

**Report of the Trustees and
Audited Consolidated Financial Statements**

for the Year Ended 30 April 2023

for

**The Zaha Hadid Foundation
(A Company Limited by Guarantee)**

The Zaha Hadid Foundation

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For the year ended 30 April 2023

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The Zaha Hadid Foundation

Reference and Administrative Details
For the year ended 30 April 2023

Trustees	Mr B Clarke Ms R Hadid Lord P Palumbo (resigned 8/7/2022) Professor H M Kara (appointed 28/6/2022) Sir P Cook (appointed 24/2/2023)
Registered office	28 Shad Thames London SE1 2YD
Registered company number	08478949 (England and Wales)
Registered charity number	1152943
Auditors	Cooper Parry Group Limited Statutory Auditor New Derwent House 69-73 Theobalds Road London WC1X 8TA

The Zaha Hadid Foundation

Report of the Trustees For the year ended 30 April 2023

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 2023. 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

The Charity continues to consolidate the various assets bequeathed by Dame Zaha Hadid, which includes preservation of the collection for future safeguarding. The Charity has also improved and enhanced the safety of spaces it occupies, both public and for storage of the collection. In addition, activities in the 2022-2023 year have included several educational endeavours. More detail is set out below.

Its charitable objects, and examples of activities carried out pursuant to those objects, 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:

1. advancing the education of students and young persons in the fields of architecture, design and related disciplines;

Activities carried out included the following:

- continued sponsorship (full bursaries, fees & living allowance) of 3 students to support their architectural study at the London School of Architecture covering the academic years Sep 2022-July 2024;
- established placements for PhD students through the AHRC Techne Programme, hosting two six-month placements from Feb 2023, to undertake research into archives and collections contributing to exhibitions, publications and collections inventory. One student has now been employed by the Foundation for a longer term;
- established a work experience programme for school students, which is to be delivered with Art Emergency in future, benefitting students for low income and socially deprived backgrounds.

2. 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; This has included the development of a museum-standard database, to record the collection and archive, and the ongoing inspection of works in the collections with regard to their authorship, physical stability and their conservation needs

Activities carried out included the following:

- the process of reorganisation of the spaces at the Foundation's Shad Thames site for the safe storage of the collection and archives was advanced along with formalisation of a number of collection handling policies in line with Spectrum UK guidelines;
- ZHF's second exhibition Zaha's Moonsoon: An Interior in Japan, held at its Clerkenwell gallery (20 April - 22 July 2023), exploring the design of her first completed interior in Japan, 1990. The exhibition involved the documentation and conservation of previously unseen works in the collection. It was accompanied by a programme of public events. Free to the public.

3. 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.

Activities carried out included the following:

- The development and phased delivery of security & safety infrastructure. Phase 1 (completed by the end of April 2023) included the upgrade of closed-circuit television, access control, intruder alarm and fire alarm systems at the collections store.

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

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 group at the year end were £37,616,101 (2022 - £13,353,885) to be distributed at the discretion of the Trustees.

Structure, governance and management

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

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.

The Zaha Hadid Foundation

Report of the Trustees
For the year ended 30 April 2023

Statement of trustees' responsibilities

The trustees (who are also the Trustees 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.

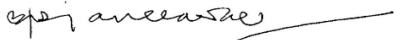
In so far as the trustees are aware:

- 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 audit business of Haines Watts London LLP was acquired by Cooper Parry Group Limited on 14 November 2023. Haines Watts London LLP has resigned as auditor and Cooper Parry Group Limited has been appointed in its place.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company Trustees, on 19 April 2024 and signed on the board's behalf by:



.....
Sir 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 2023 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 2023 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

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

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 this gives rise to a material misstatement in the financial statements themselves. 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.

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 Trustees 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.

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

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We gained an understanding of the legal and regulatory framework applicable to the Charity and the industry in which it operates, and considered the risk of acts by the Charity that were contrary to applicable laws and regulations, including fraud. We discussed with the Trustees the policies and procedures in place regarding compliance with laws and regulations. We discussed amongst the audit team the identified laws and regulations, and remained alert to any indications of non-compliance.

