

ZAHA HADID LIMITED
Strategic Report, Directors' Report and
Financial Statements
for the Year Ended 30 April 2016

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ZAHA HADID LIMITED

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for the year ended 30 April 2016**

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ZAHA HADID LIMITED

**Company Information
for the year ended 30 April 2016**

Directors:	Mr P Schumacher Mr N P D Calvert Mr J K Heverin Mr G Racana Mr C Walker Mr M Majidi
Secretary:	Mr K W Yao
Registered office:	Studio 9 10 Bowling Green Lane London EC1R 0BQ
Registered number:	03749443
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 2016

The directors present their strategic report for the year ended 30 April 2016.

Shortly before her passing in March 2016, Zaha Hadid was awarded the Royal Gold Medal by the RIBA in recognition of the firm's advancement of architecture. Zaha Hadid has left the practice (ZHL) with very solid foundations and it continues as one of the world's most innovative architecture and design studios.

Patrik Schumacher, the firm's principal, worked with Zaha Hadid for almost thirty years, while ZHL's board of directors includes some of the most experienced architects in the industry, collaborating with Zaha Hadid for decades to deliver renowned projects across the globe.

Reflecting unprecedented growth of the practice and increased demand from clients around the world, ZHL was named the UK's 'Fastest Growing Practice' by the AJ100, the authoritative study of the business of architecture in the UK, in June this year.

ZHL continues to develop the potential of global markets and sectors, recently announcing important new commissions in cities around the world including Moscow, Prague, Nuremberg, New York, Doha and Bournemouth.

In Moscow, ZHL was selected to build the Sberbank Technopark at the Skolkovo Innovation Centre. Considered to be Russia's Silicon Valley, Skolkovo is home to the laboratories and campuses of Russia's fast developing IT, biomedical, energy, nuclear and space industries. Established in 1841, Sberbank is the market leader of the Russian banking and economic circulatory system with over 70% of Russia's population relying on Sberbank's services. The 131,000m² Sberbank Technopark will be the bank's cradle of innovation for its 12,000 IT and marketing staff.

In the Czech Republic, ZHL announced it is working with the Penta, the City of Prague and a consortium of local partners including Czech Railways and ING Real Estate to regenerate the site adjacent to the city's Masaryk Railway Station into a new central business district, with approximately 90,000m² of mixed-use office, retail and public spaces.

The existing convention hall by ZHL at NürnbergMesse, Germany was completed in 2014 and has seen record growth in exhibitor and visitor numbers. With this success, NürnbergMesse again commissioned ZHL to build their newest convention hall.

Leading US real estate developers, Moinian Group also announced their collaboration with ZHL for a new residential development and cultural institution at 220 Eleventh Avenue in Manhattan's West Chelsea neighbourhood.

Working with Al Alfia, one of Qatar's largest holdings of companies in the Middle East's real estate and construction sectors, ZHL announced two new 70,000m² hotel and residential projects in the region.

ZHL's outstanding record for creating some of the world's most popular civic spaces led to the appointment as the architects of Bournemouth's new cultural quarter, linking the town centre with its renowned seafront and beaches.

Over the period, ZHL projects in Asia and Australia reached important construction milestones.

Construction began on the site of the Beijing New Airport Terminal, the world's largest passenger terminal. The 700,000m² building and ground transportation centre will open in 2019 for 45 million passengers each year, with future expansion to enable 75 million passengers to pass through the terminal annually.

The King Abdullah Financial District rail station in Riyadh also began construction. With multiple platforms over four levels, the station will serve as a key interchange on the city's new urban rail network, wholly integrated within the financial district as a multimodal transport hub for the 9 million residents in Riyadh's metropolitan area.

The City of Dreams hotel in Macau for Melco Crown Entertainment, one of the largest owners and developers of gaming and entertainment resorts in Asia, topped out at 40-storeys. The 150,000m² design includes 780 guest rooms, suites and sky villas as well as restaurants, spas and pools.

Lawrence Ho, Chairman and CEO of Melco Crown explained: "We have always been in the forefront of innovation and are delighted to be introducing the world-class architecture brand, Zaha Hadid Architects, into Macau and to showcase their creative work in City of Dreams."

