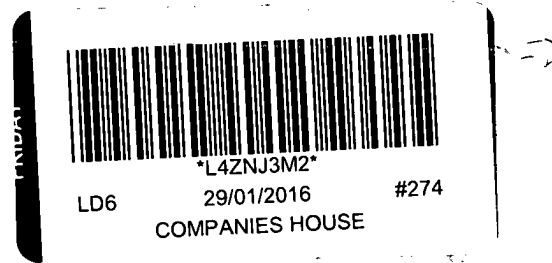


ZAHA HADID LTD
Strategic Report, Directors' Report and
Financial Statements
for the Year Ended 30 April 2015



ZAHA HADID LTD

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for the year ended 30 April 2015**

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ZAHA HADID LTD

**Company Information
for the year ended 30 April 2015**

Directors:	Dame Z Hadid 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 and Statutory Auditors New Derwent House 69-73 Theobalds Road London WC1X 8TA
Bankers:	National Westminster Bank plc 34 Sloane Square London SW1W 8AZ

ZAHA HADID LTD

Strategic Report for the year ended 30 April 2015

The directors present their strategic report for the year ended 30 April 2015.

In the year ended 30 April 2015 Zaha Hadid Limited (ZHL) has continued its growth working on projects both in the UK and overseas, this has been despite the continuing uncertainty in the economic and political global landscape. Turnover has increased by 2% to £47.7m from £46.6m. Gross Profit has increased by £1.2m from last year (£20.4m vs £19.2m), again this has been achieved by an increased focus on project profitability through resource planning. Headcount has fallen by 5% to 372 from 390 this reflects the ebb and flow of the company's workflow.

Named 'International Practice of the Year' by the Architect's Journal in recognition of its remarkable growth throughout the 2014/2015 period, ZHL achieved notable successes in established, developing and new global markets, while its completed worldwide projects demonstrate an on-going commitment to the highest standards of design, construction and sustainability.

Wangjing Soho opened in Beijing in 2014. Built for Soho China, the project was awarded First Prize in the 2014 Emporis Skyscraper Awards, the world's foremost prize for high-rise architecture. A 521,265m² mixed-use development consisting of three towers 118, 127, 200 meters in height, Wangjing Soho's design brings together the surrounding community in a new 60,000m² public park. With all units in Towers 1 and 2 sold before completion, the adaptability of the towers' interiors enabled the client to successfully develop a new business model catering to China's rapidly developing IT and telecommunications sectors and start-ups by offering units in Tower 3 on short-term leases booked via their 'SOHO 3Q' smartphone app.

Together with ZHL's design for the Jockey Club Innovation Tower School of Design at Hong Kong Polytechnic University, Wangjing Soho was a finalist of the 2014 Best Tall Buildings Awards by the Chicago-based Council for Tall Buildings and Urban Habitat.

Later in the year, ZHL and Soho China completed Sky Soho in Shanghai. C-Trip, the Nasdaq-listed travel booking company, purchased over 100,000m² of the Sky Soho campus before completion. Soho China/ZHL also launched their latest project, Leeza Soho. Now under construction in Beijing, the 45-storey, 172,800m² mixed-use tower will include the world's tallest atrium to bring natural light and ventilation to all office floors.

Under the leadership of the Beijing New Airport authority, ZHL and ADP Ingénierie announced the design for the Beijing New Airport Terminal Building - the world's largest passenger terminal. The 700,000 m² terminal will open in 2019 for 45 million passengers each year, with future expansion capability to over 75 million passengers.

Beijing New Airport is the most recent of ZHL's growing portfolio of transport and infrastructure projects including train/metro stations and bridges in Europe and Asia.

ZHL continued its commitment to building inspirational educational and cultural projects with the announcement of new projects including the Sleuk Rith Institute in the Cambodian capital Phnom Penh and the new Mathematics Gallery at London's Science Museum. The Sleuk Rith Institute comprises a museum, graduate school, document archives and research library together with a memorial for the Cambodian people. The institute is designed as global centre for education and research into the causes and prevention of genocide.

