

**Report of the Trustees and
Audited Financial Statements
for the Year Ended 30 April 2020
for
THE ZAHA HADID FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)**

THE ZAHA HADID FOUNDATION

**Contents of the Financial Statements
for the year ended 30 April 2020**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 3
Report of the Independent Auditors	4 to 5
Statement of Financial Activities	6
Balance Sheet	7
Notes to the Financial Statements	8 to 13

THE ZAHA HADID FOUNDATION

**Reference and Administrative Details
for the year ended 30 April 2020**

Trustees	Mr B Clarke Ms R Hadid Lord P Palumbo
Registered office	28 Shad Thames London SE1 2YD
Registered company number	08478949 (England and Wales)
Registered charity number	1152943
Auditors	Haines Watts Chartered Accountants and Statutory Auditor New Derwent House 69-73 Theobalds Road London WC1X 8TA

**Report of the Trustees
for the year ended 30 April 2020**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 April 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

Objectives and activities

Its objectives are as follows:

The advancement of education and the promotion of useful knowledge relating to architecture especially modern architecture, design and related disciplines by such charitable means as the trustees shall think fit including without prejudice to the generality of the foregoing:

- advancing the education of students and young persons in the fields of architecture, design and related disciplines;
- for the public benefit, establishing, providing and/or maintaining archives and permanent or temporary exhibitions of the works of Dame Zaha Hadid (whether comprising models, furniture, jewellery, fashion, drawings, paintings or other related works) and such other architects or practitioners in related disciplines as the trustees may determine;
- for the public benefit, the establishment and maintenance and/or support of a museum and/or art gallery; and
- the advancement of such other charitable objects as the trustees may determine.

The Trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

The Charity has moved into 28 Shad Thames and has started consolidating the various assets bequeathed by Dame Zaha Hadid. The process of archiving these assets is well underway with parts of the collection already available for exhibition purposes. Due to the lengthy probate process, the Charity is still waiting on liquidation and donation of some assets. It is difficult for the Trustees to launch any public initiatives until the final sums of monies available are known.

Strategic report

Achievement and performance

The charity received donations in the year totalling £2,437 (2019 - £600).

Going concern

The financial statements have been prepared on a going concern basis. The trustees have examined the possible effects of coronavirus (COVID-19) on the business of the trust and believe its impact will be minimal with no disruption to operations. The going concern accounting policy sets out certain factors relevant to the trustees' consideration in reaching this assessment.

Financial review

The trustees consider the financial position of the charity to be satisfactory.

The charity has no specific reserves policies.

The reserves of the charity at the year end were £8,221,380 (2019 - £4,925,428) to be distributed at the discretion of the Trustees.

**Report of the Trustees
for the year ended 30 April 2020**

Structure, governance and management

The Charity is a company limited by guarantee which was incorporated on 8 April 2013.

The Trustees, who are also the directors for the purpose of company law, who served during the year were:

B Clarke
Lord P Palumbo
R Hadid

The Trustees are committed to ensuring the Foundation continues to provide the legacy that its founder Dame Zaha Hadid envisaged at its creation and would be proud of, following her untimely passing in 2016.

The articles of the company require that there be no less than three and no more than nine trustees.

None of the Trustees have any beneficial interest in the company. All of the Trustees are members of the company and guarantee to contribute £1 in the event of a winding up.

The Charity is related to the other companies controlled and owned by the Estate of Dame Zaha Hadid.

The Trustees have assessed the major risks to which the Charity is exposed, and are satisfied that systems are in place to mitigate exposure to them.

Statement of trustees' responsibilities

The trustees (who are also the directors of The Zaha Hadid Foundation for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Haines Watts, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 13 January 2021 and signed on the board's behalf by:

Mr B Clarke - Trustee

Report of the Independent Auditors to the Members of The Zaha Hadid Foundation

Opinion

We have audited the financial statements of The Zaha Hadid Foundation (the 'charitable company') for the year ended 30 April 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 April 2020 and of its incoming resources and application of resources, including its income and expenditure, 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 charitable 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 trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable 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.

