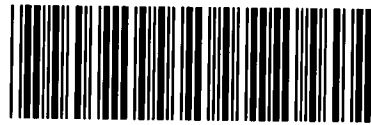


ZAHA HADID LIMITED
Strategic Report, Directors' Report and
Audited Financial Statements
for the Year Ended 30 April 2018

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ZAHA HADID LIMITED

**Contents of the Financial Statements
for the year ended 30 April 2018**

	Page
Company Information	1
Strategic Report	2
Directors' Report	7
Independent Auditors' Report	9
Statement of Comprehensive Income	11
Balance Sheet	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14
Trading and Profit and Loss Account	23

ZAHA HADID LIMITED

**Company Information
for the year ended 30 April 2018**

Directors:	Mr P Schumacher Mr J K Heverin Mr G Racana Mr C Walker Mr M Majidi Ms C B E Philipps Mr D Hexter
Secretary:	Mr K W Yao
Registered office:	Studio 9 10 Bowling Green Lane London EC1R 0BQ
Registered number:	03749443 (England and Wales)
Auditors:	Haines Watts Chartered Accountants & Statutory Auditor New Derwent House 69-73 Theobalds Road London WC1X 8TA
Bankers:	National Westminster Bank plc 34 Sloane Square London SW1W 8AZ

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2018

The directors present their strategic report for the year ended 30 April 2018.

Developing a record number of projects across six continents, ZHL continues to expand in established and new markets while its completed buildings demonstrate an on-going commitment to the highest standards of design, construction and sustainability.

The Americas

The architectural vision and innovative construction of ZHL's projects in the Americas have captured imaginations.

520 West 28th Street in New York City welcomed its first residents. Designed and constructed with ZHL's practiced understanding of material qualities and manufacturing techniques, 520 W 28th continues the rich tradition within New York's historic architecture of enhancing the public realm; its crafted steel façade resonates with the adjacent structures of the High Line.

Named building 'Project of the Year' by Society of American Registered Architects New York and voted 'Building of the Year' in the public poll to select the city's best new architecture, the new residents of 520 W 28th include successful recording artists and film-makers.

Listed by the New York Times as one of the most anticipated buildings of the year and described by the Discovery Channel as 'a revolutionary skyscraper like no other... a curved 62-storey work of art', the One Thousand Museum residential tower in Miami is nearing completion. The tower's design brings a continuity between its architecture and engineering with a seamless external structure creating generous living areas uninterrupted by internal columns.

In November, construction works began on the Bora Tower, the highest residential building in Mexico City. Incorporating over 220 apartments, each floor houses a variety of unit sizes to create an integrated and diverse community of families, professionals and retirees.

The arrangement and layout of Bora's apartments maximises natural light, ensures privacy and offers panoramic, double-aspect views from all units that are surrounded by balconies, providing residents with outdoor living areas.

Middle East

ZHL's 30 years of experience working throughout the Middle East and North Africa is enabling the practice to develop some of the region's most acclaimed projects.

Following the international competition, in early 2018 UAE developer Arada Developments appointed ZHL to design the Central Hub of the US\$6.5 billion Aljada development in Sharjah, UAE.

Developed with environmental considerations integrated throughout the design in an array of elliptical buildings that channel prevailing winds into civic spaces and courtyards to facilitate cooling and sustain a comfortable microclimate, the 1.9 million sq. ft. Central Hub will be the heart of its community and an important addition to the UAE's civic realm.

Sheikh Sultan III, Chairman of Arada, explained: "Zaha Hadid Architects is globally renowned for forward-thinking and transformational urban design. While all of the companies in this design competition offered outstanding proposals, Zaha Hadid Architects' integrated design approach matched our vision for Aljada's Central Hub as a truly engaging and interconnected destination for our community."

The Bee'ah Headquarters topped out in December. Working towards cleaner air & water, renewable energy and zero waste to landfill, Bee'ah is the Middle East's largest provider of environmental solutions. The new headquarters embodies these principles and has been designed in response to its natural environment with ultra-low carbon and minimal water consumption in operation and minimised material consumption in construction.