ZHL has completed research facilities at Oxford University and the American University of Beirut. The Investcorp Building for Oxford University's Middle East Centre at St Antony's College integrates new academic and research facilities within a design defined by the existing built and natural environment of the college. Recently awarded by the Oxford Preservation Trust, the Investcorp Building was described by RIBA Journal's editor as "an exquisite little gem... one of the most beautifully-crafted buildings I have encountered for a long time."

ZHL's cultural, sports and leisure projects continued to capture the public's imagination and receive recognition from institutions around the world. Following its nomination for the 2014 RIBA Stirling Prize, the London Aquatics Centre was awarded a Silver Medal by the International Olympic Committee (IOC)/International Association of Sports & Leisure Facilities (IKAS). An outstanding legacy of London 2012, almost 1.5 million Londoners have now visited the Aquatics Centre since it opened to the public in 2014. Over the same period, the Dongdaemun Design Plaza in Seoul, Korea welcomed more than 8.5 million visitors to its exhibitions and events in its first year.

Named 'Design of the Year 2014' by London's Design Museum, the Heydar Aliyev Centre in Baku was cited in its award nomination as "a masterwork of invention and execution." Built over the site of an abandoned Soviet munitions factory, the centre's fluid architecture embodies an enlightened philosophical framework. Breaking from rigid and often monumental Soviet architecture that is so prevalent in Baku, its open forms promise to engage Azeri culture with an act of attraction rather than imposition.

ZAHA HADID LTD

Strategic Report for the year ended 30 April 2015

The success of ZHL's completed projects reflects the company's detailed client engagement throughout all stages of design and construction. In Leipzig, ZHL's design for the BMW Central Building celebrated its 10th anniversary. Named 'Best Factory in Europe' and 'Overall Winner' of the 2013 Industrial Excellence Awards, more than 3,700 employees now work at BMW Leipzig and it is one of the world's most sustainable automobile plants.

The BMW Central Building's design mirrors the company's management strategy to integrate all employees by creating a wholly connected working environment. Cars at different stages of manufacture move along tracks within the administration areas of the building - mixing the administrative and production functions within the plant. Avoiding the traditional segregation into status groups of blue and white collar workers has greatly increased communication and collaboration between all employees. Replacing separated departments with a more transparent organisation has encouraged the teams at BMW Leipzig to successfully develop and optimise new production processes. From 28 production and assembly facilities in 13 countries, BMW selected their Leipzig plant to produce the innovative new electric BMW i3 model. In 2014, the plant began production of the hybrid BMW i8.

Located in the Burj Khalifa District of Dubai, the Opus Tower by ZHL is nearing completion. In 2014 Melia Hotels announced 'ME Dubai' will be located at the Opus, the first 'ME by Melia' hotel in the Middle East. Gabriel Escarrer, Vice Chairman & CEO of Meliá Hotels International explained ZHL's design for the Opus building and ME Dubai "go beyond what we could ever have anticipated. There's no doubt that ME Dubai will raise the bar for Dubai's hotel supply. We are proud to have this amazing project in our portfolio."

Also in 2014, Jumeirah Hotels announced their newest hotel in China will be located in the ZHL designed Nanjing International Centre. Constructed in only 30 months using ZHL's extensive knowledge and expertise with 3D modelling and BIM, the 465,000m² Nanjing International Centre comprises two towers of 68 and 59 storeys and will open as the Jumeirah Hotel Nanjing in 2016.

Construction began at the 1000 Museum in Miami and 520 West 28th Street in New York City residential projects. Using inventive new design and construction techniques including permanent glass fibre reinforced concrete (GRC) formwork, 1000 Museum's 66 storey concrete external structure offers living areas uninterrupted by internal columns and brings a continuity between its architecture and engineering that requires minimal finishing and maintenance. Demand for the 83 units within the tower has been very strong with its developer reporting US\$1million of sales each hour during a 24-hour period.

Related Companies in New York also reports demand for units within ZHL's 520 West 28th Street has far exceeded predictions. The building's split-level design responds to strict zoning constraints and offers much greater variation to the apartments within, while its hand-crafted façade carries the history of its neighbourhood.

