

ZAHA HADID LIMITED
Strategic Report, Directors' Report and
Audited Financial Statements
for the Year Ended 30 April 2019

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ZAHA HADID LIMITED

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for the year ended 30 April 2019**

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ZAHA HADID LIMITED

**Company Information
for the year ended 30 April 2019**

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 2019

The directors present their strategic report for the year ended 30 April 2019.

Marrying innovative design methods and sustainable construction practices, Zaha Hadid Limited, "ZHL" is delivering a record number of projects across the globe.

The Directors are unable to quantify the creative design produced by the group in terms of key performance indicators (KPIs).

ZHL continues to perform well in terms of both our creative designs and our position within the industry and we continue to win many prestigious industry awards.

Turnover in the year grows to a record £56.6m and is substantially increased on last year (£43.4m). Profits after tax for the financial year of £4.1m (2018: £4.7m) are reduced by exceptional costs of £2.2m (2018: £nil) but also reflect substantial Research & Development Tax Credits.

In May, the Niederhafen River Promenade opened in Hamburg, Germany. Integral to the €200 million modernisation and reinforcement of the city's flood protection system, the new river promenade on the banks of the Elbe creates links with adjacent neighbourhoods and provides essential protection from future winter storm surges and extreme high tides.

Exhibition Hall 3C at NürnbergMesse was awarded platinum certification by the German Society for Sustainable Building (DGNB) in August. One of the world's largest exhibition companies, NürnbergMesse Group hosts over 120 events with 35,000 exhibitors and 1.5 million visitors each year.

Continuing the successful principles developed by Zaha Hadid Architects for Hall 3A which completed in 2014, the new Hall 3C connects the different structural grids of existing buildings at NürnbergMesse and according to DGNB, surpasses the sustainability standards of all other exhibition halls worldwide. Peter Ottmann, NürnbergMesse CEO, explained: "Bringing people together is at the core of our strategy for the future. Halls 3A and 3C by Zaha Hadid Architects are the built embodiment of NürnbergMesse's recipe for success."

In October, the Nanjing International Youth Cultural Centre won the ABB LEAF Award for Best Tall Building having previously received three Awards of Excellence from the Council of Tall Buildings and Urban Habitat. Comprised of two towers at 255m and 315m that include the new Jumeirah Hotel Nanjing, the centre acts as both an anchor and a catalyst for future investment in Nanjing's Hexi New Town.

Mainland China's first top-down/bottom-up tower construction, combining above and below ground construction together with extensive design work proceeding in parallel, the project's construction programme was reduced by a full year. The entire centre was completed 34 months after design began with all works on site lasting only 18 months.

In March, construction began on the Danjiang Bridge in Taiwan, the world's longest single-mast, asymmetric cable-stayed bridge. Spanning the mouth of the Tamsui River, the 920m bridge is integral to the infrastructure upgrading program of northern Taiwan. Designed and engineered to be as slender as possible to minimize its visual impact, the bridge's 200m mast is positioned to optimise structural performance and vistas of the setting sun from popular viewing points along the riverbank. With a construction schedule of 68 months, the bridge is scheduled to open in 2024.

The Morpheus Hotel in Macau received further global accolades for its innovative design and construction. Developed for Melco, one of Asia's largest developers of entertainment resorts, the 40-storey, 150,000m² tower combines dramatic public spaces and generous guest rooms with inventive engineering and formal cohesion.

Time magazine listed Morpheus as one of the 'World's Greatest Places' based on key factors including quality, originality, innovation, sustainability and influence, while National Geographic magazine named Morpheus a winner of their 'Big Sleep Awards'. The hotel was also awarded the Prix Versailles for Central and Northeast Asia.

ZHL's outstanding record for creating some of the world's most popular new civic spaces continues with new master-planning commissions for rapidly developing cities across the globe including Tencent Innovation City, Xi'an and Unicorn Island, Chengdu in China, as well as the new Rublyovo-Arkhangelskoye smart city for Moscow.

With Moscow's population increasing by more than 3 million people in the past 20 years, the new Rublyovo-Arkhangelskoye smart city will provide new homes for 66,500 residents in addition to schools, transport infrastructure and business districts as well as civic and cultural institutions. Rublyovo-Arkhangelskoye will be a global benchmark for smart, sustainable cities.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2019

Optimising the consumption and production of sustainable local energy sources while integrating electric mobility, new technologies, services and infrastructure to increase connectivity and efficiencies, Rublyovo-Arkhangelskoye will incorporate more than 4 million square metres of new buildings over 460 hectares to the west of Moscow, with a third of the city being parklands and forest bordering the Moscow River.