In March 2018, CNN explained: "The Bee'ah Headquarters is something unique... breaking boundaries and pushing architecture in a different direction than the region is used to."

Also in March, the roof of Al-Wakrah Stadium, Qatar completed. The stadium's design echoes the upturned hulls of the traditional dhow boats stored on Al Wakrah's beaches by local fishermen when returning to land; the hulls' fluid lines expressed in the stadium's structure, façade and roof.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2018

Hosting 40,000 spectators during the 2022 FIFA World Cup, the stadium will reduce to 20,000 seats in its legacy mode - the optimum capacity as the home ground of the local professional football team, Al Wakrah Sport Club. The stadium's upper tiers of spectator seating have been designed to be dismantled and rebuilt in developing countries in need of sporting infrastructure.

The King Abdullah Petroleum Studies and Research Centre (KAPSARC) in Riyadh hosted its first public event in September and was described by the New York Times as a design showcasing how 'architectural beauty and sustainability are not mutually exclusive'.

Inaugurated by Saudi Arabia's King Salman, KAPSARC is a non-profit institution that brings together people from around the world to research and tackle energy challenges for the benefit of society and the environment. The KAPSARC building was awarded LEED Platinum certification and named Saudi Arabia's 'smartest' building in the Honeywell Smart Building Awards programme, based on criteria that include environmental sustainability, safety & productivity.

Asia

ZHL's continues to deliver some of Asia's most popular projects with innovative designs that look to the future, while celebrating the present and honouring the past.

India's Prime Minister Modi laid the foundation stone of the new Navi Mumbai International Airport (NMIA) in February 2018. ZHL was appointed as NMIA's architect following an international design competition held by GVK, operators of Mumbai's existing international airport that is approaching capacity.

An important addition to Mumbai and the state of Maharashtra's transport infrastructure, NMIA is integral to sustaining the region's growth. With a planned capacity of 60+ million passengers per year, the new airport is being constructed in Navi Mumbai and will connect with local and national rail networks as well as the planned Mumbai Trans Harbour Link to the city centre.

Early in 2018, ZHL announced it has won the design competition to build a new office and retail tower for Henderson Land, a leading developer in Hong Kong.

Located at No. 2 Murray Road, on the first commercial land to be sold by Hong Kong's government within the city's prime central location since 1996, the tower is being developed on the world's most valuable site; purchased by Henderson Land for £2.2 billion (£750,000/m²). Targeting completion in 2022, this landmark tower is being developed to the highest international accreditations.

The Morpheus Hotel recently opened in Macau. Developed for Melco, one of Asia's largest developers of entertainment resorts, the 40-storey, 150,000m² tower includes 780 guest rooms and suites; its design combines dramatic public spaces and generous guest rooms with innovative engineering and formal cohesion.

Built over the existing abandoned foundations of an unrealized tower, the design optimises the hotel's interiors with the world's first free-form high-rise exoskeleton. Vortices within the structure create external voids through the full-height atrium and define the hotel's spectacular public spaces.

Lawrence Ho, chairman and CEO of Melco Resorts said, "From the very beginning, we shared Zaha Hadid Architects' vision. Morpheus offers a journey of the imagination: a contemporary masterpiece that will be enjoyed by many generations to come."

The comprehensive parametric model ZHL developed for the Morpheus combined all of the hotel's aesthetic, structural and fabrication requirements; enabling every new contribution from the global design and construction teams to be recalibrated, analyzed and checked by highly automated systems in real time.

ZHL is an industry leader in the development and application of new technologies that are increasing efficiencies and quality. These innovations are radically improving how the built environment will be planned and constructed in the future.

Chinese president Xi Jinping announced the new Beijing International Airport designed by ZHL and ADP Ingénierie will commence operations on October 1st 2019. The 780,000m² building with ground transport centre will be the world's largest passenger terminal. Initially serving 72 million passengers per year, the airport has been designed for further expansion to accommodate 100 million passengers and 4 million tonnes of cargo annually.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2018

Europe

ZHL's projects in Europe are revitalising districts in some of the most historic cities across the continent.