Above-ground construction works began at the Al Wakrah stadium for the 2022 World Cup. Due for completion in 2018, almost 3 years ahead of the 2022 championships, the stadium will reduce to 20,000 seats in legacy mode, the optimum capacity for the local football club; with the upper tiers sent to developing countries in need of sporting infrastructure.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2016

Construction of Leeza Soho in Beijing, a 45-storey, 172,800m² mixed-use tower with the world's tallest atrium, also progressed above-ground. One of China's most successful property developers, Soho China have collaborated with ZHL on 5 innovative projects, totalling 1.5 million square metres (16 million square feet) of award-winning office and retail space.

The development and application of 3D Building Information Modeling (BIM) in the design, construction and operations of buildings by ZHL for Soho China reduced the energy consumption and emissions of each project by up to 50%. The success of their projects with ZHL and other designers enabled Soho China to establish a US\$100 million endowment through their foundation for underprivileged Chinese children to attend universities around the world.

ZHL's 54-storey 70,000m² mixed-use tower at 600 Collins Street, Melbourne was supported and approved by the city's Department of Environment, Land, Water and Planning as well as the Office of Victorian Government Architect. Construction of the tower is now scheduled. Planning Minister Richard Wynne said: "It's pleasing to see a project of this quality proposed for Melbourne and see a strong architectural response within the framework of the interim controls." Acting Minister for Planning Jill Hennessy concurred: "This stand-out design will enhance the city's skyline."

ZHL strives to achieve exemplary standards of ecological sustainability in all our projects. The final phase of the King Abdullah Petroleum Studies and Research Centre (KAPSARC) in Riyadh will soon complete. A non-profit institution, KAPSARC will bring together people from around the world to research and tackle energy challenges for the benefit of society and the environment. Designed to minimize energy and resource consumption, the KAPSARC building was recently awarded LEED Platinum certification from the United States Green Building Council.

These seminal designs under construction throughout Asia are amongst 25 projects by ZHL currently on-site around the world - a record number for the practice. The firm has another 28 projects worldwide in design development and will continue to announce further new commissions.

ZHL's first project to be built in Mexico, the Esfera City Center residential development in Monterrey, was announced in 2015. A community-orientated design comprised of low-rise, yet high-density residential buildings with 981 apartments, its success has led to additional commissions for ZHL in the region.

The management of resources in line with clients' requirements and on-going assessment of skills has placed ZHL in a very competitive position, with the flexibility to adapt and successfully target new markets and sectors. New offices in Dubai and Mexico have been established to service these burgeoning markets while the practice benefits from its investment, upgrading and implementation in IT and infrastructure.

The quality of ZHL's projects continues to be recognised by institutions around the world.

Receiving the 2016 Design Excellence Award by the AIA UK, the Messner Mountain Museum Corones is, 2,275m above sea level. Surrounded by alpine peaks, the museum documents the history of mountaineering. Immersed within Mount Kronplatz to help maintain a constant internal temperature, the museum was awarded by the Italian agency for energy efficient construction, environmental protection and resource conservation.

ZHL's Issam Fares Institute (IFI) at the American University of Beirut has been nominated for the 2016 Aga Khan Award for Architecture. Given every 3 years, the award recognises projects that set new standards of excellence in architecture and planning practices. Established as a neutral, dynamic space where people representing all viewpoints in society can gather and discuss significant issues, the IFI is designed to harness, develop and initiate research and debate on public policy and international relations.

Named 'Design of the Year' by London's Design Museum in 2014 as 'a masterwork of invention and execution', the Heydar Aliyev Centre in Baku received a 2016 International Award by the RIBA. Built on the site of a Soviet tank factory, the centre's fluid design embodies an enlightened philosophical framework. Breaking from the rigid, monumental Soviet architecture that is so prevalent in Baku, its open forms promise to open and engage Azeri culture with an act of attraction rather than imposition.

Finalist of the Best Tall Buildings Awards by the Chicago-based Council on Tall Buildings and Urban Habitat (CTBUH), ZHL's Innovation Tower at Hong Kong Polytechnic University (HKPU) also received a 2016 RIBA International Award. Accommodating more than 1,800 students and staff, the tower's design promotes multidisciplinary creativity at HKPU's School of Design by establishing a collective research culture between the school's many learning clusters and design disciplines.

