

RICHARD ROGERS AND PARTNERS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2002

LACA Limited
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
M Darbon (Appointed 30 July 2001)

Secretary

M White

Company number

1698321

Registered office

Thames Wharf Studios
Rainville Road
London
W6 9HA

Registered auditors

LACA Limited
Chartered Accountants
5 Southampton Place
London
WC1A 2DA

Business address

Thames Wharf Studios
Rainville Road
London
W6 9HA

Bankers

Lloyds TSB Bank Plc
Pall Mall St James
8-10 Waterloo Place
London
SW1Y 4BE

Solicitors

Gouldens
22 Tudor Street
London
EC4Y OJJ

RICHARD ROGERS AND PARTNERS LIMITED

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RICHARD ROGERS AND PARTNERS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2002

The directors present their report and financial statements for the year ended 30 June 2002.

Directors

The following directors have held office since 1 July 2001:

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
M Darbon

(Appointed 30 July 2001)

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 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 £164,961.

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 2002

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 2002	1 July 2001
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	1

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

Charitable contributions

During the year charitable donations of £639,185 were charged to the consolidated profit and loss account (2001 : £440,833).

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 LACA Limited be reappointed as auditors of the company will be put to the Annual General Meeting.

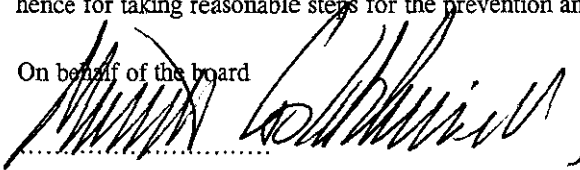
Directors' responsibilities

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

30/4/03

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 20 for the year ended 30 June 2002. These financial statements have been prepared under the historical cost convention and the accounting policies set out therein.

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.

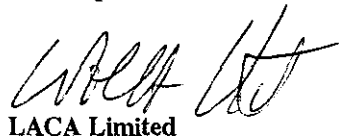
Basis of audit opinion

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 2002 and of the group's profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.


LACA Limited

Chartered Accountants
Registered Auditor

30/4/03

Chartered Accountants
5 Southampton Place
London
WC1A 2DA

RICHARD ROGERS AND PARTNERS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2002

	Notes	2002 £	2001 £
Turnover	2	15,070,805	14,969,809
Cost of sales		(9,399,315)	(9,337,736)
Gross profit		5,671,490	5,632,073
Administrative expenses		(5,293,002)	(4,957,609)
Operating profit	3	378,488	674,464
Other interest receivable and similar income		45,357	22,640
Interest payable and similar charges	4	(97,896)	(71,412)
Profit on ordinary activities before taxation		325,949	625,692
Tax on profit on ordinary activities	5	222,529	(304,264)
Profit on ordinary activities after taxation		548,478	321,428
Dividends (including those in respect of non-equity shares)	7	(164,961)	(170,544)
Retained profit for the year	15	383,517	150,884

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 2002

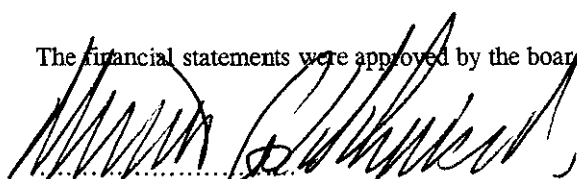
		Group		Company	
	Notes	2002	2001	2002	2001
		£	£	£	£
Fixed assets					
Tangible assets	8	889,646	816,452	-	-
Investments	9	8,333	8,333	21,946	20,002
		<u>897,979</u>	<u>824,785</u>	<u>21,946</u>	<u>20,002</u>
Current assets					
Stocks	10	3,328,239	3,055,116	-	-
Deferred tax asset	11	377,300	-	-	-
Debtors: amounts falling due within one year	11	4,218,211	4,511,456	333,564	387,522
Debtors: amounts falling due after more than one year	11	17,136	29,526	-	-
Cash at bank and in hand		465,047	1,963,697	3	3
		<u>8,405,933</u>	<u>9,559,795</u>	<u>333,567</u>	<u>387,525</u>
Creditors: amounts falling due within one year	12	(6,772,939)	(8,134,844)	(335,505)	(387,519)
Net current assets		<u>1,632,994</u>	<u>1,424,951</u>	<u>(1,938)</u>	<u>6</u>
Total assets less current liabilities		<u>2,530,973</u>	<u>2,249,736</u>	<u>20,008</u>	<u>20,008</u>
Creditors: amounts falling due after more than one year	13	(15,386)	(117,666)	-	-
		<u>2,515,587</u>	<u>2,132,070</u>	<u>20,008</u>	<u>20,008</u>

