

ZAHA HADID LTD
Strategic Report, Directors' Report and
Financial Statements
for the Year Ended 30 April 2014

FRIDAY



A405X9F7

A23

30/01/2015

#295

COMPANIES HOUSE

ZAHA HADID LTD

**Contents of the Financial Statements
for the year ended 30 April 2014**

	Page
Company Information	1
Strategic Report	2
Directors' Report	5
Independent Auditors' Report	7
Profit and Loss Account	8
Balance Sheet	9
Cash Flow Statement	10
Notes to the Financial Statements	11
Trading and Profit and Loss Account	20

ZAHA HADID LTD

**Company Information
for the year ended 30 April 2014**

Directors:

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

Secretary:

Mr K W Yao

Registered office:

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

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

**Strategic Report
for the year ended 30 April 2014**

The directors present their strategic report for the year ended 30 April 2014.

Despite the continued challenging conditions for architects in the year to 30 April 2014, Zaha Hadid Limited (ZHL) continues to secure projects in the UK and overseas. Turnover has increased by 26% to £46.6m from £36.9m. After adjusting for the element of turnover payable to project consultants, turnover has increased by around £9m to £33m from £24m. Gross Profit has increased by £6.9m from last year (£19.2m vs £12.3m), this has again been achieved by an increased focus on project profitability through resource planning. With the increased activity and ongoing project work continuing to be strong the average headcount has risen again this year by 12% to 390 from 349.

ZHL has enjoyed significant success throughout the period. Working in established markets, ZHL has also developed new opportunities and continues to build its presence across Asia, the Middle East, Australia and the Americas; while the popularity and recognition of its completed projects demonstrate ZHL's steadfast commitment to the highest standards of design and innovation.

In September, the Serpentine Sackler Gallery opened in London's Kensington Gardens, extending the cultural programming of this renowned institution. The new gallery complements the existing 19th Century building with a light and transparent extension for the 21st Century; a generous social space that enlivens the gallery as a new cultural and culinary destination described by the Sunday Times as "one of the most inspiringly beautiful dining rooms in London, in Europe, in the world."

In November, the Heydar Aliyev Centre opened in Baku, Azerbaijan. Its fluid exterior defines a series of public exhibition and performance spaces within, inviting the urban fabric of the city into the heart of building. Cited in its award nomination as "a masterwork of invention and execution," the centre was named 'Design of the Year' by London's Design Museum as "the most innovative, interesting and forward-looking design of all kinds from around world."

The London Aquatics Centre opened to the public at the beginning of March and was reported by the Guardian to be "the most jaw-dropping municipal swimming pool in the world... this organic-looking structure beckons you in... it is not until you reach the cathedral-like interior of the main pool hall that you realise the extraordinary skill of the architect. Anyone can now swim in it for around the same entrance fee as other local baths. It is a great legacy of the Olympics." Over 500,000 people visited the Aquatics Centre for swimming lessons, family events and club sessions in its first seven months of opening. This remarkable legacy for London has brought ZHL further commissions from clients worldwide demanding equally user-focussed, flexible and sustainable sports facilities, as well as securing nominations for two of architecture's highest accolades: the RIBA Stirling Prize and European Union Prize for Contemporary Architecture - Mies van der Rohe Award.

The Dongdaemun Design Plaza (DDP) in Seoul, Korea also opened in March, welcoming more than five million visitors to its exhibitions and events between March and October. DDP's design revolves around the ancient city wall and the historical artefacts discovered during its construction; establishing an engaging platform for design and a much-needed new public park in the centre of the city with a direct connection to its ancient past. The first public project in Korea to employ 3-D digital construction management, DDP continues to innovate with a wide variety of international events generating new synergies with Korea's creative communities. The popularity of ZHL's projects around the world was further underlined by the New York Times including both the DDP in Seoul and the Heydar Aliyev Centre in Baku within their list of '52 Places to Go in 2015'.

Zaha Hadid joined students and staff of Hong Kong Polytechnic University (HKPU) at the end of March to celebrate the completion of the Jockey Club Innovation Tower. Accommodating more than 1,800 students, researchers and professors, the tower's design promotes a multidisciplinary environment for HKPU's School of Design by connecting the variety of programs within; creating a collective research culture between the school's many learning clusters and design disciplines. Together with ZHL's Wangjing Soho in Beijing, Innovation Tower is a finalist of the 2014 'Best Tall Buildings Awards' by the Chicago-based Council on Tall Buildings and Urban Habitat.