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Strategic Report for the year ended 30 April 2016

Winner of the 2014 Emporis Skyscraper Awards, Wangjing Soho in Beijing received a 2016 Excellence Award from the China International Exchange Committee for Tall Buildings (CITAB) and American CTBUH with the support of the Architectural Society of China. Recognising architecture that makes extraordinary contributions to the advancement of tall buildings and the urban environment, the CITAB/CTBUH Jury awards projects that achieve sustainability at the highest and broadest level to enhance cities and the lives of their inhabitants.

Following its 2015 Award by the Oxford Preservation Trust, ZHL's design for Oxford University's Middle East Centre received a 2016 RIBA National Award. The RIBA Jury explained: "This is a project that demonstrates great virtuosity and a huge amount of technical skill... a superb building which will stand the test of time."

The Asia Pacific Design Federation recognized the Dongdaemun Design Plaza (DDP) in Seoul with their Special Jury IAI Design Award 2015. DDP has welcomed more than 20 million visitors to its exhibitions since opening just two years ago, encouraging growth and investment throughout the Dongdaemun district of the city. The first public project in Korea to employ 3D BIM construction management and administration, DDP continues to innovate with the widest variety of exhibitions and events including the Chanel 2015 cruise collection show and a sold-out retrospective of the French fashion house Dior.

D'Leedon Singapore was named the 2016 World Gold Winner of the International Real Estate Federation's (FIABCI) Prix d'Excellence for residential towers. Designed and built for Capitaland, with 1,715 units of 340 unique layouts, D'Leedon is the largest residential development in the city state. The unique petal-shaped layout developed by ZHL for the 36-storey towers allows for windows on three sides of every apartment and natural ventilation in all kitchens and bathrooms. D'Leedon set a market record in Singapore for the highest number of units sold in a month.

With a longstanding commitment to design innovation, material research and production craftsmanship, ZHL's most recent fashion and product designs have also captured the public's imagination. New collections for esteemed global brands such as Lalique and Georg Jensen and the Zaha Hadid label have been very well received.

Exhibitions of ZHL's projects at the Hermitage Museum, St Petersburg, Russia in 2015 and Fondazione Berengo in Venice, coinciding with the city's 2016 architectural biennale, showcased the detailed research, ingenuity and inter-disciplinary collaboration of each project, yielding an understanding that the quest for beauty alone is not their modus operandi. The beauty and virtuosity of ZHL's work is married to meaning. Their architecture breaks social ground with its democratic attitude, offering generous expanses of articulated public space inside and out, accessible and civic. Form and space are woven within structure. These are buildings which emerge from their context and are also capable of knitting disparate programs together, always surprising and always making connections.

As evidenced in the firm's completed works, ZHL redefines architecture for the 21st century, transforming notions of what can be achieved in concrete, steel and glass.

Recently listed as one of Moscow's most beautiful modern buildings, Dominion Tower, completed in 2015. Conceived as a series of stacked floor-plates off-set at each level, a central atrium rises through all levels to bring natural light into the centre of the building. The atrium's balconies and interconnecting stairs create a three-dimensional shared space that encourages interaction between all employees within.

The new Port House in Antwerp opened in September 2016. With 12 km of docks, Antwerp is Europe's second largest shipping port, handling more than 15,000 sea trade ships and 60,000 inland barges each year - and ambitious plans for future expansion to meet the continent's growth and development over the next century. ZHL's innovative design repurposes, renovates and extends a derelict fire station into a spectacular new headquarters for the Port.

The new Salerno Maritime Terminal in Italy completed in April 2016 and enables the city to increase arrivals from ferry and cruise ships by 500,000 additional passengers each year.

Describing the terminal as a masterpiece, Italian Prime Minister Matteo Renzi continued: "This extraordinary work adds to everything Salerno is doing to transform itself and I think it is marvellous." The New York Times agreed: "As a matter of urban planning policy, beauty mattered... In this heartland of classicism, settled by the ancient Greeks, this radically contemporary terminal could very well join the temples of Paestum and Roman Pompeii as one of the area's must-see monuments."