Also in 2014, residents collected their keys and moved into D'Leedon Singapore. 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. With varied balcony geometries, the orientation and placement of the seven towers is optimised in response to environmental considerations. D'Leedon set a market record in Singapore for the highest number of units sold in a month, and recently received the award from the International Real Estate Federation (FIABCI) Singapore recognising projects that demonstrate excellence in all the disciplines involved in their creation.

ZHL is building on this success, working with new and existing clients on further residential projects in the Americas, together with those in Australia, Asia, the Middle East and Europe.

Construction of the 41-storey 123,000m² City Life Tower in Milan also began in 2014. ZHL developed a double-façade system with inclined structural columns that contribute to the tower's targeted LEED Platinum certification and give much greater efficiencies in usable floor areas. ZHL strives to achieve the highest possible standards of ecological sustainability in all our projects including LEED Platinum certifications for buildings currently in development in the UAE and Saudi Arabia.

The Bee'ah Headquarters in Sharjah and the KAPSARC research centre in Riyadh embody these principles. Designed in response to their natural environment to ensure comfort for employees alongside minimising energy and resource consumption, these projects work with the extreme weather conditions of the Arabian Peninsula and provide their clients with buildings of the highest quality, built with the sustainable construction of LEED Platinum certification.

The Al-Wakrah Stadium in Qatar for the 2022 World Cup is also under construction. The stadium's design echoes the forms of Al Wakrah's traditional dhow boat hulls that are upturned on the beach by local fishermen when they return to land - the fluid lines of a dhow's wooden structure expressed in the stadium's façade and roof. The authorities in Qatar operate the construction site to the highest levels of safety and welfare. The stadium's construction crews have now completed over 1.2 million working hours on the site without any injuries causing lost time.

ZAHA HADID LTD

Strategic Report for the year ended 30 April 2015

The success of the practice continues to receive recognition. Following Zaha Hadid being named Businesswoman of the Year in 2013, the Sunday Times included ZHL in the 2014 Profit Track 100 for a 47.37% 3-year average profit growth per annum, as well as the 2014 International Track 200 for ZHL's 2-year average international sales growth of 23.75%. In addition to RIBA awards to ZHL's completed projects, the RIBA has also announced Zaha Hadid will receive the 2016 Royal Gold Medal.

ZHL on-going commitment to the well-being of everyone in our community has contributed to vital programs such as the NSPCC, UNICEF, the John Soane Museum, KIDS, Cancer Research UK and Innocence in Danger. Honorary lectures by ZHL's principals have also assisted with the fundraising activities of key cultural and academic institutions worldwide.

ZHL's research and collaborations with leading institutions and corporations have aided the development of new design and construction methods and materials that offer significant advancements in ecological performance and quality. ZHL is well placed to implement these innovations for our clients.

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. Investment and implementation in IT and infrastructure has ensured the practice will benefit from its experience in established markets, with further growth anticipated as the full potential of new and developing markets is realised.

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 LTD

**Strategic Report
for the year ended 30 April 2015**

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 keyperformance indicators, other than those given earlier.

Results and dividends

During the year the company paid an interim dividend of £4m (2014: £2.4m). 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:


.....
Jame Z Hadid - Director

Date: 28/1/2016

ZAHA HADID LTD
Directors' Report
for the year ended 30 April 2015

The directors present their report with the financial statements of the company for the year ended 30 April 2015.

Principal activity

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

Dividends

The total distribution of dividends for the year ended 30 April 2015 will be £4,000,000.

Directors

The directors shown below have held office during the whole of the period from 1 May 2014 to the date of this report.

Dame Z Hadid
Mr P Schumacher
Mr N P D Calvert
Mr J K Heverin
Mr G Racana

Other changes in directors holding office are as follows:

Mr C Walker - appointed 1 July 2014

Mr M Majidi was appointed as a director after 30 April 2015 but prior to the date of this report.

Charitable donations

	2015	2014
	£	£
Charitable Donations	166,199	255,785

£150,000 (2014 : £255,000) 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:

£6,098 of the donations were made to The McKim Benefit Gala Charity.

£5,000 was donated to the Royal Park half marathon.

£3,101 was donated to purchase a mobility scooter for an ex-employee.

£1,000 to MIND to provide advise and support to individuals experiencing a mental health problem.

£1,000 to Nepal Disaster Fund, to assist with the relief effort in Nepal.