During the audit we focused on laws and regulations which could reasonably be expected to give rise to a material misstatement in the financial statements, including, but not limited to, the Companies Act 2006 and the Charities SORP. Our tests included agreeing the financial statement disclosures to underlying supporting documentation and enquiries with management.

Our procedures in relation to fraud included but were not limited to: inquiries of management whether they have any knowledge of any actual, suspected or alleged fraud, and discussions amongst the audit team regarding risk of fraud such as opportunities for fraudulent manipulation of financial statements. We determined that the principal risks related to posting manual journal entries to manipulate financial performance and management bias through judgements in accounting estimates. We also addressed the risk of management override of internal controls, including testing journals and evaluating whether there was evidence of bias by the Trustees that represented a risk of material misstatement due to fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Cooper Parry Group Limited
Statutory Auditor
New Derwent House
69-73 Theobalds Road
London
WC1X 8TA

Date: 19 April 2024

The Zaha Hadid Foundation

Consolidated Statement of Financial Activities

For the year ended 30 April 2023

		Unrestricted funds	Restricted funds	Total	Total
		Group	Group	Group	Charity
	Note	2023	2023	2023	2022
		£	£	£	£
Income and endowments from					
Royalties and levies	2	4,951,124	21,863,960	26,815,084	3,837,710
Other trading activities	3	-	2,082,130	2,082,130	-
Investment income	4	237,377	6,108	243,485	26,566
		<u>5,188,501</u>	<u>23,952,198</u>	<u>29,140,699</u>	<u>3,864,276</u>
Total incoming resources					
Expenditure on					
Other expenditure	6	3,776,362	1,102,121	4,878,483	1,133,137
		<u>3,776,362</u>	<u>1,102,121</u>	<u>4,878,483</u>	<u>1,133,137</u>
Total resources expended					
		<u>3,776,362</u>	<u>1,102,121</u>	<u>4,878,483</u>	<u>1,133,137</u>
Net (expenditure)/ income		1,412,139	22,850,077	24,262,216	2,731,139
Transfers between funds		-	-	-	-
		<u>1,412,139</u>	<u>22,850,077</u>	<u>24,262,216</u>	<u>2,731,139</u>
Net movement in funds					
		<u>1,412,139</u>	<u>22,850,077</u>	<u>24,262,216</u>	<u>2,731,139</u>
Funds brought forward at 1 May 2022		13,353,885	-	13,353,885	10,622,746
		<u>13,353,885</u>	<u>-</u>	<u>13,353,885</u>	<u>10,622,746</u>
Funds carried forward at 30 April 2023		14,766,024	22,850,077	37,616,101	13,353,885
		<u>14,766,024</u>	<u>22,850,077</u>	<u>37,616,101</u>	<u>13,353,885</u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure is derived from continuing activities.

The comparative figures presented are for the charity only as the group was formed on 31 January 2023.

The notes on pages 10 to 17 form part of these financial statements.

The Zaha Hadid Foundation

Consolidated and Charity Statement of Financial Position

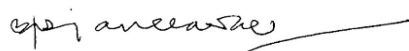
As at 30 April 2023

	Note	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Fixed Assets					
Intangible assets	14	208,901	28,757	-	-
Tangible assets	13	16,875,662	489,993	-	70,638
Investments	15	-	21,916,591	-	-
		<u>17,084,563</u>	<u>22,435,341</u>	<u>-</u>	<u>70,638</u>
Current Assets					
Stocks	16	483,766	47,041	-	47,041
Debtors	17	3,968,044	843,438	-	275,731
Cash at bank and in hand		18,496,992	14,059,920	-	13,537,801
		<u>22,948,802</u>	<u>14,950,399</u>	<u>-</u>	<u>13,860,573</u>
Creditors: Amounts falling due within one year	18	<u>(2,417,264)</u>	<u>(748,682)</u>	<u>-</u>	<u>(577,326)</u>
Total assets less total liabilities		<u>37,616,101</u>	<u>36,637,058</u>	<u>-</u>	<u>13,353,885</u>
Funds					
Restricted funds	19	22,850,077	21,863,960	-	-
Unrestricted funds	19	14,766,024	14,773,098	-	13,353,885
Total funds		<u>37,616,101</u>	<u>36,637,058</u>	<u>-</u>	<u>13,353,885</u>

The charity has prepared group accounts in accordance with section 398 of the Companies Act 2006 and section 138 of the Charities Act 2011.