The new Port House in Antwerp was named the world's 'Best Refurbished Building' at the MIPIM Awards, commended by the Architectural Review's 'New Into Old' Awards and nominated by London's Design Museum as the 'Design of the Year'. Its design repurposes, renovates and extends a derelict fire station into a new headquarters for Europe's second busiest shipping port.

In September, ZHL was awarded the masterplan for the Old City Harbour in Tallinn. Consolidating and improving the vital activities of the expanding port while also offering land for civic use and development, the masterplan links together disparate districts of the city, creating a vibrant new community for the city and its port to grow while preserving Tallinn's medieval city centre, a UNESCO World Heritage Site.

Valdo Kalm, chairman of the Port of Tallinn, explained: "Zaha Hadid Architects' masterplan stood out for its innovative and integrated approach to Tallinn's maritime gateway. They have very skilfully created a balanced connection between urban space and the port area with some carefully considered solutions."

The Generali Tower and CityLife Shopping District at CityLife, Milan also completed. One of Europe's biggest redevelopment projects, CityLife opens the abandoned 90-acre trade fair grounds near the centre of Milan to year-round public use and is the largest new civic space created in the city for 130 years.

CityLife Shopping district opened in December and has become one of the city's most popular destinations. The 32,000m² CityLife Shopping District integrates indoor and outdoor piazzas, food halls, restaurants, cafes, shops and cinema within the new park and is on schedule to welcome eight million visitors this year.

Aligned at ground level with three of the city's primary axes that converge within CityLife, the 170m (44-storey) Generali Tower accommodates up to 3,900 employees to meet their continued growth as one of the world's largest financial institutions. As the tower rises offering broader views across Milan, the tower twists to orientates the its higher floors with the city's southeast axis leading to Bramante's 15th Century tribune of Santa Maria della Grazie.

The tower excels in all international benchmarks for efficiency while respecting Milan's rigorous local building codes. Its double-façade of sun-deflecting louvers flanked by glazing provides extremely efficient environmental control for each floor and ensures excellent energy performance, contributing to the Generali Tower's LEED Platinum certification.

The Sberbank Technopark in Moscow was awarded planning permission, receiving the 'State Expertise' certification for its innovative design that includes large communal spaces, atria and cantilevered facades.

Vauxhall Cross Island in London creates a vibrant new public square adjacent to the busy rail, underground and bus interchange. Integrating 257 new homes, a 600-room hotel and 21,000m² of office space, shops and restaurants within two towers of 53 and 42 storeys, the mixed-use design provides vital civic space, amenities and employment for the growing Vauxhall community.

London's Lambeth Council's planning committee recently approved the Vauxhall Cross Island proposal, explaining it to be a project of "very high design quality that responds appropriately to its context."

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2018

Future developments

Despite the continued uncertain and difficult global economic situation, the directors are pleased with the company's progress on existing projects and its continuing ability to win new contracts. They expect that this success will be maintained for the foreseeable future. Revenue and staff numbers are forecast to increase in the coming year as our project pipeline increases.

Architecture does not exist in a bubble. A collective, multidisciplinary approach problem-solving is a foundation of ZHL. Employing robotics, 3D printing, artificial intelligence, virtual reality, data analytics and digital fabrication, ZHL's research and application of evolving technologies is advancing how the industry designs and constructs.

ZHL's Analytics & Insights unit (ZH AI) is pioneering the design of workplaces that enhance wellbeing and performance; applying computational analytics with tools that simultaneously balance the unique preferences of thousands of individual staff and instantaneously analyse the user benefits of multiple design options.

Developing new technologies, algorithms and machine learning, ZH AI is designing workplaces that are tailor-made to overall and individual wellness more adaptive to changing needs.

Setting new standards for global best practice, ZHL's Computation & Design research team (ZH CODE) is a global leader in the development of parametric computational tools including the scripting techniques, agent based modelling and simulations that make customization possible; enabling ZHL to provide clients with infinite alternatives at the same cost as traditional standardized construction and manufacturing methods.