Directors' responsibilities statement

The directors are responsible for preparing 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 LTD

Directors' Report
for the year ended 30 April 2015

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:



.....
Name: [Redacted] - Director

Date: 28/1/2016

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

We have audited the financial statements of Zaha Hadid Ltd for the year ended 30 April 2015 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement 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).

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 2015 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.

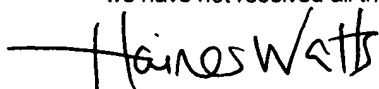
Opinion on other matter prescribed by the Companies Act 2006

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 and Statutory Auditors
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

Date: 29/1/2016

ZAHA HADID LTD

Profit and Loss Account
for the year ended 30 April 2015

	Notes	2015 £	2014 £
Turnover	2	47,744,670	46,574,147
Cost of sales		(27,331,994)	(27,394,287)
Gross profit		20,412,676	19,179,860
Administrative expenses		(14,474,828)	(13,073,369)
Operating profit		5,937,848	6,106,491
Interest receivable and similar income		22,450	32,499
		5,960,298	6,138,990
Interest payable and similar charges	5	(6,180)	-
Profit on ordinary activities before taxation	6	5,954,118	6,138,990
Tax on profit on ordinary activities	8	(1,345,496)	(1,520,900)
Profit for the financial year		4,608,622	4,618,090

Continuing operations

None of the company's activities were acquired or discontinued during the current year or previous year.

Total recognised gains and losses

The company has no recognised gains or losses other than the profits for the current year or previous year.

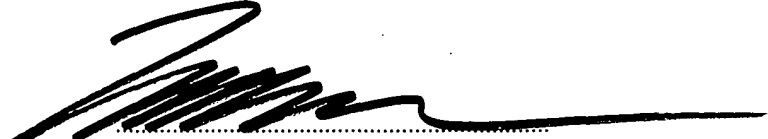
Balance Sheet
30 April 2015

	Notes	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	10		233,865		159,393
Investments	11		110,060		110,060
			<u>343,925</u>		<u>269,453</u>
Current assets					
Debtors	12	16,884,041		16,556,521	
Cash at bank and in hand		9,513,215		11,669,152	
		<u>26,397,256</u>		<u>28,225,673</u>	
Creditors					
Amounts falling due within one year	13	21,298,126		23,660,693	
			<u>5,099,130</u>		<u>4,564,980</u>
Net current assets					
			<u>5,443,055</u>		<u>4,834,433</u>
Total assets less current liabilities					
			<u>5,443,055</u>		<u>4,834,433</u>
Capital and reserves					
Called up share capital	15		2		2
Profit and loss account	16		5,443,053		4,834,431
			<u>5,443,055</u>		<u>4,834,433</u>
Shareholders' funds					
	19		<u>5,443,055</u>		<u>4,834,433</u>

The financial statements were approved by the Board of Directors on

..... 28/1/2016

and were signed on its behalf by:



Dame Z Hadid - Director

ZAHA HADID LTD

Cash Flow Statement
for the year ended 30 April 2015

	Notes	2015 £	2014 £
Net cash inflow from operating activities	1	5,126,451	11,026,278
Returns on investments and servicing of finance	2	16,270	32,499
Taxation		(3,059,521)	(166,077)
Capital expenditure and financial investment	2	(197,833)	(363,893)
Equity dividends paid		(4,000,000)	(2,400,000)
		<u>(2,114,633)</u>	<u>8,128,807</u>
Financing	2	344,206	-
(Decrease)/increase in cash in the period		<u>(1,770,427)</u>	<u>8,128,807</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
(Decrease)/increase in cash in the period		<u>(1,770,427)</u>	<u>8,128,807</u>
Change in net funds resulting from cash flows		(1,770,427)	8,128,807
Net effect of foreign exchange differences		<u>(385,510)</u>	<u>(617,268)</u>
Movement in net funds in the period		<u>(2,155,937)</u>	<u>7,511,539</u>
Net funds at 1 May		<u>11,669,152</u>	<u>4,157,613</u>
Net funds at 30 April		<u><u>9,513,215</u></u>	<u><u>11,669,152</u></u>