The surplus generated by the charity for the financial year was £23,283,173 (2022: £2,731,139 surplus)

Approved by the Board of Trustees on 19 April 2024 and signed on their behalf by



Sir B Clarke

Trustee

Registered charity in England and Wales - 1152943

Company Registration Number - 08478949

The notes on pages 10 to 17 form part of these financial statements.

The Zaha Hadid Foundation

Consolidated Statement of Cash Flows

For the year ended 30 April 2023

		Unrestricted funds	Restricted funds	Total	Total
		Group	Group	Group	Charity
Note		2023	2023	2023	2022
		£	£	£	£
Cash flows from operating activities:	23	748,678	371,750	1,120,427	3,260,952
Net cash provided by (used in) operating activities		748,678	371,750	1,120,427	3,260,952
Cash flows from investing activities:					
Purchase of non-current assets		(488,190)	(16,771,052)	(17,259,242)	(69,990)
Non-current assets received on acquisition		-	16,771,052	16,771,052	-
Cash received on acquisition of subsidiaries		58,054	4,313,716	4,371,770	-
Cash flow from taxation		-	(254,501)	(254,501)	-
Interest received		203,577	6,108	209,685	-
Net cash provided by (used in) investing activities		(226,559)	4,065,323	3,838,763	(69,990)
Change in cash and cash equivalents in the reporting period		522,119	4,437,072	4,959,191	3,190,962
Cash and cash equivalents at the beginning of the reporting period		13,537,801	-	13,537,801	10,346,839
Cash and cash equivalents at the end of the reporting period		14,059,920	4,437,072	18,496,992	13,537,801

The comparative figures presented are for the charity only as the group was formed on 31 January 2023.

The notes on pages 10 to 17 form part of these financial statements.

The Zaha Hadid Foundation

Notes to the Financial Statements

For the year ended 30 April 2023

1 Accounting Policies

Basis of preparing the financial statements

The Zaha Hadid Foundation is a registered charity, limited by guarantee, registered in the United Kingdom. In the event of the charity being wound up, the liability in respect of the guarantee is limited to £1 per member of the charity. The address of the registered office is given in the charity information on page 1 of these 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 with the exception of investments which are included at market value.

Preparation of the financial statements requires management to make significant judgements and estimates in determining the carrying amounts of certain assets and liabilities. Management makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The management's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. This disclosure excludes uncertainty over future events and judgement in respect of measuring financial instruments. There are no further significant judgements or estimates.

Basis of consolidation

These accounts consolidate those of the Charity and its wholly owned trading subsidiaries; Zaha Hadid Design Limited, Zaha Hadid Holdings Limited, Zaha Hadid (Services) Limited and Zaha Hadid (Italy) Limited. These are adjusted, where appropriate, to conform to group accounting policies. Zaha Hadid Foundation obtained legal title of Zaha Hadid Design Limited, Zaha Hadid Holdings Limited, Zaha Hadid (Services) Limited and Zaha Hadid (Italy) Limited on the 31 January 2023. The Zaha Hadid Foundation also acquired the beneficial interest in Zaha Hadid Design Limited and Zaha Hadid Holdings Limited on 31 January 2023 however, the beneficial interest in Zaha Hadid (Services) Limited and Zaha Hadid (Italy) Limited was transferred in March 2018. The subsidiaries results are consolidated from 31 January 2023 and therefore the comparatives presented are for the Charity only. Zaha Hadid (Services) Limited has a 30 September year end, all other subsidiaries align with the Charity year end. A separate Statement of Financial Activities and Income and Expenditure Account for the charity have not been presented in accordance with the exemption afforded by section 408 of the Companies Act 2006.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of authorisation for issue of the financial statements and have concluded that the charity has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the charity's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Trading income

Income in trading subsidiaries represents amounts receivable for goods and services net of VAT.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management carried out at their Headquarters.

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.

Improvements to property - 10% on cost

Fixtures and fittings - 20% on cost

Computer equipment - 33% on cost

Intangible assets

Intangible assets are initially measured at cost. After initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised evenly over their estimated useful life.