The Al Janoub Stadium in Qatar was inaugurated in May by hosting the 2019 Amir Cup Final. The first new venue commissioned for the 2022 FIFA World Cup, the stadium incorporates an operable roof to shade the field of play. Passive design principles along with detailed computer modelling and wind tunnel testing were employed to maximise the effectiveness of the enclosure for player and spectator comfort.

Reflecting Al Wakrah's maritime heritage, the stadium's design incorporates local cultural references combined with practical responses to climate, context & functional requirements. Al Janoub's 40,000 seat capacity for the World Cup will be reduced to 20,000 seats after 2022 - optimum capacity as home ground to the local Al Wakrah Sport Club professional team.

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 received its temporary certificate of occupancy from the city in July. The 62-storey tower incorporates an external structure that brings a continuity between its engineering and architecture, defining generous living areas uninterrupted by internal columns.

The first exhibition at MICA, the new art museum at the Changsha Meixihu International Culture & Arts Centre, opened in November. The 115,000m² cultural centre incorporates a contemporary art museum, an 1,800-seat operatic theatre and a multipurpose hall. Its architecture defined by pedestrian routes that weave through the site to connect with neighbouring streets, the centre is one of China's largest cultural venues and maintains Changsha's traditions as an important communications hub, hosting a very popular programme of performances and television productions.

In June, ZHL announced a new collaboration with Architects 61 to develop Singapore's New Science Centre to inspire future generations in the rapidly advancing world of science & technology.

Located next to Chinese Garden MRT station, the New Science Centre in Singapore's Jurong Lake District will bring science to life; weaving creative storytelling & innovative technologies for enriching learning experiences in Science, Technology, Engineering & Math. Mr Ong Ye Kung, Singapore's Minister for Education explained, "As we wind down the focus on examinations in schools, we are ramping up inquiry-based & applied learning. The New Science Centre will be the biggest applied learning classroom for all our students."

Incorporating sustainability and technology working together to drive positive change, Bee'ah's new headquarters will open next year in Sharjah, UAE. Targeting LEED Platinum certification with environmental considerations woven into every aspect of its design and construction, the new headquarters has an ultra-low carbon footprint will be powered by solar energy.

In November, the new Leeza SOHO tower opened in Beijing and creates a fantastic new civic space directly connected to the city's Subway network. Recipient of two Awards of Excellence from the Council on Tall Buildings and Urban Habitat, the tower's design straddles an underground tunnel of the Beijing Subway to create the world's tallest atrium at 194m which rotates as the tower rises, realigning the upper floors with main Lize road to the north.

Targeting LEED Gold certification, Leeza SOHO's double-insulated, unitised glass curtain wall system steps the glazing units on each floor at an angle, providing narrow ventilating registers to draw outside air through operable cavities; creating extremely efficient environmental control for each floor.

ZHL's excellent record of success in delivering transport architecture and infrastructure around the world continues.

In September, Chinese president Xi Jinping opened the new Beijing Daxing International Airport hailing the building as an architectural marvel. The 780,000m² terminal with ground transport centre will serve 72 million passengers per year by 2025 and has been designed for further expansion to accommodate 100 million passengers and 4 million tonnes of cargo annually. Its compact radial design allows a maximum number of aircraft to be parked directly at the terminal with minimum walking distances from the centre of the building, providing exceptional convenience for passengers and flexibility in operations.

Incorporating photovoltaic power generation, centralised heating with waste heat recovery and composite ground-source heat pump system, Beijing Daxing implements rainwater collection and a water management network with the natural storage, natural permeation and natural purification of up to 2.8 million cubic meters of water in new wetlands, lakes and streams.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2019

Following the international design competition, in October ZHL together with Australia's Cox Architecture were appointed architects of the Western Sydney Airport. The new airport in Sydney's western Parkland City region will accommodate the city's western expansion as its population increases to nine million residents.

Beginning with an initial stage for 10 million annual passengers by 2026, with further stages up to 82 million, Western Sydney will become the largest gateway to Australia by 2060. The ZHL/COX design incorporates sustainable design principles across the building's architecture and construction, integrating extensive use of daylight, natural ventilation and water recycling to create a modular, energy-efficient design.