The notes form part of these financial statements

ZAHA HADID LTD

Notes to the Cash Flow Statement
for the year ended 30 April 2015

1. Reconciliation of operating profit to net cash inflow from operating activities

	2015 £	2014 £
Operating profit	5,937,848	6,106,491
Depreciation charges	123,362	486,083
Foreign exchange differences	385,510	617,268
Increase in debtors	(27,621)	(1,208,274)
(Decrease)/increase in creditors	(1,292,648)	5,024,710
Net cash inflow from operating activities	5,126,451	11,026,278

2. Analysis of cash flows for headings netted in the cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	22,450	32,499
Interest paid	(6,180)	-
Net cash inflow for returns on investments and servicing of finance	16,270	32,499
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(197,833)	(345,588)
Purchase of fixed asset investments	-	(18,305)
Net cash outflow for capital expenditure and financial investment	(197,833)	(363,893)
Financing		
Advance by director re loan account	344,206	-
Net cash inflow from financing	344,206	-

3. Analysis of changes in net funds

	At 1/5/14 £	Cash flow £	Other non-cash changes £	At 30/4/15 £
Net cash:				
Cash at bank and in hand	11,669,152	(1,770,427)	(385,510)	9,513,215
	<u>11,669,152</u>	<u>(1,770,427)</u>	<u>(385,510)</u>	<u>9,513,215</u>
Total	11,669,152	(1,770,427)	(385,510)	9,513,215

The notes form part of these financial statements

ZAHA HADID LTD

Notes to the Financial Statements
for the year ended 30 April 2015

1. **Accounting policies**

Accounting convention

The financial statements are prepared under the historical cost convention.

Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently.

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

Deferred tax

Deferred tax is provided on the liability method to take account of timing differences between the treatment of certain items for accounts purposes and their treatment for tax purposes. The company has not adopted a policy of discounting deferred tax assets and liabilities.

Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

Investments

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

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2015**

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:

	2015	2014
	£	£
United Kingdom	484,589	983,356
Europe	2,506,295	4,220,548
United States of America	3,611,181	4,096,541
South America	213,157	-
Asia	14,416,499	11,766,808
Africa	3,352,906	3,684,506
Central America	1,519,954	2,422,223
Middle East	20,275,932	19,144,167
Rest of the World	1,364,157	255,998
	47,744,670	46,574,147

3. Staff costs

	2015	2014
	£	£
Wages and salaries	15,357,272	14,427,105
Social security costs	1,818,462	1,420,420
Other pension costs	92,713	21,552
	17,268,447	15,869,077

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

	2015	2014
Directors	6	5
Production	326	342
Administration	40	43
	372	390

Included in the above figures is £405,786 of wages and £177,522 of social security costs which relates to adjustments re prior accounting periods.

4. Directors' emoluments

	2015	2014
	£	£
Remuneration for qualifying services	732,975	326,388
Sums paid to third parties for directors services	-	265,833
	732,975	592,221

The emoluments for the highest paid director in 2015 were £205,000. In 2014 the sums paid to third parties for directors services are payable to Zaha Hadid (Services) Limited, a related party. It is not possible to attribute this amount to individual directors, therefore, it is not possible to disclose the highest paid director for that.

ZAHA HADID LTD

Notes to the Financial Statements - continued
for the year ended 30 April 2015

5.	Interest payable and similar charges		
		2015	2014
		£	£
	Interest on overdue tax	<u>6,180</u>	<u>-</u>

6. **Profit on ordinary activities before taxation**

The profit on ordinary activities is stated after charging:

		2015	2014
		£	£
	Other operating leases	1,208,734	1,026,633
	Depreciation - owned assets	123,361	486,082
	Loss / (Profit) on foreign exchange transactions	<u>385,510</u>	<u>617,268</u>

7. **Auditors' remuneration**

		2015	2014
		£	£
	Fees payable to the company's auditors and their associates for the audit of the company's financial statements	<u>45,000</u>	<u>45,000</u>
	Total audit fees	<u>45,000</u>	<u>45,000</u>
	Accountancy services	13,269	12,648
	Taxation advisory services	6,168	38,571
	Payroll services	1,125	8,952
	Consultancy services	<u>59,485</u>	<u>33,712</u>
	Total non-audit fees	<u>80,047</u>	<u>93,883</u>
	Total fees payable	<u>125,047</u>	<u>138,883</u>