The Zaha Hadid Foundation

Notes to the Financial Statements
For the year ended 30 April 2023

1 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 use 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.

Stock is also held in the trading entities, and is valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Fund Accounting

Unrestricted funds are donations and other income resources receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

There is a new restricted fund in 2023 in both the Charity and the Group. This relates to a restriction on the Charity's access to the profits, assets, and liabilities of Zaha Hadid Design Limited and Zaha Hadid Holdings Limited for a period of 7 years from 2022 as part of the conditions of appointment of the Charity as parent of the Group.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

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 Group 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 Group 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 Group's cash management.

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recorded at the proceeds received, net of direct issue costs.

Taxation

The charity is exempt from corporation tax on its charitable activities, however tax is incurred on non-charitable subsidiaries.

Taxation in the trading entities for the year to year comprises of current and deferred tax. Tax is recognised in the Statement of Financial Activities, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. Current or deferred taxation assets and liabilities are not discounted. Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2	Royalties and levies	Unrestricted funds	Restricted funds	Total	Total
		Group	Group	Group	Charity
		2023	2023	2023	2022
		£	£	£	£
	Voluntary income	1,078,588	-	1,078,588	40
	Royalties and levies	3,819,905	-	3,819,905	3,822,916
	Publishing rights	-	-	-	14,754
	Donations	52,632	21,863,960	21,916,591	-
		<u>4,951,124</u>	<u>21,863,960</u>	<u>26,815,084</u>	<u>3,837,710</u>
3	Other trading activities	Unrestricted funds	Restricted funds	Total	Total
		Group	Group	Group	Charity
		2023	2023	2023	2022
		£	£	£	£
	Income of trading subsidiaries	-	2,082,130	2,082,130	-
		<u>-</u>	<u>2,082,130</u>	<u>2,082,130</u>	<u>-</u>

The Zaha Hadid Foundation

Notes to the Financial Statements
For the year ended 30 April 2023

4 Investment income

	Unrestricted funds	Restricted funds	Total	Total
	Group	Group	Group	Charity
	2023	2023	2023	2022
	£	£	£	£
Rents received	33,799	-	33,799	26,566
Deposit account interest	203,577	6,108	209,685	-
	<u>237,377</u>	<u>6,108</u>	<u>243,485</u>	<u>26,566</u>

5 Trading subsidiaries

The wholly owned trading subsidiaries listed below are incorporated in the United Kingdom and pay profits surplus to trading requirements to the charity.

The summary financial performance of the subsidiaries in the period of consolidation are as follows:

	Zaha Hadid Design Ltd	Zaha Hadid Holdings Ltd	Zaha Hadid (Italy) Ltd	Zaha Hadid (Services) Ltd
	£	£	£	£
Turnover	2,082,090	57,171	-	-
Expenses	(564,068)	(342,169)	(650)	(1,908)
Operating profit	<u>1,518,022</u>	<u>(284,998)</u>	<u>(650)</u>	<u>(1,908)</u>
Taxation (Note 12)	(302,157)	55,250	-	-
Profit before distribution	<u>1,215,865</u>	<u>(229,748)</u>	<u>(650)</u>	<u>(1,908)</u>
Assets	14,562,942	16,615,717	611	58,627
Liabilities	(513,598)	(7,300,135)	(5,777)	(7,903)
Capital and reserves	<u>(14,049,344)</u>	<u>(9,315,582)</u>	<u>5,166</u>	<u>(50,724)</u>

Company number	06019320	05628725	06693897	06693908
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6 Other expenditure

	Group 2023	Group 2023	Group 2023	Charity 2022
	Management costs	Other costs	Totals	Totals
	(see note 7)	(see note 8)		
	£	£	£	£
Support costs				
Unrestricted funds	2,095,595	1,680,767	3,776,362	337,982
Restricted funds	494,042	608,079	1,102,121	795,155
	<u>2,589,637</u>	<u>2,288,846</u>	<u>4,878,483</u>	<u>1,133,137</u>