With 53 projects in 26 countries under construction or in design development, ZHL's recent commissions will be joined by more than a dozen new project announcements in the coming months. Collaborating with visionary clients and industry experts worldwide, ZHL's hugely talented and dedicated teams of experienced professionals honour Hadid's legacy, working with passion and commitment to design and deliver transformational projects on six continents.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2016

Financial instruments

Treasury operations and financial instruments

The company's operations expose it to a variety of financial risks that include liquidity risk, foreign currency risk and credit 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 manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the businesses.

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. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2016

Future developments

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;

The global market for construction projects;

Competition within the sector both in the UK and internationally;

Financial risks as set out under the heading financial instruments.

Key performance indicators

The directors note that it is impractical to quantify the creative design produced by the company in terms of key performance indicators, other than those given earlier.

Results and dividends

During the year the company paid an interim dividend of £Nil (2015: £4m). The directors do not propose the payment of a final dividend.

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.

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.

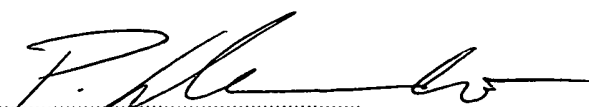
Disabled persons

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.

Taxation status

The company was a close company within the provisions of the Income and Corporation Taxes Act 1988 and this position has not changed since the end of the financial year.

On behalf of the board:


.....
Mr P Schumacher - Director

Date: 20/11/17

ZAHA HADID LIMITED

Directors' Report for the year ended 30 April 2016

The directors present their report with the financial statements of the company for the year ended 30 April 2016.

Principal activity

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

Dividends

No dividends will be distributed for the year ended 30 April 2016.

Directors

The directors shown below have held office during the whole of the period from 1 May 2015 to the date of this report.

Mr P Schumacher
Mr N P D Calvert
Mr J K Heverin
Mr G Racana
Mr C Walker

Other changes in directors holding office are as follows:

Dame Z Hadid - deceased 31 March 2016
Mr M Majidi - appointed 2 September 2015

Charitable donations

	2016	2015
	£	£
Charitable Donations	7,762	166,199

£Nil (2015 : £150,000) of the donations were made to The Zaha Hadid Foundation.

The objects of The Zaha Hadid Foundation are the advancement of education and the promotion of useful knowledge relating to architecture especially modern architecture, design and related disciplines.

In addition, the following significant donations were made in the year:

£5,040 was donated to the Royal Park half marathon.
£1,000 to MIND to provide advise and support to individuals experiencing a mental health problem.
£1,722 of various small donations.

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.

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.

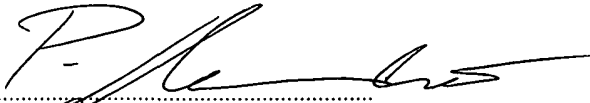
ZAHA HADID LIMITED

Directors' Report
for the year ended 30 April 2016

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 ought to have taken as a director in order to make himself 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: 20/1/17

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

We have audited the financial statements of Zaha Hadid Limited for the year ended 30 April 2016 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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.

Respective responsibilities of directors and auditors

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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 April 2016 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.

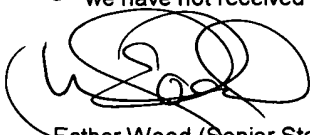
Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

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.


Esther Wood (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: 31/1/2017

ZAHA HADID LIMITED

Statement of Comprehensive Income
for the year ended 30 April 2016

	Notes	2016 £	2015 £
Turnover	2	44,633,878	47,744,670
Cost of sales		<u>(29,293,493)</u>	<u>(27,331,994)</u>
Gross profit		15,340,385	20,412,676
Administrative expenses		<u>(11,539,723)</u>	<u>(14,474,828)</u>
Operating profit		3,800,662	5,937,848
Interest receivable and similar income		<u>28,112</u>	<u>22,450</u>
		3,828,774	5,960,298
Interest payable and similar charges	5	<u>(14,285)</u>	<u>(6,180)</u>
Profit on ordinary activities before taxation	6	3,814,489	5,954,118
Tax on profit on ordinary activities	8	<u>(768,876)</u>	<u>(1,345,496)</u>
Profit for the financial year		3,045,613	4,608,622
Other comprehensive income		-	-
Total comprehensive income for the year		<u><u>3,045,613</u></u>	<u><u>4,608,622</u></u>

