

1698321

RICHARD ROGERS AND PARTNERS LIMITED

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2001



*Lee Associates
Chartered Accountants
5 Southampton Place
London
WC1A 2DA*

RICHARD ROGERS AND PARTNERS LIMITED

DIRECTORS AND ADVISERS

Directors	Lord R G Rogers J M Young M L S Goldschmied M J P Davies L Abbott L Grut A Kalsi G K Stirk I Harbour A Morris R T Paul
Secretary	M White
Company number	1698321
Registered office	Thames Wharf Studios Rainville Road London W6 9HA
Registered auditors	Lee Associates 5 Southampton Place London WC1A 2DA
Business address	Thames Wharf Studios Rainville Road London W6 9HA
Bankers	Lloyds Bank Plc Pall Mall St James 8-10 Waterloo Place London SW1Y 4BE
Solicitors	Gouldens 22 Tudor Street London EC4Y 0JJ

RICHARD ROGERS AND PARTNERS LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Independent auditors' report	3
Consolidated profit and loss account	4
Balance sheets	5
Consolidated cash flow statement	6
Notes to the consolidated cash flow statement	7
Notes to the financial statements	8 - 18

RICHARD ROGERS AND PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2001

The directors present their report and financial statements for the year ended 30 June 2001.

Directors

The following directors have held office since 1 July 2000:

Lord R G Rogers
J M Young
M L S Goldschmied
M J P Davies
L Abbott
L Grut
A Kalsi
G K Stirk
I Harbour
A Morris
R T Paul

Principal activities and review of the business

The principal activity of the company continued to be that of a holding company. The principal activity of the group was that of architectural and design consultants.

The directors are satisfied with the progress of the group in the year under review.

The directors consider that the group will continue to trade extremely profitably for the foreseeable future.

Results and dividends

The consolidated profit and loss account for the year is set out on page 4.

The directors do not recommend payment of an ordinary dividend.

The directors recommend payment of a preference dividend amounting to £170,544.

Market value of land and buildings

In the opinion of the directors the market value of land and buildings exceeds the current net book value.

RICHARD ROGERS AND PARTNERS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

Directors' interests

The directors' interests in the shares of the company and other group companies were as stated below:

Richard Rogers and Partners Limited

	£1 Ordinary shares	
	30 June 2001	1 July 2000
Lord R G Rogers	1	1
J M Young	1	1
M L S Goldschmied	1	1
M J P Davies	1	1
L Abbott	1	1
G K Stirk	1	1
I Harbour	1	1
A Morris	1	-

Except as disclosed above, no director held any beneficial interest in the company or its subsidiary undertakings.

Charitable contributions

During the year the group made charitable donations of £556,041 (2000: £886,840).

Creditor payment policy

The company's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

Auditors

In accordance with section 385 of the Companies Act 1985, a resolution proposing that Lee Associates be reappointed as auditors of the company will be put to the Annual General Meeting.

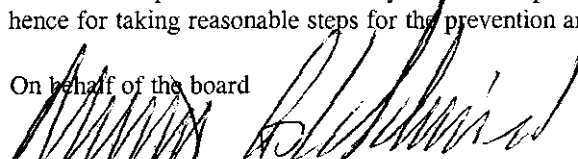
Directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the group and of the profit or loss of the group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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 group will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the board


M L S Goldschmied

Director

30.6.2002

RICHARD ROGERS AND PARTNERS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF RICHARD ROGERS AND PARTNERS LIMITED

We have audited the financial statements of Richard Rogers and Partners Limited on pages 4 to 18 for the year ended 30 June 2001. These financial statements have been prepared under the historical cost convention and the accounting policies set out herein.

Respective responsibilities of the directors and auditors

As described in the statement of directors' responsibilities on page 2 the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's and the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's and the group's affairs as at 30 June 2001 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Lee Associates

Lee Associates

Chartered Accountants
Registered Auditor

30.6.2002

Chartered Accountants
5 Southampton Place
London
WC1A 2DA

RICHARD ROGERS AND PARTNERS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2001

	Notes	2001 £	2000 £
Turnover	2	14,969,809	14,887,522
Cost of sales		(8,668,991)	(8,776,851)
Gross profit		6,300,818	6,110,671
Administrative expenses		(5,626,354)	(5,435,978)
Operating profit	3	674,464	674,693
Other interest receivable and similar income		22,640	58,572
Interest payable and similar charges	5	(71,412)	(30,895)
Profit on ordinary activities before taxation		625,692	702,370
Tax on profit on ordinary activities	6	(304,264)	(262,943)
Profit on ordinary activities after taxation		321,428	439,427
Dividends (including those in respect of non-equity shares)	8	(170,544)	(216,975)
Retained profit for the year	16	150,884	222,452

The profit and loss account has been prepared on the basis that all operations are continuing operations.