ZHL is developing the Fornbuporten and Fornebu Senter stations for new Fornebusbanen metro line in Oslo, Norway. Running from the city centre to the Fornebu peninsula, this new 8km line will enable the transformation of Oslo's decommissioned airport into a community of 6,000 new homes together with civic, cultural and commercial developments providing 25,000 new jobs.

ZHL was recently awarded first place in the design competition for the new railway terminal in Tallinn. The Ülemiste terminal will be the starting point of the planned 870 km Rail Baltic electrified railway connecting Tallinn, Riga and Vilnius with the European high-speed rail network.

Construction of the King Abdullah Financial District (KAFD) Metro Station in Riyadh will complete this year. With six platforms over four public levels, the station will be a key interchange between Line 1, Line 4 and Line 6 of the Riyadh Metro, a new public transit system for the city. Anticipated to transport 3.6 million passengers a day by 2030, Riyadh Metro will contribute to reducing the number of car journeys throughout the city by almost 2 million car trips every day.

Future developments

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 as the practice benefits from the ongoing investment, upgrading and implementation in IT and infrastructure.

With its collective, multidisciplinary approach to problem-solving, ZHL is an industry leader in the development and application of new technologies that are increasing efficiencies and quality.

The KAPSARC research centre in Saudi Arabia opened two years ago as ZHL's first LEED Platinum certified project. ZHL has since completed office towers in Beijing and Milan achieving LEED Gold certification from the US Green Building Council. Responding to even greater aspirations from clients, civic authorities and the public, ZHL is currently delivering projects in the UK and UAE that target carbon neutrality. Our in-house teams collaborate with global leaders in engineering and environmental science to innovate and create the most efficient and ecologically sustainable architectural solutions to meet the needs of our clients worldwide.

ZHL's Analytics & Insights unit (ZH AI) is pioneering the design of workplaces that enhance wellbeing and performance. Developing new technologies, algorithm and machine learning, ZH AI is designing workplaces for our clients that are tailor-made to overall and individual wellness more adaptive to their changing needs.

Setting new standards for global best practice, ZHL's Computation & Design research team (ZH CODE) leads the development of parametric computational tools. 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.

ZAHA HADID LIMITED

Strategic Report for the year ended 30 April 2019

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

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.


**Strategic Report
for the year ended 30 April 2019**

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 £56.6m is substantially increased on last year (£43.4m) with rise in headcount of 17% to 426 from 363 reflecting movements in the group's workflow.

On behalf of the board:



Mr P Schumacher - Director

Date: 13 March 2020

ZAHA HADID LIMITED

Directors' Report for the year ended 30 April 2019

The directors present their report with the financial statements of the company for the year ended 30 April 2019.

Principal activity

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

Dividends

No dividend was paid during the year (2018: £4,500,000).

Directors

The directors shown below have held office during the whole of the period from 1 May 2018 to the date of this report.

Mr P Schumacher
Mr J K Heverin
Mr G Racana
Mr C Walker
Mr M Majidi
Ms C B E Philipps
Mr D Hexter

Charitable donations

	2019	2018
	£	£
Charitable donations	5,553	70,737

Donations of £3,800 were made to Royal Parks Foundation. £1,753 of donations were made to various small charities.

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.

Disclosure in the strategic report

Information concerning future developments, the financial risk management objectives and policies of the company, and the exposure of the company to price risk, credit risk, liquidity risk and cash flow risk is disclosed in the Strategic Report.

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 2019

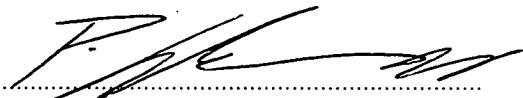
Directors' responsibilities statement - continued

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: 13 March 2020

**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 2019 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 2019 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.

Opinions 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.

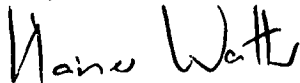
Auditors' responsibilities for the audit of the financial statements

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: 20 March 2020

ZAHA HADID LIMITED

**Statement of Comprehensive Income
for the year ended 30 April 2019**

	Notes	2019 £	2018 £
Turnover	3	56,596,220	43,489,171
Cost of sales		<u>(38,986,000)</u>	<u>(27,445,630)</u>
Gross profit		17,610,220	16,043,541
Administrative expenses		<u>(15,969,368)</u>	<u>(11,824,728)</u>
Operating profit		1,640,852	4,218,813
Interest receivable and similar income		<u>236,857</u>	<u>37,565</u>
Profit before taxation	7	1,877,709	4,256,378
Tax on profit	9	<u>2,194,333</u>	<u>531,281</u>
Profit for the financial year		4,072,042	4,787,659
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income for the year		<u><u>4,072,042</u></u>	<u><u>4,787,659</u></u>