7 Management costs

	Unrestricted funds	Restricted funds	Total	Total
	Group	Group	Group	Charity
	2023	2023	2023	2022
	£	£	£	£
Wages	619,372	251,034	870,406	146,878
Social security	73,852	28,351	102,203	18,858
Pensions	12,063	3,811	15,874	1,120
Staff training	12,541	-	12,541	2,625
Rates and water	110,859	-	110,859	85,347
Light and heat	103,337	1,409	104,745	28,757
Telephone	10,655	-	10,655	5,856
Postage and stationery	6,195	-	6,195	5,217
Advertising	20,880	-	20,880	2,914
Rent	1,085,761	4,200	1,089,961	36,671
Depreciation	39,633	174,648	214,281	3,739
Amortisation of intangible assets	445	30,590	31,035	-
	<u>2,095,595</u>	<u>494,042</u>	<u>2,589,637</u>	<u>337,982</u>

The Zaha Hadid Foundation

Notes to the Financial Statements
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8 Other costs	Unrestricted funds	Restricted funds	Total	Total
	Group	Group	Group	Charity
	2023	2023	2023	2022
	£	£	£	£
Repairs and renewals	114,536	-	114,536	37,264
Computer costs	45,549	12,068	57,617	31,819
Insurance	69,212	33,221	102,433	35,631
Travel expenses	23,534	-	23,534	2,897
Legal fees	1,007,332	37,656	1,044,988	635,634
Accountancy fees	25,206	31,346	56,551	9,783
Security	135,842	-	135,842	10,609
Entertainment	5,651	1,651	7,302	76
Subscriptions	3,411	-	3,411	113
Cleaning	9,917	-	9,917	3,016
Sundry	36,508	234	36,742	28,079
Direct costs - trading subsidiaries	-	385,918	385,918	-
Art handling costs	203,489	-	203,489	-
Bad debts	-	-	-	-
Taxation - trading subsidiaries (Note 12)	-	246,907	246,907	-
Foreign exchange (gains)/loss	-	(141,480)	(141,480)	-
Bank charges	580	560	1,140	234
	<u>1,680,767</u>	<u>608,079</u>	<u>2,288,846</u>	<u>795,155</u>

9 Net income/(expenditure)	Unrestricted funds	Restricted funds	Total	Total
	Group	Group	Group	Charity
	2023	2023	2023	2022
	£	£	£	£
Net (expenditure)/ income is stated after charging/(crediting):				
Auditors' remuneration	29,000	31,250	60,250	6,500
Depreciation and amortisation - owned assets	40,079	205,237	245,316	3,740
	<u>40,079</u>	<u>205,237</u>	<u>245,316</u>	<u>3,740</u>

10 Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 30 April 2023 nor the year ended 30 April 2022.

Trustees' expenses

There were no trustees' expenses paid for the year ended 30 April 2023 nor the year ended 30 April 2022.

11 Staff costs	Unrestricted funds	Restricted funds	Total	Total
	Group	Group	Group	Charity
	2023	2023	2023	2022
	£	£	£	£
Wages and salaries	619,372	251,034	870,406	146,878
Social security costs	73,852	28,351	102,203	18,858
Other pension costs	12,063	3,811	15,874	1,120
	<u>705,287</u>	<u>283,196</u>	<u>988,483</u>	<u>166,856</u>

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

	Group	Charity
	2023	2022
	£	£
Employed by trading subsidiaries	3	-
Management and administration of charity	12	3
	<u>15</u>	<u>3</u>

The number of employees whose employee benefits (excluding employers pension costs) exceeded £60,000 was:

	Group	Charity
	2023	2022
	£	£
£60,000 - £70,000	2	-
£80,000 - £90,000	1	1
	<u>3</u>	<u>1</u>

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12 Taxation

Taxation is incurred by the trading subsidiaries of the Charity. The tax (credit)/charge on trading profits for the period of consolidation was as follows:

	Unrestricted funds Group 2023 £	Restricted funds Group 2023 £	Total Group 2023 £	Total Charity 2022 £
UK corporation tax	-	303,811	303,811	-
Deferred tax	-	(56,904)	(56,904)	-
Tax on trading profits	-	246,907	246,907	-

Taxation is included in other costs in the consolidated statement of financial activities.

