

Registration number: OC394092

# 3 Sovereign Square Holdings 2 LLP

Annual Report and Financial Statements

for the Year Ended 30 June 2019



### **3 Sovereign Square Holdings 2 LLP**

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### **3 Sovereign Square Holdings 2 LLP**

#### **Limited liability partnership information**

**Designated members** Kier Property Developments Limited  
Bruntwood Developments Holdings Limited

**Registered office** Tempsford Hall  
Sandy  
Bedfordshire  
SG19 2BD

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

### **3 Sovereign Square Holdings 2 LLP**

#### **Members' Report for the Year Ended 30 June 2019**

The members of 3 Sovereign Square Holdings 2 LLP (the "LLP") present their report and the audited financial statements for the year ended 30 June 2019.

##### **Partnership structure**

The LLP is a limited liability partnership registered in England and Wales. The LLP is a joint venture between Kier Property Development Limited and Bruntwood Development Holdings Limited, whereby Kier Property Development limited own 50% and Bruntwood Holdings Limited owns 50%. The Joint Venture partners have common control and equal rights.

##### **Principal activities**

3 Sovereign Square Holdings 2 LLP (the "LLP") holds an investment in 3 Sovereign Square LLP.

The Board submits its annual report and the audited financial statements of 3 Sovereign Square Holdings 2 LLP for the year ended 30 June 2019.

##### **Designated members**

The members of the LLP who were in office during the year and up to the date of signing the financial statements were Kier Property Developments Limited and Bruntwood Development Holdings Limited. The designated members delegate their responsibilities on a day to day basis to the following individuals (collectively the "Members").

L Howard  
T Gilman  
C Oglesby  
P Crowther

##### **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 year occurs following the finalisation of the 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.

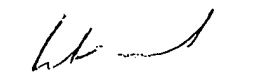
##### **Disclosure of information to the auditors**

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.

##### **Reappointment of independent auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

Approved by all designated members on 19<sup>th</sup> March 2020 and signed on their behalf by:



L Howard

### **3 Sovereign Square Holdings 2 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, as applied to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 (the "Regulations"), 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, as applied to limited liability partnerships, 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 year. 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 as applied to limited liability partnerships by the Regulations.

# ***Independent auditors' report to the members of 3 Sovereign Square Holdings 2 LLP***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, 3 Sovereign Square Holdings 2 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 result 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: the Balance Sheet as at 30 June 2019; the Statement of Comprehensive Income and the Statement of Changes in Members' Interests for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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### **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.

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### **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 of the United Kingdom's withdrawal 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.

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## **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.

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## **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 set out on page 3, 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](http://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.

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## **Other required reporting**

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### **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.

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#### **Entitlement to exemptions**

Under the Companies Act 2006 as applicable to limited liability partnerships we are required to report to you if, in our opinion, the members were not entitled to prepare financial statements in accordance with the small limited liability partnerships regime. 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  
19 March 2020



### 3 Sovereign Square Holdings 2 LLP

#### Statement of Comprehensive Income for the Year Ended 30 June 2019

	Note	2019 £ 000	2018 £ 000
Turnover		-	-
Share of joint venture losses	3	<u>-</u>	<u>(19)</u>
Result/(Loss) for the financial year available for discretionary division among members		<u>-</u>	<u>(19)</u>
Total comprehensive expense for the financial year available for discretionary division among members		<u>-</u>	<u>(19)</u>

All activities relate to continuing operations.

The notes on pages 10 to 11 form an integral part of these financial statements.

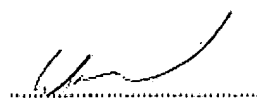
### 3 Sovereign Square Holdings 2 LLP

(Registration number: OC394092)

Balance Sheet as at 30 June 2019

	Note	2019 £ 000	2018 £ 000
<b>Fixed assets</b>			
Investments		-	-
Net assets attributable to members		-	-
<b>Represented by:</b>			
<b>Members' other interests</b>			
Total members' interests		-	-

The financial statements on pages 7 to 11 were approved by the members on 19<sup>th</sup> March 2020 and were signed on their behalf by:



L Howard

Approved by all designated members and signed on their behalf.

### 3 Sovereign Square Holdings 2 LLP

#### Statement of Changes in Members' Interests For the year ended 30 June 2019

	Other reserves £ 000	Total £ 000
At 1 July 2017	19	19
Loss for the financial year	(19)	(19)
At 30 June 2018	-	-
	Other reserves £ 000	Total £ 000
At 1 July 2018	-	-
Result for the financial year	-	-
At 30 June 2019	-	-

### **3 Sovereign Square Holdings 2 LLP**

#### **Notes to the Financial Statements**

##### **1 Accounting policies**

###### **General information**

The limited liability partnership is incorporated in England and Wales under the Limited Liability Partnership Act 2000. The address of the registered office is given on the limited liability partnership information page. The nature of the limited liability partnership's operations and its principal activities are given in the members' report.

###### **Statement of compliance**

These financial statements of 3 Sovereign Square Holdings 2 LLP have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, 'the Financial Reporting Standard applicable in the United Kingdom' and the Companies Act 2006 as applied by LLPs and the Statement of Recommended Practice (SORP), Accounting by Limited Liability Partnerships, issued in 2017. The financial statements have been prepared on the historic cost basis.

###### **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.

###### **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 partners loans.

###### **Investments**

Investments in joint ventures are accounted for at the cost of the initial capital contribution and losses recognised via equity accounting. Losses taken are restricted so as to write off the cost of the investment only.

###### **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.

###### **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:

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

All adopted accounting standards have been chosen due to their suitability.

###### **Financial instruments**

##### **2 Employee information**

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

### 3 Sovereign Square Holdings 2 LLP

#### Notes to the Financial Statements (continued)

##### 3 Investments

###### Investments in joint ventures

	2019 £ 000	2018 £ 000
At 1 July	-	19
Share of joint venture losses	-	(19)
At 30 June	-	-

The Partnership's investments comprised the issued members' capital of 3 Sovereign Square LLP which is incorporated in the United Kingdom and registered in England and Wales. 3 Sovereign Square Holdings 2 LLP holds a 50% investment in 3 Sovereign Square LLP. The recognition of 3 Sovereign Square Holdings 2 LLP's share of the loss of 3 Sovereign Square LLP has been restricted so as to write off the cost of the investment only as there is no legal or constructive obligation for 3 Sovereign Square Holdings 2 LLP to fund losses above its investment value. 3 Sovereign Square LLP made a loss of £46k for the year.

##### 4 Related party transactions

###### Summary of transactions with other related parties

The LLP holds an investment of £nil in 3 Sovereign Square LLP (2018: £nil).

The LLP is applying FRS 102 and is therefore taking advantage of the exemption from the requirements to disclose related party transactions entered into between two or more members of a group, where any subsidiary which is party to the transaction is wholly owned by such a member.

##### 5 Ultimate controlling party

The partners of the LLP are Kier Property Developments Limited and Bruntwood Development Holdings Limited, whereby Kier Property Developments Limited own 50% and Bruntwood Development Holding Limited own 50%.

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 joint venture partners have common control and as such results are not consolidated in either partner's financial statements.