RICHARD ROGERS AND PARTNERS LIMITED

BALANCE SHEETS (CONTINUED) AS AT 30 JUNE 2002

		Group		Company	
	Notes	2002	2001	2002	2001
		£	£	£	£
Capital and reserves					
Called up share capital	14	20,008	20,008	20,008	20,008
Profit and loss account	15	2,495,579	2,112,062	-	-
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
	16	2,515,587	2,132,070	20,008	20,008
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
Equity interests		2,495,587	2,112,070	8	8
Non-equity interests		20,000	20,000	20,000	20,000
		<u> </u>	<u> </u>	<u> </u>	<u> </u>
		2,515,587	2,132,070	20,008	20,008
		<u> </u>	<u> </u>	<u> </u>	<u> </u>

The financial statements were approved by the board on 30/4/03...



M L S Goldschmied
Director

RICHARD ROGERS AND PARTNERS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2002

	2002		2001	
	£	£	£	£
Net cash (outflow)/inflow from operating activities		(294,962)		3,212,181
Returns on investments and servicing of finance				
Interest received	45,357		22,640	
Interest paid	(84,216)		(59,790)	
Interest element of finance lease rentals	(13,680)		(11,622)	
Net cash outflow for returns on investments and servicing of finance		(52,539)		(48,772)
Taxation		(300,400)		(480,216)
Capital expenditure				
Payments to acquire tangible assets	(531,676)		(169,543)	
Receipts from sales of tangible assets	182		270	
Net cash outflow for capital expenditure		(531,494)		(169,273)
Equity dividends paid		(216,975)		-
Net cash (outflow)/inflow before management of liquid resources and financing		(1,396,370)		2,513,920
Financing				
Issue of ordinary share capital	-		1	
Capital element of finance lease contracts	(102,280)		(86,894)	
Net cash outflow from financing		(102,280)		(86,893)
Decrease in cash in the year		(1,498,650)		2,427,027

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2002

1	Reconciliation of operating profit to net cash (outflow)/inflow from operating activities	2002	2001
		£	£
	Operating profit	378,488	674,464
	Depreciation of tangible assets	457,445	287,750
	Loss on disposal of tangible assets	646	1,847
	(Increase)/decrease in stocks	(273,123)	1,787,041
	Decrease in debtors	305,635	226,811
	(Decrease)/Increase in creditors within one year	(1,164,262)	236,386
	Net effect of foreign exchange differences	209	(2,118)
	Net cash (outflow)/inflow from operating activities	(294,962)	3,212,181

2	Analysis of net funds	1 July 2001	Cash flow	Other non-cash changes	30 June 2002
		£	£	£	£
	Cash at bank and in hand	1,963,697	(1,498,650)	-	465,047
	Finance leases	(219,946)	102,280	-	(117,666)
	Net funds	1,743,751	(1,396,370)	-	347,381

3	Reconciliation of net cash flow to movement in net debt	2002	2001
		£	£
	(Decrease)/increase in cash in the year	(1,498,650)	2,427,027
	Cash outflow from decrease in debt	102,280	86,894
	Change in net debt resulting from cash flows	(1,396,370)	2,513,921
	New finance lease	-	(306,840)
	Movement in net funds in the year	(1,396,370)	2,207,081
	Opening net funds/(debt)	1,743,751	(463,330)
	Closing net funds	347,381	1,743,751

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2002

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 2002. 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 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

1.6 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.

1.7 Investments

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

1.8 Stock

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

1.9 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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

1 Accounting policies

(continued)

1.10 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.

1.11 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.

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:

	2002	2001
	£	£
Geographical segment		
United Kingdom	10,296,387	11,127,098
Europe	4,335,430	3,239,513
Rest of the World	438,988	603,198
	<u>15,070,805</u>	<u>14,969,809</u>

3 Operating profit

	2002	2001
	£	£
Operating profit is stated after charging:		
Depreciation of tangible assets	457,445	287,750
Loss on disposal of tangible assets	646	1,847
Loss on foreign exchange transactions	2,705	7,332
Operating lease rentals	882,611	871,166
Auditors' remuneration (company £-; 2001 : £-)	25,000	25,000
Remuneration of auditors for non-audit work	86,384	86,346
and after crediting:		
Profit on foreign exchange transactions	<u>(222,055)</u>	<u>(40,071)</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