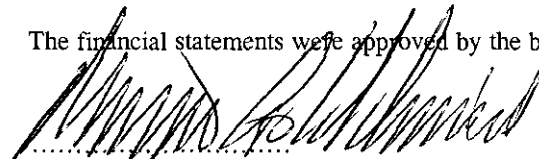
There are no recognised gains and losses other than those passing through the profit and loss account.

RICHARD ROGERS AND PARTNERS LIMITED

BALANCE SHEETS AS AT 30 JUNE 2001

	Notes	Group 2001 £	2000 £	Company 2001 £	2000 £
Fixed assets					
Tangible assets	9	816,452	627,818	-	-
Investments	10	8,333	8,333	20,002	20,002
		<u>824,785</u>	<u>636,151</u>	<u>20,002</u>	<u>20,002</u>
Current assets					
Stocks	11	3,055,116	4,842,157	-	-
Debtors	12	4,540,982	4,767,793	387,522	216,977
Cash at bank and in hand		1,963,697	217,192	3	3
		<u>9,559,795</u>	<u>9,827,142</u>	<u>387,525</u>	<u>216,980</u>
Creditors: amounts falling due within one year	13	(8,134,844)	(8,482,108)	(387,519)	(216,975)
Net current assets		<u>1,424,951</u>	<u>1,345,034</u>	<u>6</u>	<u>5</u>
Total assets less current liabilities		<u>2,249,736</u>	<u>1,981,185</u>	<u>20,008</u>	<u>20,007</u>
Creditors: amounts falling due after more than one year	14	(117,666)	-	-	-
		<u>2,132,070</u>	<u>1,981,185</u>	<u>20,008</u>	<u>20,007</u>
Capital and reserves					
Called up share capital	15	20,008	20,007	20,008	20,007
Profit and loss account	16	2,112,062	1,961,178	-	-
	17	<u>2,132,070</u>	<u>1,981,185</u>	<u>20,008</u>	<u>20,007</u>
Equity interests		-	-	-	-
Non-equity interests		2,132,070	1,981,185	20,008	20,007
		<u>2,132,070</u>	<u>1,981,185</u>	<u>20,008</u>	<u>20,007</u>

The financial statements were approved by the board on 30.4.2002



M L S Goldschmied
Director

RICHARD ROGERS AND PARTNERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

	2001	2000
	£	£
Net cash inflow/(outflow) from operating activities	3,212,181	(1,304,541)
Returns on investments and servicing of finance		
Interest received	22,640	58,572
Interest paid	(59,790)	(30,895)
Interest element of finance lease rentals	(11,622)	-
	<u> </u>	<u> </u>
Net cash (outflow)/inflow for returns on investments and servicing of finance	(48,772)	27,677
Taxation	(480,216)	(76,500)
Capital expenditure		
Payments to acquire tangible assets	(169,543)	(293,689)
Receipts from sales of tangible assets	270	-
	<u> </u>	<u> </u>
Net cash outflow for capital expenditure	(169,273)	(293,689)
	<u> </u>	<u> </u>
Net cash inflow/(outflow) before management of liquid resources and financing	2,513,920	(1,647,053)
Financing		
Issue of ordinary share capital	1	-
	<u> </u>	<u> </u>
Net cash inflow/(outflow) from financing	1	-
	<u> </u>	<u> </u>
Increase/(decrease) in cash in the year	<u><u>2,513,921</u></u>	<u><u>(1,647,053)</u></u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2001

1	Reconciliation of operating profit to net cash inflow/(outflow) from operating activities	2001	2000
		£	£
	Operating profit	674,464	674,693
	Depreciation of tangible assets	287,750	273,051
	Loss on disposal of tangible assets	1,847	-
	Decrease/(increase) in stocks	1,787,041	(513,897)
	Decrease/(increase) in debtors	226,811	(2,379,912)
	Increase in creditors within one year	236,386	641,520
	Exchange differences on fixed assets	(2,118)	4
	Net cash inflow/(outflow) from operating activities	3,212,181	(1,304,541)