ZHL continues its collaborations with leaders in the fashion and design industries. Flagship boutiques in Milan, Hong Kong, Beijing and Rome have assisted New York-based Stuart Weitzmann, a global leader in designer footwear, to expand in Europe and Asia; while innovative designs for brands including Lalique, Blohm & Voss and Poltrona Frau were very well received. With a genuine understanding of materials and production craftsmanship, ZHL's upcoming collections are highly anticipated.

ZAHA HADID LTD

Strategic Report for the year ended 30 April 2014

Working with established clients that have global reputations for excellence and solid business growth, ZHL is developing residential and commercial projects across five continents. These projects will continue the success of recent ZHL designs including Galaxy Soho, Beijing receiving the Silver Medal at the 2014 Architect Society of China Awards (the highest honours for architecture in China). Galaxy Soho was also named 'Best Public Space' at the 2014 China Interior Design Awards. ZHL is building on this success, working with new and existing clients on further projects across each region.

ZHL's research and collaborations with leading institutions and corporations have aided the development of new design and construction methods and materials that offer great 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 the ongoing assessment of skills have placed ZHL in a very competitive position. Investment and implementation in IT and infrastructure have ensured the practice will benefit from its experience, with further growth expected as the full potential of 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 2014**

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 below

Key performance indicators

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

Results and dividends

An interim ordinary dividend was paid amounting to £2,400,000. The directors do not recommend 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.

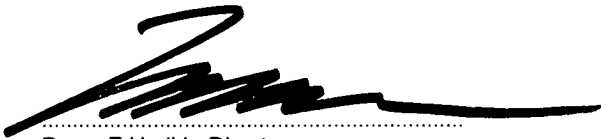
Disabled persons

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:



Dame Z Hadid - Director

Date:

28-1-15

ZAHA HADID LTD

Directors' Report for the year ended 30 April 2014

The directors present their report with the financial statements of the company for the year ended 30 April 2014.

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 2014 will be £2,400,000.

Events since the end of the year

Information relating to events since the end of the year is given in the notes to the financial statements.

Directors

The directors shown below have held office during the whole of the period from 1 May 2013 to the date of this report.

Dame Z Hadid
Mr P Schumacher
Mr N P D Calvert

Other changes in directors holding office are as follows:

Mr J K Heverin - appointed 6 June 2013
Mr G Racana - appointed 6 June 2013

Mr C Walker was appointed as a director after 30 April 2014 but prior to the date of this report.

Charitable donations

	2014	2013
	£	£
Charitable Donations	<u>255,785</u>	<u>3,950</u>

£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.

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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

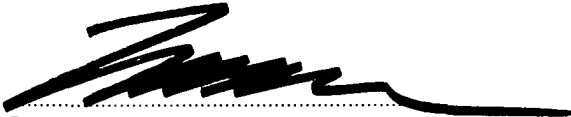
ZAHA HADID LTD

**Directors' Report
for the year ended 30 April 2014**

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:



Dame Z Hadid - Director

Date: 28-1-15

**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 2014 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 2014 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.

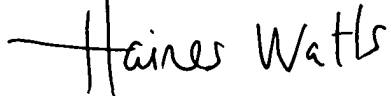
Opinion on other matter prescribed by the Companies Act 2006

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: 29/1/2015

ZAHA HADID LTD

**Profit and Loss Account
for the year ended 30 April 2014**

	Notes	2014 £	2013 £
Turnover	2	46,574,147	36,864,585
Cost of sales		<u>(27,394,287)</u>	<u>(24,613,397)</u>
Gross profit		19,179,860	12,251,188
Administrative expenses		<u>(13,073,369)</u>	<u>(8,167,087)</u>
Operating profit		6,106,491	4,084,101
Interest receivable and similar income		<u>32,499</u>	<u>1,715</u>
		6,138,990	4,085,816
Interest payable and similar charges	5	<u>-</u>	<u>(3,889)</u>
Profit on ordinary activities before taxation	6	6,138,990	4,081,927
Tax on profit on ordinary activities	8	<u>(1,520,900)</u>	<u>(1,045,800)</u>
Profit for the financial year		<u>4,618,090</u>	<u>3,036,127</u>

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.