8. **Taxation**

Analysis of the tax charge

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

		2015	2014
		£	£
	Current tax:		
	UK corporation tax	1,720,000	1,330,000
	Corporation tax prior year	<u>(74,604)</u>	<u>-</u>
	Total current tax	<u>1,645,396</u>	<u>1,330,000</u>
	Deferred tax	<u>(299,900)</u>	<u>190,900</u>
	Tax on profit on ordinary activities	<u>1,345,496</u>	<u>1,520,900</u>

UK corporation tax has been charged at 21% (2014 - 23%).

ZAHA HADID LTD

Notes to the Financial Statements - continued
for the year ended 30 April 2015

8. Taxation - continued

Factors affecting the tax charge

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

	2015 £	2014 £
Profit on ordinary activities before tax	<u>5,954,118</u>	<u>6,138,990</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014 - 23%)	1,250,365	1,411,968
Effects of:		
Expenses not deductible for tax purposes	28,454	19,154
Capital allowances in excess of depreciation	(45,793)	-
Depreciation in excess of capital allowances	-	8,893
Adjustments to tax charge in respect of previous periods	(74,604)	-
Other tax adjustments	136,974	(110,015)
Other timing differences	<u>350,000</u>	<u>-</u>
Current tax charge	<u>1,645,396</u>	<u>1,330,000</u>

In October 2014 the company settled with HM Revenue & Customs regarding payments made by the company under an Employer Financed Retirement Benefit Scheme (EFRBS) during 2011. The settlement reached was for £479,452.

In finalising previous tax returns the company reclaimed overseas withholding taxes and previous overprovisions of corporation tax giving rise to a credit of £554,056.

The net credit of £74,604 is shown as Adjustments to prior years in the tax charge note.

9. Dividends

	2015 £	2014 £
Interim	<u>4,000,000</u>	<u>2,400,000</u>

ZAHA HADID LTD

Notes to the Financial Statements - continued
for the year ended 30 April 2015

10. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 May 2014	2,037,691	85,594	2,123,285
Additions	197,833	-	197,833
Disposals	(500,000)	-	(500,000)
At 30 April 2015	<u>1,735,524</u>	<u>85,594</u>	<u>1,821,118</u>
Depreciation			
At 1 May 2014	1,898,042	65,850	1,963,892
Charge for year	115,756	7,605	123,361
Eliminated on disposal	(500,000)	-	(500,000)
At 30 April 2015	<u>1,513,798</u>	<u>73,455</u>	<u>1,587,253</u>
Net book value			
At 30 April 2015	<u>221,726</u>	<u>12,139</u>	<u>233,865</u>
At 30 April 2014	<u>139,649</u>	<u>19,744</u>	<u>159,393</u>

11. Fixed asset investments

	Shares in group undertakings £
Cost	
At 1 May 2014 and 30 April 2015	<u>110,060</u>
Net book value	
At 30 April 2015	<u>110,060</u>
At 30 April 2014	<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

Class of shares:	%		
Ordinary	holding 100.00	2015 £	2014 £
Aggregate capital and reserves		147,819	5,826
Profit/(loss) for the year		<u>164,425</u>	<u>(84,978)</u>

ZAHA HADID LTD

Notes to the Financial Statements - continued
for the year ended 30 April 2015

11. Fixed asset investments - continued

Zaha Hadid (Hong Kong) Limited

Country of incorporation: Hong Kong

Nature of business: Architects

	% holding		
Class of shares:	100.00		
Ordinary		2015	2014
		£	£
Aggregate capital and reserves		65,263	76,970
Profit for the year		4,291	2,237

Zaha Hadid Architectural Design Consulting (Beijing) Ltd

Country of incorporation: China

Nature of business: Design

	% holding		
Class of shares:	100.00		
Ordinary		2015	2014
		£	£
Aggregate capital and reserves		33,720	(67,302)
Profit/(loss) for the year		16,427	(84,978)