2	Analysis of net funds/(debt)	1 July 2000	Cash flow	Other non-cash changes	30 June 2001
		£	£	£	£
	Net cash:				
	Cash at bank and in hand	217,192	1,746,505		1,963,697
	Bank overdrafts	(680,522)	680,522		-
		(463,330)	2,427,027		1,963,697
	Debt:				
	Finance leases	-	86,894	(306,840)	(219,946)
	Net (debt)/funds	(463,330)	2,513,921	(306,840)	1,743,751

3	Reconciliation of net cash flow to movement in net debt	2001	2000
		£	£
	Increase/(decrease) in cash in the year	2,427,027	(1,647,053)
	Cash outflow from decrease in debt	86,894	-
	Change in net debt resulting from cash flows	2,513,921	(1,647,053)
	New finance lease	(306,840)	-
	Movement in net funds/(debt) in the year	2,207,081	(1,647,053)
	Opening net (debt)/funds	(463,330)	1,183,723
	Closing net funds/(debt)	1,743,751	(463,330)

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2001

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The accounts have been prepared in accordance with applicable accounting standards.

1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 30 June 2001. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

1.4 Turnover and profits

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

Profit is recognised on long-term contracts, if the final outcome can be assessed with reasonable certainty, by including in the profit and loss account turnover and related costs as contract activity progresses. Turnover is calculated as that proportion of total contract value which costs to date bear to total expected costs for that contract.

1.5 Goodwill

Acquired goodwill is written off in equal annual instalments over its estimated useful economic life.

1.6 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land 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:

Land and buildings Freehold	Over 50 years using straight line method
Land and buildings Leasehold	Over the life of the lease
Plant and machinery	Over 4 years by the sum of digits method
Fixtures, fittings & equipment	Over 6 years by the sum of digits method

1.7 Leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

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

1.8 Investments

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

1.9 Stock

Work in progress is valued at the lower of cost and net realisable value.

1.10 Long term contracts

Amounts recoverable on long term contracts, which are included in debtors, are stated at the net sales value of the work done after provision for contingencies and anticipated future losses on contracts, less amounts received as progress payments on account. Excess progress payments are included in creditors as payments on account.

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

1 Accounting policies

(continued)

1.11 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method. Deferred tax is not provided on revaluations which are not expected to crystallise.

1.12 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.

1.13 Employee Benefit Trust

Contributions to the Employee Benefit Trust are charged to the profit and loss account in the period to which they relate.

2 Turnover

The total turnover of the group for the year has been derived from its principal activity.

Segmental analysis by geographical area

The analysis by geographical area of the group's turnover is set out as below:

	2001 £	2000 £
Geographical segment		
United Kingdom	11,127,097	10,209,335
Europe	3,239,513	4,226,281
Rest of the World	603,198	451,906
	<u>14,969,808</u>	<u>14,887,522</u>

3 Operating profit

Operating profit is stated after charging:

	2001 £	2000 £
Depreciation of tangible assets	287,750	272,951
(Profit)/loss on foreign currency	(32,739)	21,180
Operating lease rentals	871,166	624,478
Auditors' remuneration	25,000	25,000
Remuneration of auditors for non-audit work	86,346	98,078
	<u>1,247,523</u>	<u>1,041,687</u>

4 Other interest receivable and similar income

	2001 £	2000 £
Bank interest	20,485	37,561
Other interest	2,155	21,011
	<u>22,640</u>	<u>58,572</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

5	Interest payable	2001	2000
		£	£
	On bank loans and overdrafts	19,134	9,670
	Lease finance charges	11,622	-
	On overdue tax	40,656	21,225
		<u>71,412</u>	<u>30,895</u>

6	Taxation	2001	2000
		£	£
	U.K. current year taxation		
	U.K. corporation tax at 30% (2000- 30%)	304,296	228,436
	Prior years		
	U.K. corporation tax	(32)	34,507
		<u>304,264</u>	<u>262,943</u>

7 Profit for the financial year

As permitted by section 230 of the Companies Act 1985, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows:

	2001	2000
	£	£
Holding company's profit for the financial year	<u>170,544</u>	<u>236,975</u>

8	Dividends	2001	2000
		£	£
	Dividends on non-equity shares:		
	Preference final proposed	<u>170,544</u>	<u>216,975</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