The notes form part of these financial statements

ZAHA HADID LIMITED (REGISTERED NUMBER: 03749443)

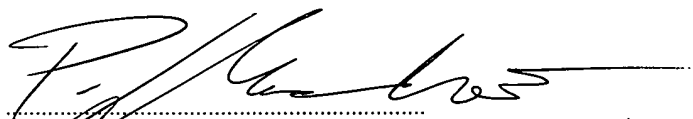
Balance Sheet
30 April 2016

	Notes	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	10		290,015		233,865
Investments	11		110,060		110,060
			<u>400,075</u>		<u>343,925</u>
Current assets					
Debtors	12	19,981,596		16,884,041	
Cash at bank and in hand		7,013,668		9,513,215	
		<u>26,995,264</u>		<u>26,397,256</u>	
Creditors					
Amounts falling due within one year	13	18,906,671		21,298,126	
			<u>8,088,593</u>		<u>5,099,130</u>
Net current assets			<u>8,088,593</u>		<u>5,099,130</u>
Total assets less current liabilities			<u>8,488,668</u>		<u>5,443,055</u>
Capital and reserves					
Called up share capital	15		2		2
Retained earnings	16		8,488,666		5,443,053
			<u>8,488,668</u>		<u>5,443,055</u>
Shareholders' funds			<u>8,488,668</u>		<u>5,443,055</u>

The financial statements were approved by the Board of Directors on
signed on its behalf by:

20/11/17

and were


Mr P. Schumacher - Director

ZAHA HADID LIMITED

Statement of Changes in Equity
for the year ended 30 April 2016

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 2014	2	4,834,431	4,834,433
Changes in equity			
Dividends	-	(4,000,000)	(4,000,000)
Total comprehensive income	-	4,608,622	4,608,622
Balance at 30 April 2015	<u>2</u>	<u>5,443,053</u>	<u>5,443,055</u>
Changes in equity			
Total comprehensive income	-	3,045,613	3,045,613
Balance at 30 April 2016	<u>2</u>	<u>8,488,666</u>	<u>8,488,668</u>

The notes form part of these financial statements

ZAHA HADID LIMITED

Notes to the Financial Statements for the year ended 30 April 2016

1. 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.

General Information

Zaha Hadid Limited is a private limited company incorporated in England and Wales.
The address of the registered office is Studio 9, 10 Bowling Green Lane, London, EC1R 0BQ.

These financial statements are the first annual financial statements of the company prepared in accordance with FRS 102 "the Financial Reporting Standard applicable in the UK and republic of Ireland". The first date at which FRS 102 was applied was 1 May 2014. In accordance with FRS 102 the company has;

- Provided comparative information;
- Applied the same accounting policies throughout all periods presented; and
- Retrospectively applied the FRS 102 as required.

The financial statements have been prepared on a going concern basis, under the historical cost convention.

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 receivable for architectural and design services net of VAT.

Revenue is generally recognised as contract activity progresses so that for incomplete contracts it reflects the partial performance of the contractual obligations. For such contracts the amount of revenue reflects the accrual of the right to consideration by reference to the value of work performed. Revenue not billed to clients is included in debtors and payments on account in excess of the relevant amount of revenue are included in creditors.

Fee income that is contingent on events outside the control of the firm is recognised when the contingent event occurs.

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

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2016

1. **Accounting policies - continued**

Taxation

The tax expense represents the sum of the tax currently payable and any deferred tax.

The current tax charge is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it exclude items of income or expense that are taxable or deductible in other years and it further exclude items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences between taxable profits and total comprehensive income that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to other comprehensive income, in which case the deferred tax is also dealt with in other comprehensive income.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and intends to settle on a net basis.

Foreign currencies

Foreign currency transactions are translated into the functional currency 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 except when deferred in other comprehensive income as qualifying cash flow hedges.

Leases

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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.