13 Tangible fixed assets

Group

	Freehold property £	Improvements to property £	Fixtures & equipment £	Computer Equipment £	Total £
Cost					
As at 1 May 2022	-	-	60,486	20,205	80,691
Additions	16,500,000	152,540	321,641	45,125	17,019,305
Disposals	-	-	-	-	-
As at 30 April 2023	16,500,000	152,540	382,127	65,330	17,099,996
Depreciation					
As at 1 May 2022	-	-	8,850	1,203	10,053
Charge for the period	165,000	6,236	31,955	11,090	214,281
Eliminated on disposal	-	-	-	-	-
As at 30 April 2023	165,000	6,236	40,805	12,293	224,334
Net book value					
As at 30 April 2023	16,335,000	146,304	341,321	53,037	16,875,662
As at 30 April 2022	-	-	51,636	19,002	70,638

Charity

	Improvements to property £	Fixtures & equipment £	Motor vehicles £	Total £
Cost				
As at 1 May 2022	-	60,486	20,205	80,691
Additions	152,540	268,432	38,015	458,987
Disposals	-	-	-	-
As at 30 April 2023	152,540	328,918	58,220	539,678
Depreciation				
As at 1 May 2022	-	8,850	1,203	10,053
Charge for the period	6,236	23,391	10,005	39,632
Eliminated on disposal	-	-	-	-
As at 30 April 2023	6,236	32,241	11,208	49,685
Net book value				
As at 30 April 2023	146,304	296,677	47,012	489,993
As at 30 April 2022	-	51,636	19,002	70,638

The Zaha Hadid Foundation

Notes to the Financial Statements
For the year ended 30 April 2023

14 Intangible fixed assets

<u>Group</u>	Patents & licenses £	Computer software £	Total £
Cost			
Additions	5,803	234,134	239,937
As at 30 April 2023	5,803	234,134	239,937
Amortisation			
Charge for the period	184	30,851	31,035
As at 30 April 2023	184	30,851	31,035
Net book value			
As at 30 April 2023	5,618	203,283	208,901
As at 30 April 2022	-	-	-

Charity

	Patents & licenses £	Computer software £	Total £
Cost			
Additions	5,803	23,400	29,203
As at 30 April 2023	5,803	23,400	29,203
Amortisation			
Charge for the period	184	261	445
As at 30 April 2023	184	261	445
Net book value			
As at 30 April 2023	5,618	23,139	28,757
As at 30 April 2022	-	-	-

15 Investments

The Charity holds the following investments in subsidiary undertakings:

	Charity 2023 £	Charity 2022 £
Zaha Hadid Design Limited	12,318,630	-
Zaha Hadid Holdings Limited	9,545,330	-
Zaha Hadid (Services) Limited	52,632	-
Zaha Hadid (Italy) Limited	-	-
	21,916,591	-

The above investments represent an 100% holding of the subsidiary undertakings.

16 Stocks

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Stocks	483,766	47,041	-	47,041
	483,766	47,041	-	47,041

17 Debtors

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade debtors	2,636,629	2,560	-	7,260
Prepayments and accrued income	993,975	839,630	-	268,471
Other debtors	77,997	-	-	-
Taxation	259,443	-	-	-
Amounts owed to group undertakings	-	1,248	-	-
	3,968,044	843,438	-	275,731

The Zaha Hadid Foundation

Notes to the Financial Statements
For the year ended 30 April 2023

18 Creditors: amounts falling due within one year

	Group 2023 £	Charity 2023 £	Group 2022 £	Charity 2022 £
Trade creditors	901,613	533,572	-	244,593
Other creditors	80,412	25,263	-	12,933
VAT	116,153	80,307	-	156,064
Deferred tax	1,164,953	-	-	-
Accruals and deferred income	154,134	109,539	-	163,736
	<u>2,417,264</u>	<u>748,682</u>	<u>-</u>	<u>577,326</u>

19 Movement in funds

<u>Group</u>	Opening balance £	Incoming resources £	Outgoing resources £	Transfers between funds £	Closing balance £
Unrestricted fund	13,353,885	5,188,501	(3,776,362)	-	14,766,024
Restricted fund	-	23,952,198	(1,102,121)	-	22,850,077
Total Funds	<u>13,353,885</u>	<u>29,140,699</u>	<u>(4,878,483)</u>	<u>-</u>	<u>37,616,101</u>