9 Tangible fixed assets Group

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 July 2000	260,062	862,142	810,676	1,468,931	3,401,811
Exchange differences	-	921	-	2,516	3,437
Additions	-	-	249,198	227,185	476,383
Disposals	-	-	-	(11,070)	(11,070)
At 30 June 2001	<u>260,062</u>	<u>863,063</u>	<u>1,059,874</u>	<u>1,687,562</u>	<u>3,870,561</u>
Depreciation					
At 1 July 2000	-	828,346	606,332	1,339,315	2,773,993
Exchange differences	-	6	-	1,313	1,319
On disposals	-	-	-	(8,953)	(8,953)
Charge for the year	<u>5,200</u>	<u>8,340</u>	<u>196,267</u>	<u>77,943</u>	<u>287,750</u>
At 30 June 2001	<u>5,200</u>	<u>836,692</u>	<u>802,599</u>	<u>1,409,618</u>	<u>3,054,109</u>
Net book value					
At 30 June 2001	<u>254,862</u>	<u>26,371</u>	<u>257,275</u>	<u>277,944</u>	<u>816,452</u>
At 30 June 2000	<u>260,062</u>	<u>33,796</u>	<u>204,344</u>	<u>129,616</u>	<u>627,818</u>

Included above are assets held under finance leases or hire purchase contracts as follows:

	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Net book values			
At 30 June 2001	<u>98,345</u>	<u>169,917</u>	<u>268,262</u>
Depreciation charge for the year			
30 June 2001	<u>23,865</u>	<u>14,713</u>	<u>38,578</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

10 Fixed asset investments

Group

	Shares in subsidiary undertakings £
Cost	
At 1 July 2000 & at 30 June 2001	8,333

In the opinion of the directors, the aggregate value of the company's investment in subsidiary undertakings is not less than the amount included in the balance sheet.

10 Fixed asset investments

Company

	Shares in subsidiary undertakings £
Cost	
At 1 July 2000 & at 30 June 2001	60,002
Provisions for diminution in value	
At 1 July 2000 & at 30 June 2001	40,000
Net book value	
At 30 June 2001	20,002
At 30 June 2000	20,002

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Shares held	
		Class	%
Subsidiary undertakings			
Richard Rogers Architects Limited	England and Wales	Ordinary	100
Richard Rogers Partnership Japan Limited	Japan	Ordinary	100
Richard Rogers GmbH	Germany	Capital stock	100

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

10 Fixed asset investments

(continued)

The principal activity of these undertakings for the last relevant financial year was as follows:

Principal activity

Richard Rogers Architects Limited	Architects and design
Richard Rogers Partnership Japan Limited	Architects and design
Richard Rogers GmbH	Architects and design

Richard Rogers GmbH has been excluded from the consolidation on the basis that its results are not material to the presentation of a true and fair view. The company also does not have a coterminous year end. Its capital and reserves at 31 December 2000 were £24,046, and its loss for the year then ended was £1,501.

11 Stocks

	Group 2001 £	2000 £	Company 2001 £	2000 £
Long term contract balances:				
- Net cost less foreseeable losses	3,055,116	4,842,157	-	-

12 Debtors

	Group 2001 £	2000 £	Company 2001 £	2000 £
Trade debtors	4,026,558	4,394,429	-	-
Amounts owed by group undertakings	5,237	5,237	387,522	216,977
Other debtors	166,770	250,472	-	-
Prepayments and accrued income	342,417	117,655	-	-
	4,540,982	4,767,793	387,522	216,977

Amounts falling due after more than one year and included in the debtors above are:

	2001 £	2000 £	2001 £	2000 £
Other debtors	29,526	37,046	-	-

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

13 Creditors: amounts falling due within one year

	Group		Company	
	2001	2000	2001	2000
	£	£	£	£
Bank loans and overdrafts	-	680,522	-	-
Payments received on account	528,420	53,807	-	-
Net obligations under finance lease and hire purchase contracts	102,280	-	-	-
Trade creditors	629,722	911,874	-	-
Corporation tax	299,475	475,427	-	-
Taxes and social security costs	456,213	351,252	-	-
Other creditors	4,914,628	4,749,428	-	-
Accruals and deferred income	816,587	1,042,823	-	-
Proposed dividend	387,519	216,975	387,519	216,975
	<u>8,134,844</u>	<u>8,482,108</u>	<u>387,519</u>	<u>216,975</u>

The bank overdraft facilities are secured by unlimited debentures over the assets of the group.