ZAHA HADID LTD (REGISTERED NUMBER: 03749443)

**Balance Sheet
30 April 2014**

	Notes	£	2014 £	£	2013 £
Fixed assets					
Tangible assets	10		159,393		299,887
Investments	11		110,060		91,755
			269,453		391,642
Current assets					
Debtors	12	16,556,521		15,596,742	
Cash at bank and in hand		11,669,152		4,157,613	
		28,225,673		19,754,355	
Creditors					
Amounts falling due within one year	13	23,660,693		17,529,654	
Net current assets			4,564,980		2,224,701
Total assets less current liabilities			4,834,433		2,616,343
Capital and reserves					
Called up share capital	15		2		2
Profit and loss account	16		4,834,431		2,616,341
Shareholders' funds	21		4,834,433		2,616,343

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

28-1-15

and were

.....
Dame Z Hadid - Director

ZAHA HADID LTD

**Cash Flow Statement
for the year ended 30 April 2014**

		2014	2013
	Notes	£	£
Net cash inflow from operating activities	22	11,026,278	4,895,750
Returns on investments and servicing of finance	23	32,499	(2,174)
Taxation		(166,077)	(797,852)
Capital expenditure and financial investment	23	(363,893)	(316,291)
Equity dividends paid		(2,400,000)	(2,400,000)
Increase in cash in the period		<u>8,128,807</u>	<u>1,379,433</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	24		
Increase in cash in the period		<u>8,128,807</u>	<u>1,379,433</u>
Change in net funds resulting from cash flows		8,128,807	1,379,433
Net effect of foreign exchange differences		<u>(617,268)</u>	<u>204,317</u>
Movement in net funds in the period		<u>7,511,539</u>	<u>1,583,750</u>
Net funds at 1 May		<u>4,157,613</u>	<u>2,573,863</u>
Net funds at 30 April		<u>11,669,152</u>	<u>4,157,613</u>

The notes form part of these financial statements

ZAHA HADID LTD

Notes to the Financial Statements for the year ended 30 April 2014

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 2014**

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:

	2014	2013
	£	£
United Kingdom	983,356	1,526,563
Europe	4,220,548	8,603,365
United States of America	4,096,541	1,233,182
Asia	11,766,808	13,294,365
Africa	3,684,506	2,588,904
Central America	2,422,223	234,509
Middle East	19,144,167	9,305,979
Rest of the World	255,998	77,718
	46,574,147	36,864,585

3. Staff costs

	2014	2013
	£	£
Wages and salaries	14,427,105	12,754,854
Social security costs	1,420,420	1,280,120
Other pension costs	21,552	-
	15,869,077	14,034,974

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

	2014	2013
Directors	5	3
Production	342	304
Administration	43	42
	390	349

4. Directors' emoluments

	2014	2013
	£	£
Remuneration for qualifying services	326,388	120,000
Sums paid to third parties for directors services	265,833	208,333
	592,221	328,333

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.

5. Interest payable and similar charges

	2014	2013
	£	£
Bank interest	-	3,889

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2014**

6. Profit on ordinary activities before taxation

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

	2014	2013
	£	£
Other operating leases	1,026,633	889,935
Depreciation - owned assets	486,082	551,231
Loss / (Profit) on foreign exchange transactions	617,268	(204,317)
	<u><u> </u></u>	<u><u> </u></u>

7. Auditors' remuneration

	2014	2013
	£	£
Fees payable to the company's auditors for the audit of the company's financial statements	45,000	45,000
Total audit fees	45,000	45,000
	<u><u> </u></u>	<u><u> </u></u>
Consultancy services	33,712	104,670
Accountancy services	12,648	1,863
Taxation advisory services	38,571	26,351
Payroll services	8,952	13,561
Company secretarial services	-	2,386
	<u><u> </u></u>	<u><u> </u></u>
Total non-audit fees	93,883	148,831
	<u><u> </u></u>	<u><u> </u></u>
Total fees payable	138,883	193,831
	<u><u> </u></u>	<u><u> </u></u>

8. Taxation

Analysis of the tax charge

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

	2014	2013
	£	£
Current tax:		
UK corporation tax	1,330,000	1,075,000
Deferred tax	190,900	(29,200)
	<u><u> </u></u>	<u><u> </u></u>
Tax on profit on ordinary activities	1,520,900	1,045,800
	<u><u> </u></u>	<u><u> </u></u>

UK corporation tax has been charged at 23%.