However, not all future events or conditions can be predicted. The COVID-19 viral pandemic is one of the most significant economic events for the UK with unprecedented levels of uncertainty of outcomes. It is therefore difficult to evaluate all of the potential implications on the charities income, customers, suppliers and wider economy. The trustees' view on the impact of COVID-19 is disclosed in the accounting policies

Other matters

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors 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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of The Zaha Hadid Foundation

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees (who are also the directors of the charitable company for the purposes of company law) 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 trustees determine is 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 trustees are responsible for assessing the charitable 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 trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Our 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 a Report of the Independent Auditors 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 Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

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

15 January 2021

THE ZAHA HADID FOUNDATION

Statement of Financial Activities
for the year ended 30 April 2020

		2020 Unrestricted funds £	2019 Total funds £
Income and endowments from	Notes		
Donations and legacies	3	3,425,785	2,775,266
Other trading activities	4	-	7,990
Investment income	5	76,111	10,754
Total		3,501,896	2,794,010
Expenditure on			
Other		205,944	175,476
NET INCOME		3,295,952	2,618,534
Reconciliation of funds			
Total funds brought forward		4,925,428	2,306,894
Total funds carried forward		8,221,380	4,925,428

The notes form part of these financial statements

THE ZAHA HADID FOUNDATION (REGISTERED NUMBER: 08478949)

Balance Sheet
30 April 2020

		2020 Unrestricted funds £	2019 Total funds £
Fixed assets	Notes		
Tangible assets	10	6,528	8,668
Current assets			
Stocks	11	46,895	46,832
Debtors	12	1,569,942	408,214
Cash at bank		6,611,936	4,567,158
		<u>8,228,773</u>	<u>5,022,204</u>
Creditors			
Amounts falling due within one year	13	(13,921)	(105,444)
Net current assets		<u>8,214,852</u>	<u>4,916,760</u>
Total assets less current liabilities		<u>8,221,380</u>	<u>4,925,428</u>
NET ASSETS		<u>8,221,380</u>	<u>4,925,428</u>
Funds	14		
Unrestricted funds		8,221,380	4,925,428
Total funds		<u>8,221,380</u>	<u>4,925,428</u>

The financial statements were approved by the Board of Trustees and authorised for issue on 13 January 2021 and were signed on its behalf by:

Mr B Clarke - Trustee

THE ZAHA HADID FOUNDATION

Notes to the Financial Statements for the year ended 30 April 2020

1. Statutory information

The Zaha Hadid Foundation is a registered charity, limited by guarantee, registered in England and Wales. The charity's registered number and registered office address can be found on the Company Information page.

2. Accounting policies

Basis of preparing the financial statements

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', 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.

Going Concern

Following the emergence and spread of the coronavirus (COVID-19) and its financial effects on businesses worldwide, the trustees have examined the possible effects on the charity.

The charity is part of a group which has a mixture of income streams with a combination of contractual and general sales. Some parts of the business have been impacted negatively by COVID-19 whilst others have seen an increase in business. There will be an impact to current year profitability and cash flow however this impact is manageable. There is a degree of some uncertainty around future non contracted sales pending rules on relaxation of lockdown.

For these reasons the trustees believe there are sufficient funds available within the Charity to operate as a going concern

Financial reporting standard 102 - reduced disclosure exemptions

The charitable 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.

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 tangible fixed assets.

Income resources

All income is recognised on a receivable basis, in accordance with the provisions of Statement of Recommended Practice- Accounting and Reporting by Charities.

Expenditure

Expenditure is accounted for on an accruals basis.

Heritage assets

The charity adopts a policy of valuation, though is not required to recognise heritage assets on the balance sheet due to the fact that information on their cost or valuation is not currently available and such information cannot be obtained at a cost commensurate with the benefit to the users of the accounts and to the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 20% on cost
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THE ZAHA HADID FOUNDATION

Notes to the Financial Statements - continued for the year ended 30 April 2020

2. Accounting policies - continued

Stocks

The Foundation has received a number of artworks and other personal chattels from the Estate of Dame Zaha Hadid which it intends to either sell or donate to promote the causes of the Foundation. The only cost to the Foundation has been shipping overseas assets to the U.K and it is these costs that are included in the stock figure. Stock is included at the lower of cost or net realisable value.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

There are no restricted funds at present.

Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by bank.

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.