The notes form part of these financial statements

Balance Sheet
30 April 2019

	Notes	£	2019 £	£	2018 £
Fixed assets					
Tangible assets	11		383,410		393,478
Investments	12		110,060		110,060
			493,470		503,538
Current assets					
Debtors	13	26,490,720		23,754,058	
Cash at bank and in hand		11,490,502		5,933,645	
		37,981,222		29,687,703	
Creditors					
Amounts falling due within one year	14	21,160,041		16,948,632	
		16,821,181		12,739,071	
Net current assets			16,821,181		12,739,071
Total assets less current liabilities			17,314,651		13,242,609
Capital and reserves					
Called up share capital	16		2		2
Retained earnings	17		17,314,649		13,242,607
			17,314,651		13,242,609
Shareholders' funds			17,314,651		13,242,609

The financial statements were approved by the Board of Directors on

13 March 2020

signed on its behalf by:


.....
Mr. P. Schumacher - Director

ZAHA HADID LIMITED

**Statement of Changes in Equity
for the year ended 30 April 2019**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 May 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	<u>2</u>	<u>13,242,607</u>	<u>13,242,609</u>
Changes in equity			
Total comprehensive income	-	4,072,042	4,072,042
Balance at 30 April 2019	<u>2</u>	<u>17,314,649</u>	<u>17,314,651</u>

The notes form part of these financial statements

ZAHA HADID LIMITED

Notes to the Financial Statements for the year ended 30 April 2019

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.

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

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 2019

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 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 2019

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. 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:

	2019 £	2018 £
United Kingdom	708,665	2,868,620
Europe	10,910,845	14,393,641
United States of America	690,928	1,910,850
South America	154,982	626,042
Asia	37,317,522	11,488,284
Africa	812,824	675,332
Middle East	5,281,969	8,444,039
Australia	718,485	3,082,363
	<u>56,596,220</u>	<u>43,489,171</u>

4. Employees and directors

	2019 £	2018 £
Wages and salaries	21,681,310	16,895,152
Social security costs	2,393,708	1,974,057
Other pension costs	292,230	162,772
	<u>24,367,248</u>	<u>19,031,981</u>

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

	2019	2018
Directors	7	7
Production	370	314
Administration	49	42
	<u>426</u>	<u>363</u>

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £292,230 (2018: 162,772).

ZAHA HADID LIMITED

**Notes to the Financial Statements - continued
for the year ended 30 April 2019**

5. Directors' emoluments

	2019	2018
	£	£
Directors' Remuneration	2,332,497	2,366,582
Directors' remuneration for qualifying services	12,784	1,386
Pension		
	2,345,281	2,367,968
	2,345,281	2,367,968

The emoluments for the highest paid director in 2019 were £581,676 (2018: £819,252).

During the period retirement benefits were accruing to 6 directors (2018 - 6) in respect of defined contribution pension schemes.

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

6. Exceptional items

During the year, the company incurred non-project legal and consulting fees of £2,201,180 which are exceptional and non-recurring.

7. Profit before taxation

The profit is stated after charging/(crediting):

	2019	2018
	£	£
Other operating leases	1,578,465	2,043,867
Depreciation - owned assets	329,369	220,919
(Profit)/loss on foreign exchange transactions	(467,541)	277,279
	1,440,293	2,542,065
	1,440,293	2,542,065

8. Auditors' remuneration

	2019	2018
	£	£
Fees payable to the company's auditors and their associates for the audit of the company's financial statements	56,038	45,000
Total audit fees	56,038	45,000
	56,038	45,000
Taxation advisory services	219,809	140,093
Payroll services	24,723	7,274
Consultancy services	12,351	11,392
Total non-audit fees	256,883	158,759
	256,883	158,759
Total fees payable	312,921	203,759
	312,921	203,759

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2019

9. Taxation

Analysis of the tax credit

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

	2019 £	2018 £
Current tax:		
UK corporation tax	576,257	-
Corporation tax prior year	<u>(2,770,590)</u>	<u>(1,151,681)</u>
Total current tax	<u>(2,194,333)</u>	<u>(1,151,681)</u>
Deferred tax	-	620,400
Tax on profit	<u><u>(2,194,333)</u></u>	<u><u>(531,281)</u></u>

UK corporation tax has been charged at 19% (2018 - 19%).