Principal risks and uncertainties

The company and its management are faced with the following principal risks and uncertainties:

Recruiting and retaining staff of the appropriate experience and calibre - Our business' success depends on us being able to recruit and retain sufficient architects and associated professionals with the highest level of design skills and experience. We provide our team the opportunity to work on very innovative and significant projects worldwide, we provide training and development for all staff and we constantly review/appraise their development and skills. We create an environment which is collaborative and inclusive at all levels attracting the highest calibre creative staff. There is considerable uncertainty on the post-Brexit visa arrangements for skilled persons moving to and working in the UK. We are monitoring developments in this area and its possible impact on our UK recruitment.

The global market for construction projects - we constantly evaluate our pipeline of new projects to create a diverse portfolio of projects with wide geographical spread in order to reduce the risk of dependencies on any one geographic market.

Competition within the sector both in the UK and internationally - Competition in the UK for architectural contracts is currently very challenging, but our global customer spread has mitigated the effect of this on our business. Internationally, we strive to achieve the highest possible standards in everything we do.

ZAHA HADID LIMITED

Strategic Report
for the year ended 30 April 2018

Financial risks

The company's operations expose it to a variety of financial risks that include funding risk, liquidity risk, foreign currency risk and credit risk.

Funding risk

Treasury policies are designed to manage the main financial risks faced by the company in relation to funding and investment. These policies ensure that any borrowings and investment are with high quality counterparties; are limited to specific instruments; the exposure to any one counterparty or type of instrument is controlled; and the company's exposure to exchange rate movements is monitored. No transactions of a purely speculative nature are undertaken. The directors monitor the company's financing through regular review of trading performance and authorise all significant transactions.

Liquidity risk

The company meets its monthly operating cash requirements in the normal course of business using monthly cash inflows from customers. Management maintain a forecast income model with sensitivity analysis to ensure that the company has sufficient liquid resources to discharge its obligations as they fall due for payment.

In line with other architects practices of its size, the company has a substantial working capital requirement both in respect of trade debtors and liquid resources. This working capital requirement is reviewed periodically in the context of forecast revenue and costs.

Foreign currency risk

The company operates internationally and therefore has a number of contracts denominated in non-sterling currencies. The company manages its exposure to foreign exchange movements by converting significant foreign currency cash balances into sterling as soon as practicable. The company does not hold any financial instruments designed to manage fluctuations in foreign exchange rates.

Credit risk

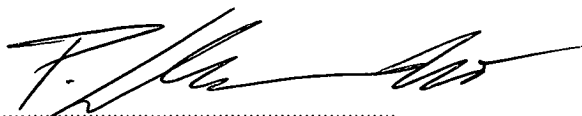
Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board. All customers who wish to trade on credit terms are subject to credit verification procedures. The diversity of our work means that our customers include public and private companies, national, state and local governments and state owned companies. This requires us to operate across many different legal jurisdictions and accept the associated legal and political risks to recovery of trade debts. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

Key performance indicators

The directors have historically been unable to quantify the creative design produced by the group in terms of key performance indicators (KPIs), however the board will consider suitable KPIs for inclusion in future financial statements.

Turnover of £43.5m is slightly down on last year (£44.1m) despite a rise in headcount of 4% to 363 from 348 reflecting movements in the group's workflow. Indeed there are a number of projects which began shortly before the year end requiring staff resources to be increased.

On behalf of the board:



Mr P Schumacher - Director

Date: 31 January 2019

ZAHA HADID LIMITED

**Directors' Report
for the year ended 30 April 2018**

The directors present their report with the financial statements of the company for the year ended 30 April 2018.

Principal activity

The principal activity of the company in the year under review was that of architects and designers.

Dividends

An interim dividend of £4,500,000 was paid during the year.

Directors

The directors shown below have held office during the whole of the period from 1 May 2017 to the date of this report.