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2014**

8. Taxation - continued

Factors affecting the tax charge

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

	2014 £	2013 £
Profit on ordinary activities before tax	<u>6,138,990</u>	<u>4,081,927</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 23% (2013 - 24%)	1,411,968	979,662
Effects of:		
Expenses not deductible for tax purposes	19,154	33,895
Depreciation in excess of capital allowances	8,893	60,915
Other tax adjustments	<u>(110,015)</u>	<u>528</u>
Current tax charge	<u>1,330,000</u>	<u>1,075,000</u>

9. Dividends

	2014 £	2013 £
Interim	<u>2,400,000</u>	<u>2,400,000</u>

10. Tangible fixed assets

	Fixtures and fittings £	Motor vehicles £	Totals £
Cost			
At 1 May 2013	2,212,997	81,722	2,294,719
Additions	324,694	20,894	345,588
Disposals	<u>(500,000)</u>	<u>(17,022)</u>	<u>(517,022)</u>
At 30 April 2014	<u>2,037,691</u>	<u>85,594</u>	<u>2,123,285</u>
Depreciation			
At 1 May 2013	1,920,715	74,117	1,994,832
Charge for year	477,327	8,755	486,082
Eliminated on disposal	<u>(500,000)</u>	<u>(17,022)</u>	<u>(517,022)</u>
At 30 April 2014	<u>1,898,042</u>	<u>65,850</u>	<u>1,963,892</u>
Net book value			
At 30 April 2014	<u>139,649</u>	<u>19,744</u>	<u>159,393</u>
At 30 April 2013	<u>292,282</u>	<u>7,605</u>	<u>299,887</u>

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2014**

11. Fixed asset investments

	Shares in group undertakings £
Cost	
At 1 May 2013	91,755
Additions	18,305
	<u>110,060</u>
At 30 April 2014	<u>110,060</u>
Net book value	
At 30 April 2014	<u>110,060</u>
At 30 April 2013	<u>91,755</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: Architects

	%	
Class of shares:	holding	
Ordinary	100.00	
	2014	30/4/13
	£	£
Aggregate capital and reserves	5,826	90,804
Loss for the year	<u>(84,978)</u>	<u>(334)</u>

Zaha Hadid (Hong Kong) Limited

Country of incorporation: Hong Kong

Nature of business: Architects

	%	
Class of shares:	holding	
Ordinary	100.00	
	2014	30/4/13
	£	£
Aggregate capital and reserves	76,970	74,733
Profit for the year	<u>2,237</u>	<u>73,902</u>

Zaha Hadid Architectural Design Consulting (Beijing) Ltd

Country of incorporation: China

Nature of business: Architects

	%	
Class of shares:	holding	
Ordinary	100.00	
	2014	
	£	
Aggregate capital and reserves	(67,302)	
Loss for the year	<u>(84,978)</u>	

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2014**

11. Fixed asset investments - continued

Zaha Hadid (Project Management) Limited

Country of incorporation: England

Nature of business: Architects

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

12. Debtors: amounts falling due within one year

	2014	2013
	£	£
Trade debtors	9,342,876	9,628,351
Amounts owed by group undertakings	2,941,377	1,933,358
Amounts recoverable on contract	2,183,936	1,582,487
Other debtors	5,608	4,987
Rental deposit	14,767	18,991
Directors' current accounts	-	104,866
VAT	783,388	1,040,479
Deferred tax asset	140,600	331,500
Prepayments	1,143,969	951,723
	16,556,521	15,596,742

Deferred tax asset	2014	2013
	£	£
Accelerated capital allowances	140,600	143,700
Other timing differences	-	187,800
	140,600	331,500

13. Creditors: amounts falling due within one year

	2014	2013
	£	£
Payments on account	13,555,473	9,373,341
Trade creditors	3,773,371	3,092,198
Amounts owed to group undertakings	-	3,282
Tax	1,996,571	832,647
Social security and other taxes	388,083	356,793
Other creditors	1,407,937	1,939,066
Accruals and deferred income	2,539,258	1,932,327
	23,660,693	17,529,654

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2014**

14. Operating lease commitments

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

	Land and buildings		Other operating leases	
	2014	2013	2014	2013
	£	£	£	£
Expiring:				
Within one year	-	-	136,072	-
Between one and five years	459,905	459,905	128,180	183,878
In more than five years	300,000	300,000	-	-
	<u>759,905</u>	<u>759,905</u>	<u>264,252</u>	<u>183,878</u>