ZAHA HADID LIMITED

Notes to the Financial Statements - continued for the year ended 30 April 2016

1. Accounting policies - continued

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.

Investments

Fixed asset investments are stated at cost less provision for diminution in value.

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.

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.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, if certain conditions, have been complied with, including notification of and no objection to, the use of exemptions by the company's shareholders. A qualifying entity is defined as a member of a group that prepares publicly available financial statements, which give a true and fair view, in which that member is consolidated. The company is a qualifying entity as its results are consolidated into the financial statements of Zaha Hadid Holdings Limited which are publicly available.

As a qualifying entity, the company has taken advantage of the exemption to not prepare a statement of cash flows.

ZAHA HADID LIMITED

**Notes to the Financial Statements - continued
for the year ended 30 April 2016**

2. 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:

	2016	2015
	£	£
United Kingdom	836,646	484,589
Europe	6,312,885	2,506,295
United States of America	2,933,332	3,611,181
South America	133,578	213,157
Asia	10,469,018	14,416,499
Africa	3,281,478	3,352,906
Central America	1,845,688	1,519,954
Middle East	16,817,171	20,275,932
Rest of the World	2,004,082	1,364,157
	44,633,878	47,744,670
	44,633,878	47,744,670

3. Staff costs

	2016	2015
	£	£
Wages and salaries	16,605,590	15,357,272
Social security costs	2,065,653	1,818,462
Other pension costs	173,845	92,713
	18,845,088	17,268,447
	18,845,088	17,268,447

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

	2016	2015
Directors	6	6
Production	333	326
Administration	40	40
	379	372
	379	372

4. Directors' emoluments

	2016	2015
	£	£
Remuneration for qualifying services	1,133,754	732,975
	1,133,754	732,975
	1,133,754	732,975

The emoluments for the highest paid director in 2016 were £299,790 (2015: £205,000).

5. Interest payable and similar charges

	2016	2015
	£	£
Interest on overdue tax	14,285	6,180
	14,285	6,180
	14,285	6,180

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2016

6. Profit on ordinary activities before taxation

The profit on ordinary activities is stated after charging/(crediting):

	2016	2015
	£	£
Other operating leases	1,762,351	1,208,734
Depreciation - owned assets	144,891	123,361
(Profit)/loss on foreign exchange transactions	(745,169)	385,510

7. Auditors' remuneration

	2016	2015
	£	£
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	5,540	13,269
Taxation advisory services	9,658	6,168
Payroll services	1,774	1,125
Consultancy services	32,599	59,485
Total non-audit fees	49,571	80,047
Total fees payable	94,571	125,047

8. Taxation

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

	2016	2015
	£	£
Current tax:		
UK corporation tax	918,000	1,720,000
Corporation tax prior year	50,276	(74,604)
Total current tax	968,276	1,645,396
Deferred tax	(199,400)	(299,900)
Tax on profit on ordinary activities	768,876	1,345,496

UK corporation tax has been charged at 20% (2015 - 21%).

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2016

8. Taxation - continued

Reconciliation of total tax charge included in profit and loss

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

	2016 £	2015 £
Profit on ordinary activities before tax	<u>3,814,489</u>	<u>5,954,118</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2015 - 21%)	762,898	1,250,365
Effects of:		
Expenses not deductible for tax purposes	39,016	28,454
Capital allowances in excess of depreciation	(35,453)	(45,793)
Adjustments to tax charge in respect of previous periods	50,276	(74,604)
Other tax adjustments	(83,461)	136,974
Other timing differences	235,000	350,000
Deferred tax	(199,400)	(299,900)
Total tax charge	<u>768,876</u>	<u>1,345,496</u>

9. Dividends

	2016 £	2015 £
Interim	<u>-</u>	<u>4,000,000</u>

10. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 May 2015	1,735,524	85,594	1,821,118
Additions	201,041	-	201,041
Disposals	(500,000)	-	(500,000)
At 30 April 2016	<u>1,436,565</u>	<u>85,594</u>	<u>1,522,159</u>
Depreciation			
At 1 May 2015	1,513,798	73,455	1,587,253
Charge for year	132,752	12,139	144,891
Eliminated on disposal	(500,000)	-	(500,000)
At 30 April 2016	<u>1,146,550</u>	<u>85,594</u>	<u>1,232,144</u>
Net book value			
At 30 April 2016	<u>290,015</u>	<u>-</u>	<u>290,015</u>
At 30 April 2015	<u>221,726</u>	<u>12,139</u>	<u>233,865</u>