<u>Charity - 2023</u>	Opening balance £	Incoming resources £	Outgoing resources £	Transfers between funds £	Closing balance £
Unrestricted fund	13,353,885	5,544,111	(4,124,898)	-	14,773,098
Restricted fund	-	21,863,960	-	-	21,863,960
Total Funds	<u>13,353,885</u>	<u>27,408,071</u>	<u>(4,124,898)</u>	<u>-</u>	<u>36,637,058</u>

<u>Charity - 2022</u>	Opening balance £	Incoming resources £	Outgoing resources £	Transfers between funds £	Closing balance £
Unrestricted fund	<u>10,622,746</u>	<u>3,864,276</u>	<u>(1,133,137)</u>	<u>-</u>	<u>13,353,885</u>
Total Funds	<u>10,622,746</u>	<u>3,864,276</u>	<u>(1,133,137)</u>	<u>-</u>	<u>13,353,885</u>

There is a restriction on the Charity's access to the profits, assets, and liabilities of Zaha Hadid Design Limited and Zaha Hadid Holdings Limited for a period of 7 years from 2022 as part of the conditions of appointment of the Charity as parent of the Group. This gives rise to a restricted fund in both the Charity figures and Group figures.

The restricted fund in the Charity relates to the investment in Zaha Hadid Design Limited and Zaha Hadid Holdings Limited, which are both trading subsidiaries of The Zaha Hadid Foundation Group (See note 15)

The restricted fund in the Group figures relates to the profits, assets, and liabilities of the same subsidiaries that the Charity does not yet have access to.

20 Pension costs

The group operates a defined contribution pension scheme for its employees. The charge across the group for the period was £15,874 (Charity 2022: £1,120).

21 Related party disclosures

During the year the foundation received levy income of £3,819,905 (2022: £3,808,841) from Zaha Hadid Limited, a company previously owned by the Estate of Dame Zaha Hadid. This levy income was incurred at an arms length basis.

Zaha Hadid Holdings Limited owns two properties which have been used by the Zaha Hadid Foundation free of charge during the year. Rent has been recognised at an arms length basis in the accounts of the Zaha Hadid Foundation as required by the SORP, but has not been recognised in Zaha Hadid Holdings Limited.

For all other related party transactions advantage has been taken of the FRS102 exemption for the disclosure of transactions with wholly owned subsidiaries.

22 Ultimate controlling party

The company is under the control of its trustees.

The Zaha Hadid Foundation

Notes to the Financial Statements
For the year ended 30 April 2023

23 Reconciliation of net income to net cash flow from operating activities

	Unrestricted funds Group 2023 £	Restricted funds Group 2023 £	Total Group 2023 £	Total Charity 2022 £
Net income for the reporting period:	1,412,139	23,096,984	24,509,123	2,731,139
Adjustments for:				
Depreciation charges	40,079	205,237	245,316	3,739
Donation of subsidiaries	(52,632)	(21,863,960)	(21,916,591)	-
Interest received	(203,577)	(6,108)	(209,685)	-
(Decrease)/ Increase in stocks	-	(146,541)	(146,541)	-
Decrease/ (increase) in debtors	(617,438)	(1,019,764)	(1,637,202)	143,851
Increase in creditors	170,107	105,901	276,008	382,223
Net cash provided by (used in) operating activities	748,678	371,750	1,120,427	3,260,952

24 Analysis of changes in group net funds

	At 1 May 22 £	Cash flow £	At 30 April 23 £
Net cash			
Cash at bank	13,537,801	4,959,191	18,496,992
Total	13,537,801	4,959,191	18,496,992

25 Analysis of net assets between funds

	Unrestricted £	Restricted £	Total £
<u>Group - 2023</u>			
Intangible fixed assets	28,757	180,144	208,901
Tangible fixed assets	489,993	16,385,669	16,875,662
Net current assets / (liabilities)	14,247,274	6,284,264	20,531,538
Balance as at 30 April 2023	14,766,024	22,850,077	37,616,101
<u>Charity - 2023</u>			
Intangible fixed assets	28,757	-	28,757
Tangible fixed assets	489,993	-	489,993
Investments	52,631	21,863,960	21,916,591
Net current assets / (liabilities)	14,201,717	-	14,201,717
Balance as at 30 April 2023	14,773,098	21,863,960	36,637,058