15. Called up share capital

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2014	2013
		£1	£	£
2	Ordinary £1	£1	<u>2</u>	<u>2</u>

16. Reserves

	Profit and loss account £
At 1 May 2013	2,616,341
Profit for the year	4,618,090
Dividends	<u>(2,400,000)</u>
At 30 April 2014	<u>4,834,431</u>

17. Directors' advances, credits and guarantees

The following advances and credits to directors subsisted during the years ended 30 April 2014 and 30 April 2013:

	2014	2013
	£	£
Dame Z Hadid		
Balance outstanding at start of year	104,605	(12,876)
Amounts advanced	1,239,975	435,269
Amounts repaid	(1,344,580)	(317,788)
Balance outstanding at end of year	<u>-</u>	<u>104,605</u>
 Mr P Schumacher		
Balance outstanding at start of year	261	-
Amounts advanced	13,052	261
Amounts repaid	(13,313)	-
Balance outstanding at end of year	<u>-</u>	<u>261</u>

ZAHA HADID LTD

Notes to the Financial Statements - continued for the year ended 30 April 2014

18. Related party disclosures

During the year the company paid £906,825 (2013 - £435,269) of personal expenditure and £333,150 (2013 - £nil) personal tax liabilities on behalf of Dame Zaha Hadid.

During the year, the Company received sales receipts of £Nil (2013: £15,340) and paid direct costs of £754,418 (2013: £424,447) on behalf of Zaha Hadid Design Limited. Zaha Hadid Design Limited recharged the company £700,000 for exhibition and marketing activities. At the year end, the amount owed by the company to Zaha Hadid Design Limited was £85,513 (2013: owed to £76,690).

During the year, the company was charged £265,833 (2013: £208,333) by Zaha Hadid (Services) Limited in respect of directors services. In addition, a fee of £2,229,525 was paid to Zaha Hadid (Services) Limited for the use of the trademark. Included within debtors at the year end are amounts of £nil (2013 - £578,652) owed by Zaha Hadid (Services) Limited. Included within creditors at the year end are amounts of £1,105,727 (2013 - £1,853,875) owed to Zaha Hadid (Services) Limited.

During the year, the company was charged £35,913 (2013 - £28,231) by Zaha Hadid (Italy) Limited for running costs of operations in Italy. At the year end, amount of £839 (2013 - £8,497) was owed to Zaha Hadid (Italy) Limited.

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

Donations of £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 £155,000 to The Zaha Hadid Foundation.

During the year the company incurred legal fees of some £206,126 (2013 - £294,477), 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 £18,000 (2013 - £41,077).

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.

19. Post balance sheet events

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 and has not been accounted for within these financial statements.

20. 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.

21. Reconciliation of movements in shareholders' funds

	2014 £	2013 £
Profit for the financial year	4,618,090	3,036,127
Dividends	(2,400,000)	(2,400,000)
Net addition to shareholders' funds	2,218,090	636,127
Opening shareholders' funds	2,616,343	1,980,216
Closing shareholders' funds	4,834,433	2,616,343

ZAHA HADID LTD

**Notes to the Financial Statements - continued
for the year ended 30 April 2014**

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

	2014	2013
	£	£
Operating profit	6,106,491	4,084,101
Depreciation charges	486,083	551,231
Foreign exchange differences	617,268	(204,317)
Increase in debtors	(1,208,274)	(316,319)
Increase in creditors	5,024,710	781,054
Net cash inflow from operating activities	11,026,278	4,895,750

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

	2014	2013
	£	£
Returns on investments and servicing of finance		
Interest received	32,499	1,715
Interest paid	-	(3,889)
Net cash inflow/(outflow) for returns on investments and servicing of finance	32,499	(2,174)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(345,588)	(224,536)
Purchase of fixed asset investments	(18,305)	(91,755)
Net cash outflow for capital expenditure and financial investment	(363,893)	(316,291)

24. Analysis of changes in net funds

	At 1/5/13	Cash flow	Other non-cash changes	At 30/4/14
	£	£	£	£
Net cash:				
Cash at bank and in hand	4,157,613	8,128,807	(617,268)	11,669,152
	4,157,613	8,128,807	(617,268)	11,669,152
Total	4,157,613	8,128,807	(617,268)	11,669,152