<u>7</u>

3 Employee information

The LLP had no employees during the year (2018: none).

4 Debtors

	2019 £ 000	2018 £ 000
Debtors	180	385
Taxation and social security	14	-
Prepayments and accrued income	<u>3</u>	<u>4</u>
Total debtors	<u><u>197</u></u>	<u><u>389</u></u>

5 Creditors: Amounts falling due within one year

	2019 £ 000	2018 £ 000
Trade creditors	2	78
Taxation and social security	-	49
Accruals and deferred income	<u>235</u>	<u>682</u>
Total creditors	<u><u>237</u></u>	<u><u>809</u></u>

6 Cash flows from operating activities

	2019 £ 000	2018 £ 000
Operating (loss)/profit	(32)	1,202
Decrease in debtors	192	88,326
Decrease in creditors	<u>(572)</u>	<u>(13,383)</u>
Cash (outflow)/inflow from operations	<u>(412)</u>	<u>76,145</u>
Net cash (outflow)/inflow from operating activities	<u><u>(412)</u></u>	<u><u>76,145</u></u>

Kier Foley Street LLP

Notes to the Financial Statements (continued)

7 Related party transactions

Summary of transactions with other related parties

Kier Property Developments Limited ultimately owns 90% of the LLP and charged an accountancy fee of £15k during the year.

8 Ultimate controlling party

The partners of the LLP are Kier Foley Street Holdco 1 LLP and Kier Foley Street Holdco 2 LLP. Both the partners are registered in England and Wales and copies of their financial statements can be obtained from Companies House, Crown Way, Cardiff. The ultimate joint venture partners; Kier Property Developments Limited and Investec Investments (UK) Limited have common control and as such results are not consolidated in either partner's financial statements.