Mr P Schumacher
Mr J K Heverin
Mr G Racana
Mr C Walker
Mr M Majidi

Other changes in directors holding office are as follows:

Mr N P D Calvert - resigned 6 March 2018
Ms C B E Philipps - appointed 21 March 2018
Mr D Hexter - appointed 21 March 2018

Charitable donations

	2018	2017
	£	£
Charitable Donations	<u>70,737</u>	<u>21,822</u>

Donations of £70,654 were made to The Zaha Hadid Foundation.

Employee involvement

The company's policy is to consult and discuss with employees matters likely to affect employees' interests using appropriate content and methods of communication.

Disabled persons

The company has an equal opportunities policy to ensure that it recruits and retains the best applicants. Once employed, a career plan is developed so as to ensure suitable opportunities for all employees including those with a disability. Arrangements are made, wherever possible, to make reasonable adjustments as appropriate for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors 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 accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

ZAHA HADID LIMITED

Directors' Report
for the year ended 30 April 2018

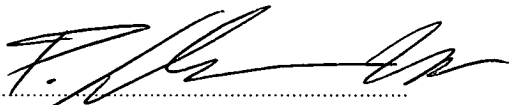
Directors' responsibilities statement - continued

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board:



Mr P Schumacher - Director

Date: 31 January 2019

**Independent Auditors' Report to the Members of
Zaha Hadid Limited**

Opinion

We have audited the financial statements of Zaha Hadid Limited (the 'company') for the year ended 30 April 2018 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity 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 company's affairs as at 30 April 2018 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.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company 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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company'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.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Directors' Report, but does not include the financial statements and our Auditors' 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.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, 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
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**Independent Auditors' Report to the Members of
Zaha Hadid Limited**

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement, the directors 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 directors determine 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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 Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Jonathan Moughton (Senior Statutory Auditor)
for and on behalf of Haines Watts
Chartered Accountants & Statutory Auditor
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

Date:

31 January 2019

ZAHA HADID LIMITED

**Statement of Comprehensive Income
for the year ended 30 April 2018**

	Notes	2018 £	2017 £
Turnover	3	43,489,171	44,069,381
Cost of sales		<u>(27,444,244)</u>	<u>(30,407,786)</u>
Gross profit		16,044,927	13,661,595
Administrative expenses		<u>(11,826,114)</u>	<u>(9,987,558)</u>
Operating profit		4,218,813	3,674,037
Interest receivable and similar income		<u>37,565</u>	<u>34,052</u>
Profit before taxation	6	4,256,378	3,708,089
Tax on profit	8	<u>531,281</u>	<u>758,193</u>
Profit for the financial year		4,787,659	4,466,282
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>4,787,659</u></u>	<u><u>4,466,282</u></u>

The notes form part of these financial statements

Balance Sheet
30 April 2018

	Notes	£	2018 £	£	2017 £
Fixed assets					
Tangible assets	10		393,478		211,175
Investments	11		110,060		110,060
			<u>503,538</u>		<u>321,235</u>
Current assets					
Debtors	12	23,754,058		22,535,579	
Cash at bank and in hand		5,933,645		13,014,681	
		<u>29,687,703</u>		<u>35,550,260</u>	
Creditors					
Amounts falling due within one year	13	16,948,632		22,916,545	
			<u>12,739,071</u>		<u>12,633,715</u>
Net current assets					
			<u>13,242,609</u>		<u>12,954,950</u>
Total assets less current liabilities					
			<u>13,242,609</u>		<u>12,954,950</u>
Capital and reserves					
Called up share capital	15		2		2
Retained earnings	16		13,242,607		12,954,948
			<u>13,242,609</u>		<u>12,954,950</u>
Shareholders' funds					
			<u>13,242,609</u>		<u>12,954,950</u>

The financial statements were approved by the Board of Directors on 31 January 2019 and were signed on its behalf by:


.....
Mr P Schumacher - Director

ZAHA HADID LIMITED

Statement of Changes in Equity
for the year ended 30 April 2018

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2016	2	8,488,666	8,488,668
Changes in equity			
Total comprehensive income	-	4,466,282	4,466,282
Balance at 30 April 2017	2	12,954,948	12,954,950
Changes in equity			
Dividends	-	(4,500,000)	(4,500,000)
Total comprehensive income	-	4,787,659	4,787,659
Balance at 30 April 2018	2	13,242,607	13,242,609