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2016

11. Fixed asset investments

	Shares in group undertakings £
Cost	
At 1 May 2015 and 30 April 2016	<u>110,060</u>
Net book value	
At 30 April 2016	<u>110,060</u>
At 30 April 2015	<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

Country of incorporation: China

Nature of business: Design

	%		
	holding		
	100.00	2016	2015
		£	£
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>158,929</u>	147,819
(Loss)/profit for the year		<u>(6,684)</u>	164,425

Zaha Hadid (Hong Kong) Limited

Country of incorporation: Hong Kong

Nature of business: Architects

	%		
	holding		
	100.00	2016	2015
		£	£
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>65,090</u>	65,263
(Loss)/profit for the year		<u>(5,002)</u>	4,291

Zaha Hadid Architectural Design Consulting (Beijing) Ltd

Country of incorporation: China

Nature of business: Design

	%		
	holding		
	100.00	2016	2015
		£	£
Class of shares:			
Ordinary	100.00		
Aggregate capital and reserves		<u>301,211</u>	33,720
Profit for the year		<u>263,431</u>	16,427

ZAHA HADID LIMITED

**Notes to the Financial Statements - continued
for the year ended 30 April 2016**

11. Fixed asset investments - continued

Zaha Hadid (Project Management) Limited

Country of incorporation: England

Nature of business: Design

Class of shares:

Ordinary

%
holding
100.00

	2016	2015
	£	£
Aggregate capital and reserves	396,783	297,183
Profit for the year	<u>99,600</u>	<u>137,023</u>

12. Debtors: amounts falling due within one year

	2016	2015
	£	£
Trade debtors	10,159,780	10,448,332
Amounts owed by group undertakings	5,813,206	3,387,351
Amounts recoverable on contract	1,750,195	906,389
Other debtors	279,323	154,571
VAT	324,633	547,006
Deferred tax asset	639,900	440,500
Prepayments	1,014,559	999,892
	<u>19,981,596</u>	<u>16,884,041</u>

Deferred tax asset

	2016	2015
	£	£
Accelerated capital allowances	54,900	90,500
Other timing differences	585,000	350,000
	<u>639,900</u>	<u>440,500</u>

13. Creditors: amounts falling due within one year

	2016	2015
	£	£
Payments on account	11,572,911	12,695,120
Trade creditors	2,675,671	2,341,177
Tax	101,678	582,446
Social security and other taxes	534,313	623,625
Other creditors	2,070,426	2,354,395
Directors' current accounts	-	344,206
Accruals and deferred income	1,951,672	2,357,157
	<u>18,906,671</u>	<u>21,298,126</u>

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2016

14. Leasing agreements

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

	2016	2015
	£	£
Within one year	60,174	136,586
Between one and five years	4,195,430	2,920,206
In more than five years	4,411,293	4,957,020
	<u>8,666,897</u>	<u>8,013,812</u>

15. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2015
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

16. Reserves

	Retained earnings
	£
At 1 May 2015	5,443,053
Profit for the year	3,045,613
At 30 April 2016	<u>8,488,666</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 2016

17. Related party disclosures - continued

During the year, the Company paid direct costs of £1,871,932 (2015: £1,733,089) on behalf of Zaha Hadid Design Limited. Zaha Hadid Design Limited recharged the company £480,000 (2015: £1,680,000) for exhibition and marketing activities. At the year end, the amount owed to the company by Zaha Hadid Design Limited was £274,162 (2015: £141,797).

During the year, a fee of £2,113,161 (2015: £2,308,690) was paid to Zaha Hadid (Services) Limited for the use of the trademark. At the year end the company owed £2,039,145 (2015: £2,334,045) to Zaha Hadid (Services) Limited.

During the year, the company was charged £nil (2015 - £nil) by Zaha Hadid (Italy) Limited for running costs of operations in Italy. At the year end, amount of £5,161 (2015 - £5,161) was owed to Zaha Hadid (Italy) Limited.