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) **FOR THE YEAR ENDED 30 JUNE 2001**

14 Creditors : amounts falling due after more than one year

	Group 2001 £	2000 £	Company 2001 £	2000 £
Net obligations under finance leases and hire purchase agreements	117,666	-	-	-
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	115,960	-	-	-
Repayable between one and five years	133,404	-	-	-
	249,364	-	-	-
Finance charges and interest allocated to future accounting periods	(29,418)	-	-	-
	219,946	-	-	-
Included in liabilities falling due within one year	(102,280)	-	-	-
	117,666	-	-	-

15 Share capital

	2001 £	2000 £
Authorised		
100 Ordinary shares of £ 1 each	100	100
20,000 Preference shares of £ 1 each	20,000	20,000
	20,100	20,100
Allotted, called up and fully paid		
8 Ordinary shares of £ 1 each	8	7
20,000 Preference shares of £ 1 each	20,000	20,000
	20,008	20,007

During the year 1 ordinary share of £1 was allotted and fully paid at par for cash consideration to provide additional working capital.

The ordinary shares carry voting rights, but no entitlement to dividends. The preference shares carry entitlement to dividends, but no voting rights. In accordance with the provisions of FRS4, all shares therefore rank as non equity interests.

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

16 Statement of movements on profit and loss account Group

	Profit and loss account £
Balance at 1 July 2000	1,961,178
Retained profit for the year	150,884
	<u>2,112,062</u>
Balance at 30 June 2001	<u>2,112,062</u>

Company

	Profit and loss account £
Balance at 1 July 2000	-
	<u>-</u>
Balance at 30 June 2001	<u>-</u>

17 Reconciliation of movements in shareholders' funds Group

	2001 £	2000 £
Profit for the financial year	321,428	439,427
Dividends	(170,544)	(216,975)
	<u>150,884</u>	<u>222,452</u>
Proceeds from issue of shares	1	-
	<u>150,885</u>	<u>222,452</u>
Net addition to shareholders' funds	1,981,185	1,758,733
Opening shareholders' funds	<u>2,132,070</u>	<u>1,981,185</u>
Closing shareholders' funds	<u>2,132,070</u>	<u>1,981,185</u>

	2001 £	2000 £
Profit for the financial year	170,544	236,975
Dividends	(170,544)	(216,975)
	<u>-</u>	<u>20,000</u>
Proceeds from issue of shares	1	-
	<u>1</u>	<u>20,000</u>
Net addition to shareholders' funds	20,007	7
Opening shareholders' funds	<u>20,008</u>	<u>20,007</u>
Closing shareholders' funds	<u>20,008</u>	<u>20,007</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

18 Financial commitments

At 30 June 2001 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2001	2000
	£	£
Expiry date:		
Between two and five years	667,680	608,829

19 Directors' emoluments

	2001	2000
	£	£
Emoluments for qualifying services	807,910	835,738
Emoluments disclosed above include the following amounts paid to the highest paid director:		
Emoluments for qualifying services	139,966	177,424

20 Transactions with directors

The following directors had loans during the year, on which interest has been charged. The movement on these loans are as follows:

	Amount outstanding		Maximum
	2001	2000	in year
	£	£	£
L Abbott	20,928	34,759	34,759
A Morris	39,759	40,533	40,533
R Paul	8,681	-	8,681

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2001

21 Employees

Number of employees

The average monthly number of employees (including directors) during the year was:

	2001 Number	2000 Number
Office and administration	31	34
Architects	84	69
Model shop	6	5
	<u>121</u>	<u>108</u>

Employment costs

	£	£
Wages and salaries	4,048,221	3,923,862
Social security costs	397,460	393,039
	<u>4,445,681</u>	<u>4,316,901</u>

22 Employee Benefit Trust

The group has made a contribution to an Employee Benefit Trust, a discretionary trust set up for the absolute benefit of employees of Richard Rogers Architects Limited. All distributions from the trust are at the absolute discretion of the trustees, who are not related to the group, nor any of its officers or employees. Contributions of £1,100,326 were charged during the year (2000 - £412,137). Distributions of £597,281 were made during the year (2000 - £Nil).

23 Related party transactions

Group

Richard Rogers Partnership Limited, River Cads Limited and Thames Wharf Studios Limited are all related parties by virtue of common control by one or more of the company's directors acting either individually or in concert. Richard Rogers Partnership Limited charged management fees amounting to £228 (2000 - £218) and at the year end was owed £10,692 (2000 - £10,101). River Cads Limited charged management fees amounting to £3,174,467 (2000 - £3,523,249) and expenses amounting to £44,286 (2000 - £29,612) and at the year end was owed £3,238,327 (2000 - £3,612,642). Thames Wharf Studios Limited charged rent and other property related charges amounting to £848,348 (2000 - £614,517) and at the year end was owed £20,018 (2000 - £Nil).

Richard Rogers GmbH, a subsidiary excluded from the consolidation, had no discloseable transactions (2000 - £Nil) and at the year end owed £5,237 (2000 - £5,237).