The notes form part of these financial statements

ZAHA HADID LIMITED

Notes to the Financial Statements for the year ended 30 April 2018

1. Statutory information

Zaha Hadid Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared on a going concern basis. The directors have reviewed the company's financial position, its projected fee income and expenses, and forecast cash flows for a period of at least one year from the date of approval of these financial statements. After due consideration of the risks set out in the Strategic Report, the directors are satisfied that the company has sufficient forecast income and working capital to allow it to meet all of its obligations as they fall due.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Turnover

Turnover represents amounts received or receivable for architectural and design services net of VAT.

When the outcome of a contract can be estimated reliably, contract costs and turnover are recognised by reference to the stage of completion at the balance sheet date. Where the outcome cannot be measured reliably, contract costs are recognised as an expense in the period in which they are incurred and contract turnover is recognised to the extent of costs incurred that it is probable will be recoverable. The company bases its assessment of reliability on historical results and on customer and project specific factors.

Turnover not billed to clients is included in Amounts recoverable on contracts and payments on account in excess of the relevant amount of revenue are included in Payments on account.

Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	25% straight line
Motor vehicles	25% straight line

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost.

Taxation

Taxation for year comprises current and deferred tax. Tax is recognised in the income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable or receivable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. The company is a beneficiary of Research & Development (R&D) tax relief from the UK Government in the form of reductions in its annual tax liability, as well as repayable tax credits. Current tax assets or reductions in current tax liabilities for R&D claims are only recognised when the amount can be reliably determined and the probability of HM Revenue & Customs accepting the claim is considered high.

ZAHA HADID LIMITED

Notes to the Financial Statements - continued for the year ended 30 April 2018

2. Accounting policies - continued

Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits

Foreign currencies

Foreign currency transactions are translated into the functional currency (UK £) using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. At the balance sheet date all leases are classified as operating leases.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the term of the relevant lease. Benefits received and receivable as an incentive to enter into an operating lease are also spread on a straight line basis over the lease term.

Employee benefits

Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered. Contributions to defined contribution pension schemes are charged to profit or loss as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the balance sheet.

Financial instruments

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

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

ZAHA HADID LIMITED

**Notes to the Financial Statements - continued
for the year ended 30 April 2018**

2. Accounting policies - continued

Key sources of estimation uncertainty and judgements

The preparation of financial statements in conformity with generally accepted accounting practice requires management to make estimates and judgement that affect the reported amounts of assets and liabilities as well as the disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period.

The company engages in projects which can take many years to complete. The directors therefore must make estimations in terms of the level of revenue to recognise within each set of annual financial statements. These calculations are determined by the estimated level of completion on these projects and the expected profitability. Such estimations are by their nature judgemental but are backed by reviews of correspondence and resourcing forecasts performed post year end.

There is estimation uncertainty in calculating bad debt provisions. A full line by line review of trade debtors is carried out at the end of each month. Whilst every attempt is made to ensure that the bad debt provisions are as accurate as possible, there remains a risk that the provision do not match the level of debts which ultimately prove to be uncollectable.

3. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2018	2017
	£	£
United Kingdom	2,868,620	1,400,546
Europe	14,393,641	14,014,071
United States of America	1,910,850	1,855,909
South America	626,042	379,409
Asia	11,488,284	6,869,006
Africa	675,332	1,636,043
Central America	-	1,628,134
Middle East	8,444,039	12,580,067
Australia	3,082,363	3,706,196
	43,489,171	44,069,381

4. Employees and directors

	2018	2017
	£	£
Wages and salaries	16,895,152	18,680,218
Social security costs	1,974,057	2,255,470
Other pension costs	162,772	161,500
	19,031,981	21,097,188

The average number of employees during the year was as follows:

	2018	2017
Directors	7	6
Production	314	305
Administration	42	37
	363	348

ZAHA HADID LIMITED

**Notes to the Financial Statements - continued
for the year ended 30 April 2018**

4. Employees and directors - continued

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £162,772 (2017: 161,500).