Zaha Hadid (Project Management) Limited

Country of incorporation: England

Nature of business: Design

	% holding		
Class of shares:	100.00		
Ordinary		2015	2014
		£	£
Aggregate capital and reserves		297,183	160,160
Profit for the year		137,023	160,060

12. Debtors: amounts falling due within one year

	2015	2014
	£	£
Trade debtors	10,448,332	9,342,876
Amounts owed by group undertakings	3,387,351	2,941,377
Amounts recoverable on contract	906,389	2,183,936
Other debtors	154,571	5,608
Rental deposit	-	14,767
VAT	547,006	783,388
Deferred tax asset	440,500	140,600
Prepayments	999,892	1,143,969
	16,884,041	16,556,521

	2015	2014
	£	£
Deferred tax asset		
	2015	2014
	£	£
Accelerated capital allowances	90,500	140,600
Other timing differences	350,000	-
	440,500	140,600

ZAHA HADID LTD

Notes to the Financial Statements - continued
for the year ended 30 April 2015

13. Creditors: amounts falling due within one year

	2015	2014
	£	£
Payments on account	12,695,120	13,555,473
Trade creditors	2,341,177	3,773,371
Tax	582,446	1,996,571
Social security and other taxes	623,625	388,083
Other creditors	2,354,395	1,407,937
Directors' current accounts	344,206	-
Accruals and deferred income	2,357,157	2,539,258
	<u>21,298,126</u>	<u>23,660,693</u>

14. Operating lease commitments

The following operating lease payments are committed to be paid within one year:

	Land and buildings		Other operating leases	
	2015	2014	2015	2014
	£	£	£	£
Expiring:				
Within one year	-	-	128,180	136,072
Between one and five years	459,905	459,905	176,514	128,180
In more than five years	545,727	300,000	-	-
	<u>1,005,632</u>	<u>759,905</u>	<u>304,694</u>	<u>264,252</u>

15. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2015	2014
			£	£
2	Ordinary	£1	<u>2</u>	<u>2</u>

16. Reserves

	Profit and loss account £
At 1 May 2014	4,834,431
Profit for the year	4,608,622
Dividends	<u>(4,000,000)</u>
At 30 April 2015	<u>5,443,053</u>

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2015**

17. Related party disclosures

During the year, the Company paid direct costs of £1,733,089 (2014: £754,418) on behalf of Zaha Hadid Design Limited. Zaha Hadid Design Limited recharged the company £1,680,000 (2014: £700,000) for exhibition and marketing activities. At the year end, the amount owed to the company by Zaha Hadid Design Limited was £141,797 (2014: owed by the company £85,513).

During the year, the company was charged £nil (2014: £265,833) by Zaha Hadid (Services) Limited in respect of directors services. In addition, a fee of £2,308,690 (2014: £2,229,525) was paid to Zaha Hadid (Services) Limited for the use of the trademark. At the year end the company owed £2,334,045 (2014: £1,105,727) to Zaha Hadid (Services) Limited.

During the year, the company was charged £nil (2014 - £35,913) by Zaha Hadid (Italy) Limited for running costs of operations in Italy. At the year end, amount of £5,161 (2014 - £839) was owed to Zaha Hadid (Italy) Limited.

The above parties are related by virtue of common control exercised by Dame Zaha Hadid.

Donations of £150,000 (2014: £255,000) 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 and N Calvert are trustees of the charity. At the year end the company owed £nil (2014: £155,000) to The Zaha Hadid Foundation.

During the year the company incurred legal fees of some £155,097 (2014 - £206,126), 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 £8,443 (2014 - £18,000).

During the year the company paid £2,934,591 (2014 - £906,825) of personal expenditure and £160,793 (2014 - £333,150) personal tax liabilities on behalf of Dame Zaha Hadid. At the year end the company owed Dame Zaha Hadid £344,206 (2014- £Nil).

The company has taken advantage of the exemption available in FRS 8 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

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 Dame Zaha Hadid.

19. Reconciliation of movements in shareholders' funds

	2015	2014
	£	£
Profit for the financial year	4,608,622	4,618,090
Dividends	(4,000,000)	(2,400,000)
Net addition to shareholders' funds	608,622	2,218,090
Opening shareholders' funds	4,834,433	2,616,343
Closing shareholders' funds	5,443,055	4,834,433