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:

	2019 £	2018 £
Profit before tax	<u>1,877,709</u>	<u>4,256,378</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%)	356,765	808,712
Effects of:		
Expenses not deductible for tax purposes	(62,510)	41,271
Adjustments to tax charge in respect of previous periods	(2,770,590)	(1,151,681)
Other tax adjustments	282,002	(229,583)
Total tax credit	<u><u>(2,194,333)</u></u>	<u><u>(531,281)</u></u>

The adjustment to corporation tax prior year relates to successful R&D tax credit claims made during the year and subsequently received. The company will continue to make these claims in future years.

10. Dividends

	2019 £	2018 £
Interim	<u>-</u>	<u>4,500,000</u>

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2019

11. Tangible fixed assets	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 May 2018	1,528,849	20,894	1,549,743
Additions	319,301	-	319,301
At 30 April 2019	<u>1,848,150</u>	<u>20,894</u>	<u>1,869,044</u>
Depreciation			
At 1 May 2018	1,135,371	20,894	1,156,265
Charge for year	329,369	-	329,369
At 30 April 2019	<u>1,464,740</u>	<u>20,894</u>	<u>1,485,634</u>
Net book value			
At 30 April 2019	<u>383,410</u>	-	<u>383,410</u>
At 30 April 2018	<u>393,478</u>	-	<u>393,478</u>

12. Fixed asset investments	Shares in group undertakings £
Cost	
At 1 May 2018 and 30 April 2019	<u>110,060</u>
Net book value	
At 30 April 2019	<u>110,060</u>
At 30 April 2018	<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
100.00

Zaha Hadid (Hong Kong) Limited

Registered office: Hong Kong
Nature of business: Architects

Class of shares: %
Ordinary holding
100.00

Zaha Hadid Architectural Design Consulting (Beijing) Ltd

Registered office: China
Nature of business: Design

Class of shares: %
Ordinary holding
100.00

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2019

12. Fixed asset investments - continued

Zaha Hadid (Project Management) Limited

Registered office: England

Nature of business: Design

Class of shares:	%
Ordinary	holding 100.00

13. Debtors: amounts falling due within one year

	2019	2018
	£	£
Trade debtors	15,302,043	13,288,566
Amounts owed by group undertakings	3,940,062	5,350,868
Amounts recoverable on contracts	3,551,930	1,667,819
Other debtors	478,031	329,622
Directors' current accounts	73,649	38,834
Corporation Tax	746,560	1,052,288
VAT	756,927	795,966
Deferred tax asset		
Accelerated capital allowances	29,400	29,400
Prepayments and accrued income	1,612,118	1,200,695
	<u>26,490,720</u>	<u>23,754,058</u>

14. Creditors: amounts falling due within one year

	2019	2018
	£	£
Payments on account	12,720,354	10,655,213
Trade creditors	3,853,095	3,080,452
Social security and other taxes	660,488	518,401
Other creditors	289,203	17,955
Accruals and deferred income	3,636,901	2,676,611
	<u>21,160,041</u>	<u>16,948,632</u>

15. Leasing agreements

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

	2019	2018
	£	£
Within one year	1,764,558	1,541,731
Between one and five years	2,228,385	3,947,466
In more than five years	-	45,477
	<u>3,992,943</u>	<u>5,534,674</u>

16. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2019	2018
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

ZAHA HADID LIMITED

Notes to the Financial Statements - continued
for the year ended 30 April 2019

17. Reserves

	Retained earnings £
At 1 May 2018	13,242,607
Profit for the year	4,072,042
At 30 April 2019	<u>17,314,649</u>

18. 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.

During the year the company paid direct costs of £1,094,660 (2018 £1,468,534) and a fee for the use of the trademark of £nil (2018 £1,615,948) to companies under common control by the Estate of Dame Zaha Hadid. At the year end the company was owed £158,010 (2018 £329,621) to such companies.

During the year the company paid £34,815 (2018 £105,451) of personal expenditure on behalf of a director. At the year end £73,649 (2018 £38,834) was owed by the director.

During the year donations of £nil (2018 £70,737) and a fee for the use of the trademark £2,866,793 (2018 £782,417) were paid to the Zaha Hadid Foundation which is controlled by the Estate of Dame Zaha Hadid.

19. 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.