5. Directors' emoluments

Directors' Remuneration	2018	2017
	£	£
Directors' remuneration for qualifying services	2,366,582	2,084,376
Pension	1,386	1,955
	2,367,968	2,086,331

The emoluments of the highest paid director charged in these financial statements were £819,252 (2017: £693,606).

During the period retirement benefits were accruing to 6 directors (2017 - 6) in respect of defined contribution pension schemes.

In addition, during the year accrued remuneration of £4,495,124 was paid to one of the directors representing accumulated remuneration which had been charged in the relevant financial statements but had not previously been drawn. When added to that director's remuneration in respect of 2018 the amount paid in the year was £5,314,376.

Key management personnel includes all directors across the company who together have authority for planning, directing and controlling the activities of the company.

6. Profit before taxation

The profit is stated after charging/(crediting):

	2018	2017
	£	£
Other operating leases	2,043,867	1,831,624
Depreciation - owned assets	220,919	167,902
Profit on disposal of fixed assets	-	(12,917)
(Profit)/loss on foreign exchange transactions	277,279	(1,869,498)
	2,542,065	1,117,111

7. Auditors' remuneration

	2018	2017
	£	£
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	45,000	45,000
Total audit fees	45,000	45,000
Accountancy services	-	5,388
Taxation advisory services	140,093	169,610
Payroll services	7,274	1,700
Consultancy services	11,392	32,038
Total non-audit fees	158,759	208,736
Total fees payable	203,759	253,736

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2018

8. Taxation

Analysis of the tax credit

The tax credit on the profit for the year was as follows:

	2018 £	2017 £
Current tax:		
UK corporation tax	-	853,640
Corporation tax prior year	(1,151,681)	(1,601,933)
Total current tax	(1,151,681)	(748,293)
Deferred tax	620,400	(9,900)
Tax on profit	(531,281)	(758,193)

UK corporation tax has been charged at 19% (2017 - 20%).

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2018 £	2017 £
Profit before tax	4,256,378	3,708,089
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 20%)	808,712	741,618
Effects of:		
Expenses not deductible for tax purposes	41,271	40,277
Adjustments to tax charge in respect of previous periods	(1,151,681)	(1,601,933)
Other tax adjustments	(229,583)	61,845
Total tax credit	(531,281)	(758,193)

The adjustment to corporation tax prior year relates to a successful R&D tax credit claim made during the year and subsequently received.

9. Dividends

	2018 £	2017 £
Interim	4,500,000	-

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2018

10. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 May 2017	1,525,627	20,894	1,546,521
Additions	403,222	-	403,222
Disposals	(400,000)	-	(400,000)
At 30 April 2018	<u>1,528,849</u>	<u>20,894</u>	<u>1,549,743</u>
Depreciation			
At 1 May 2017	1,314,452	20,894	1,335,346
Charge for year	220,919	-	220,919
Eliminated on disposal	(400,000)	-	(400,000)
At 30 April 2018	<u>1,135,371</u>	<u>20,894</u>	<u>1,156,265</u>
Net book value			
At 30 April 2018	<u>393,478</u>	-	<u>393,478</u>
At 30 April 2017	<u>211,175</u>	-	<u>211,175</u>

11. Fixed asset investments

	Shares in group undertakings £
Cost	
At 1 May 2017 and 30 April 2018	<u>110,060</u>
Net book value	
At 30 April 2018	<u>110,060</u>
At 30 April 2017	<u>110,060</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

Zaha Hadid Architectural Design Consulting Limited

Registered office: China

Nature of business: Design

Class of shares:	%		
Ordinary	holding	2018	2017
	100.00	£	£
Aggregate capital and reserves		132,312	157,671
Loss for the year		<u>(25,359)</u>	<u>(12,078)</u>