3. Donations and legacies

	2020	2019
	£	£
Voluntary Income	2,436	600
Royalties and levies	3,423,349	2,774,666
	<u>3,425,785</u>	<u>2,775,266</u>

4. Other trading activities

	2020	2019
	£	£
Sales of donated chattels	<u>-</u>	<u>7,990</u>

5. Investment income

	2020	2019
	£	£
Rents received	51,332	5,050
Deposit account interest	24,779	5,704
	<u>76,111</u>	<u>10,754</u>

THE ZAHA HADID FOUNDATION

Notes to the Financial Statements - continued
for the year ended 30 April 2020

6. Support costs

	Management £	Finance £	Information technology £	Other £	Totals £
Other resources expended	<u>115,250</u>	<u>140</u>	<u>9,773</u>	<u>80,781</u>	<u>205,944</u>

Support costs, included in the above, are as follows:

Management

	2020 Other resources expended £	2019 Total activities £
Rates and water	59,948	70,663
Light and heat	46,893	54,059
Postage and stationery	6,269	-
Depreciation of tangible and heritage assets	<u>2,140</u>	<u>1,696</u>
	<u>115,250</u>	<u>126,418</u>

Finance

	2020 Other resources expended £	2019 Total activities £
Bank charges	<u>140</u>	<u>124</u>

Information technology

	2020 Other resources expended £	2019 Total activities £
IT support costs	<u>9,773</u>	<u>8,288</u>

Other

	2020 Other resources expended £	2019 Total activities £
Insurance	33,192	31,153
Travel expenses	1,904	-
Legal fees	41,435	-
Accountancy fees	4,250	-
Auditors' remuneration	<u>-</u>	<u>9,493</u>
	<u>80,781</u>	<u>40,646</u>

THE ZAHA HADID FOUNDATION

Notes to the Financial Statements - continued
for the year ended 30 April 2020

7. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2020	2019
	£	£
Depreciation - owned assets	2,140	1,696
Auditors' remuneration	<u>5,000</u>	<u>4,500</u>

8. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 30 April 2020 nor for the year ended 30 April 2019.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 April 2020 nor for the year ended 30 April 2019.

9. Staff costs

There were no employees during the year.

10. Tangible fixed assets

	Fixtures and fittings £
Cost	
At 1 May 2019 and 30 April 2020	<u>10,701</u>
Depreciation	
At 1 May 2019	2,033
Charge for year	<u>2,140</u>
At 30 April 2020	<u>4,173</u>
Net book value	
At 30 April 2020	<u>6,528</u>
At 30 April 2019	<u>8,668</u>

11. Stocks

	2020	2019
	£	£
Stocks	<u>46,895</u>	<u>46,832</u>

THE ZAHA HADID FOUNDATION

Notes to the Financial Statements - continued
for the year ended 30 April 2020

12. Debtors: amounts falling due within one year

	2020	2019
	£	£
Trade debtors	635,807	-
VAT	7,482	-
Prepayments and accrued income	926,653	408,214
	<u>1,569,942</u>	<u>408,214</u>

13. Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	6,892	-
VAT	-	96,476
Accrued expenses	7,029	8,968
	<u>13,921</u>	<u>105,444</u>

14. Movement in funds

	At 1/5/19	Net movement in funds	At 30/4/20
	£	£	£
Unrestricted funds			
General fund	4,925,428	3,295,952	8,221,380
TOTAL FUNDS	<u>4,925,428</u>	<u>3,295,952</u>	<u>8,221,380</u>

Net movement in funds, included in the above are as follows:

	Incoming resources	Resources expended	Movement in funds
	£	£	£
Unrestricted funds			
General fund	3,501,896	(205,944)	3,295,952
TOTAL FUNDS	<u>3,501,896</u>	<u>(205,944)</u>	<u>3,295,952</u>

Comparatives for movement in funds

	At 1/5/18	Net movement in funds	At 30/4/19
	£	£	£
Unrestricted funds			
General fund	2,306,894	2,618,534	4,925,428
TOTAL FUNDS	<u>2,306,894</u>	<u>2,618,534</u>	<u>4,925,428</u>

THE ZAHA HADID FOUNDATION

**Notes to the Financial Statements - continued
for the year ended 30 April 2020**

14. Movement in funds - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	2,794,010	(175,476)	2,618,534
TOTAL FUNDS	<u>2,794,010</u>	<u>(175,476)</u>	<u>2,618,534</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1/5/18 £	Net movement in funds £	At 30/4/20 £
Unrestricted funds			
General fund	2,306,894	5,914,486	8,221,380
TOTAL FUNDS	<u>2,306,894</u>	<u>5,914,486</u>	<u>8,221,380</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	6,295,906	(381,420)	5,914,486
TOTAL FUNDS	<u>6,295,906</u>	<u>(381,420)</u>	<u>5,914,486</u>

15. Related party disclosures

During the year the foundation received levy income of £2,272,935 (2019: £2,773,845) from Zaha Hadid Limited, a company also owned by the Estate of Dame Zaha Hadid.

Levy income was incurred at an arms length basis.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.