The above parties are related by virtue of common control exercised by Dame Zaha Hadid (dec'd).

Donations of £nil (2015: £150,000) were made to The Zaha Hadid Foundation. The objects of The Zaha Hadid Foundation are the advancement of education and the promotion of useful knowledge relating to architecture especially modern architecture, design and related disciplines. The Foundation is a company limited by guarantee, Dame Zaha Hadid (dec'd) and N Calvert are trustees of the charity. At the year end the company owed £nil (2015: £nil) to The Zaha Hadid Foundation.

During the year the company incurred legal fees of some £10,605 (2015 - £155,097), with Calvert Solicitors, a firm of solicitors in which N Calvert is a partner. The balance due to Calvert Solicitors at the year end was £nil (2015 - £8,443).

During the year the company paid £1,579,091 (2015 - £2,934,591) of personal expenditure and £1,462,936 (2015 - £160,793) personal tax liabilities on behalf of Dame Zaha Hadid (dec'd). At the year end the company owed £nil (2015- £344,206).

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.

ZAHA HADID LIMITED

Reconciliation of Equity
1 May 2014
(Date of Transition to FRS 102)

	Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Fixed assets				
Tangible assets		159,393	-	159,393
Investments		110,060	-	110,060
		<u>269,453</u>	<u>-</u>	<u>269,453</u>
Current assets				
Debtors		16,556,521	-	16,556,521
Cash at bank and in hand		11,669,152	-	11,669,152
		<u>28,225,673</u>	<u>-</u>	<u>28,225,673</u>
Creditors				
Amounts falling due within one year		(23,660,693)	-	(23,660,693)
Net current assets		<u>4,564,980</u>	<u>-</u>	<u>4,564,980</u>
Total assets less current liabilities		<u>4,834,433</u>	<u>-</u>	<u>4,834,433</u>
Net assets		<u>4,834,433</u>	<u>-</u>	<u>4,834,433</u>
Capital and reserves				
Called up share capital		2	-	2
Retained earnings		4,834,431	-	4,834,431
Shareholders' funds		<u>4,834,433</u>	<u>-</u>	<u>4,834,433</u>

The notes form part of these financial statements

ZAHA HADID LIMITED

Reconciliation of Equity - continued
30 April 2015

Notes	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Fixed assets			
Tangible assets	233,865	-	233,865
Investments	110,060	-	110,060
	<u>343,925</u>	<u>-</u>	<u>343,925</u>
Current assets			
Debtors	16,884,041	-	16,884,041
Cash at bank and in hand	9,513,215	-	9,513,215
	<u>26,397,256</u>	<u>-</u>	<u>26,397,256</u>
Creditors			
Amounts falling due within one year	(21,298,126)	-	(21,298,126)
Net current assets	<u>5,099,130</u>	<u>-</u>	<u>5,099,130</u>
Total assets less current liabilities	<u>5,443,055</u>	<u>-</u>	<u>5,443,055</u>
Net assets	<u>5,443,055</u>	<u>-</u>	<u>5,443,055</u>
Capital and reserves			
Called up share capital	2	-	2
Retained earnings	5,443,053	-	5,443,053
Shareholders' funds	<u>5,443,055</u>	<u>-</u>	<u>5,443,055</u>

The notes form part of these financial statements

ZAHA HADID LIMITED**Reconciliation of Profit
for the year ended 30 April 2015**

	UK GAAP £	Effect of transition to FRS 102 £	FRS 102 £
Turnover	47,744,670	-	47,744,670
Cost of sales	(27,331,994)	-	(27,331,994)
Gross profit	20,412,676	-	20,412,676
Administrative expenses	(14,474,828)	-	(14,474,828)
Operating profit	5,937,848	-	5,937,848
Interest receivable and similar income	22,450	-	22,450
Interest payable and similar charges	(6,180)	-	(6,180)
Profit on ordinary activities before taxation	5,954,118	-	5,954,118
Tax on profit on ordinary activities	(1,345,496)	-	(1,345,496)
Profit for the financial year	4,608,622	-	4,608,622

The notes form part of these financial statements