ZAHA HADID LIMITED

**Notes to the Financial Statements - continued
for the year ended 30 April 2018**

11. Fixed asset investments - continued

Zaha Hadid (Hong Kong) Limited

Registered office: Hong Kong

Nature of business: Architects

	%		
Class of shares:	holding		
Ordinary	100.00		
		2018	2017
		£	£
Aggregate capital and reserves		59,876	59,163
Loss for the year		(713)	(12,503)
		<u><u> </u></u>	<u><u> </u></u>

Zaha Hadid Architectural Design Consulting (Beijing) Ltd

Registered office: China

Nature of business: Design

	%		
Class of shares:	holding		
Ordinary	100.00		
		2018	2017
		£	£
Aggregate capital and reserves		1,377,523	1,212,369
Profit for the year		181,248	895,064
		<u><u> </u></u>	<u><u> </u></u>

Zaha Hadid (Project Management) Limited

Registered office: England

Nature of business: Design

	%		
Class of shares:	holding		
Ordinary	100.00		
		2018	2017
		£	£
Aggregate capital and reserves		254,968	384,564
Loss for the year		(129,596)	(12,219)
		<u><u> </u></u>	<u><u> </u></u>

12. Debtors: amounts falling due within one year

	2018	2017
	£	£
Trade debtors	13,288,566	8,072,403
Amounts owed by group undertakings	5,350,868	6,024,612
Amounts recoverable on contracts	1,667,819	2,643,299
Other debtors	329,622	2,354,403
Directors' current accounts	38,834	-
Corporation Tax	1,052,288	1,583,583
VAT	795,966	145,267
Deferred tax asset	29,400	649,800
Prepayments and accrued income	1,200,695	1,062,212
	<u><u>23,754,058</u></u>	<u><u>22,535,579</u></u>

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2018

12. Debtors: amounts falling due within one year - continued

Deferred tax asset	2018	2017
	£	£
Accelerated capital allowances	29,400	47,300
Other timing differences	-	602,500
	<u>29,400</u>	<u>649,800</u>

13. Creditors: amounts falling due within one year

	2018	2017
	£	£
Payments on account	10,655,213	10,225,757
Trade creditors	3,080,452	2,438,954
Social security and other taxes	518,401	532,710
Other creditors	17,955	8,899
Accruals and deferred income	2,676,611	9,710,225
	<u>16,948,632</u>	<u>22,916,545</u>

14. Leasing agreements

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	1,541,731	1,458,728
Between one and five years	3,947,466	4,858,968
In more than five years	45,477	591,204
	<u>5,534,674</u>	<u>6,908,900</u>

15. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

16. Reserves

	Retained earnings
	£
At 1 May 2017	12,954,948
Profit for the year	4,787,659
Dividends	(4,500,000)
At 30 April 2018	<u>13,242,607</u>

17. Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

ZAHA HADID LIMITED

Notes to the Financial Statements - continued for the year ended 30 April 2018

17. Related party disclosures - continued

During the year, the company paid direct costs of £1,468,534 (2017: £2,018,177); a fee for the use of the trademark of £1,615,948 (2017: £2,264,130) and £nil (2017: £480,000) for exhibition and marketing activities to companies under common control by The Estate of Dame Zaha Hadid. At the year end, the company owed £329,621 (2017: £757,190) to such companies and was owed £230,738 (2017: £2,527,927).

During the year the company paid £nil (2017: £370,984) of expenditure on behalf of The Estate of Dame Zaha Hadid.

During the year, the company paid £105,451 (2017: £nil) of personal expenditure on behalf of a director. At the year end, £38,834 (2017: £nil) was owed by the director.

During the year, donations of £70,737 (2017: £nil) and fee for the use of the trademark of £782,417 (2017: £nil) were paid to The Zaha Hadid Foundation, which is controlled by The Estate of Dame Zaha Hadid.

18. Ultimate controlling party

The ultimate parent company is Zaha Hadid Holdings Limited, a company registered in England and Wales.

Zaha Hadid Holdings Limited prepares group financial statements and copies can be obtained from Companies House.

The ultimate controlling party is The Estate of Dame Zaha Hadid.