4	Interest payable	2002	2001
		£	£
	On bank loans and overdrafts	1,918	19,134
	Lease finance charges	13,680	11,622
	On overdue tax	82,298	40,656
		<u>97,896</u>	<u>71,412</u>
5	Taxation	2002	2001
		£	£
	Domestic current year tax		
	U.K. corporation tax	500	303,900
	Adjustment for prior years	151,418	(32)
		<u>151,918</u>	<u>303,868</u>
	Foreign corporation tax		
	Foreign corporation tax	2,853	396
		<u>154,771</u>	<u>304,264</u>
	Current tax charge		
	Deferred tax		
	Deferred tax charge/credit current year	(213,300)	-
	Deferred tax adjust re previous year	(164,000)	-
		<u>(222,529)</u>	<u>304,264</u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	<u>325,949</u>	<u>625,692</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 8.00% (2001 : 30.00%)	<u>26,076</u>	<u>187,708</u>
	Effects of:		
	Non deductible expenses	4,418	25,154
	Depreciation	36,463	74,173
	Capital allowances	-	(66,936)
	Adjustments to previous periods	151,418	-
	Other tax adjustments	(63,604)	84,165
		<u>128,695</u>	<u>116,556</u>
	Current tax charge	<u>154,771</u>	<u>304,264</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

6 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:

	2002	2001
	£	£
Holding company's profit for the financial year	<u>164,961</u>	<u>170,544</u>

7 Dividends

	2002	2001
	£	£
Dividends on non-equity shares:		
Preference final proposed	<u>164,961</u>	<u>170,544</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

8 Tangible fixed assets

Group

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Fixtures, fittings & equipment £	Total £
Cost					
At 1 July 2001	260,062	863,063	1,059,874	1,687,563	3,870,562
Exchange differences	-	(300)	-	(349)	(649)
Additions	-	-	361,706	169,968	531,674
Disposals	-	-	-	(5,413)	(5,413)
At 30 June 2002	260,062	862,763	1,421,580	1,851,769	4,396,174
Depreciation					
At 1 July 2001	5,200	836,692	802,599	1,409,618	3,054,109
Exchange differences	-	(56)	-	(384)	(440)
On disposals	-	-	-	(4,585)	(4,585)
Charge for the year	5,200	4,212	287,170	160,862	457,444
At 30 June 2002	10,400	840,848	1,089,769	1,565,511	3,506,528
Net book value					
At 30 June 2002	249,662	21,915	331,811	286,258	889,646
At 30 June 2001	254,862	26,371	257,275	277,944	816,452

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 2002	57,710	108,272	165,982
At 30 June 2001	98,345	169,917	268,262
Depreciation charge for the year			
30 June 2002	40,737	61,543	102,280
30 June 2001	23,865	14,713	38,578

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

9 Fixed asset investments Group

	Shares in subsidiary undertakings £
Cost	
At 1 July 2001 & at 30 June 2002	8,333
At 30 June 2001	<u>8,333</u>

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.

9 Fixed asset investments Company

	Shares in subsidiary undertakings £
Cost	
At 1 July 2001	60,002
Additions	1,944
At 30 June 2002	<u>61,946</u>
Provisions for diminution in value	
At 1 July 2001 & at 30 June 2002	<u>40,000</u>
Net book value	
At 30 June 2002	<u>21,946</u>
At 30 June 2001	<u>20,002</u>

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.

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	Class	Shares held %
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 SL	Spain	Ordinary	100

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

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

9 Fixed asset investments

(continued)

	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 SL	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 2001 were £22,380, and its loss for the year then ended was £(1,666).

10 Stocks

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Long term contract balances:				
- Net cost less foreseeable losses	3,328,239	3,055,116	-	-

11 Debtors

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Trade debtors	3,803,252	4,026,558	-	-
Amounts owed by group undertakings	5,236	5,237	333,564	387,522
Other debtors	214,161	166,770	-	-
Prepayments and accrued income	212,698	342,417	-	-
Deferred tax asset	377,300	-	-	-
	4,612,647	4,540,982	333,564	387,522

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

	2002	2001	2002	2001
	£	£	£	£
Other debtors	17,136	29,526	-	-

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

12 Creditors : amounts falling due within one year

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Payments received on account	822,769	528,420	-	-
Net obligations under finance lease and hire purchase contracts	102,280	102,280	-	-
Trade creditors	604,785	629,722	-	-
Corporation tax	153,846	299,475	-	-
Taxes and social security costs	682,283	456,213	-	-
Other creditors	3,042,092	4,914,628	-	-
Accruals and deferred income	1,029,379	816,587	-	-
Proposed dividend	335,505	387,519	335,505	387,519
	<u>6,772,939</u>	<u>8,134,844</u>	<u>335,505</u>	<u>387,519</u>

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

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

13 Creditors : amounts falling due after more than one year

	Group		Company	
	2002	2001	2002	2001
	£	£	£	£
Net obligations under finance leases and hire purchase agreements	15,386	117,666	-	-
Net obligations under finance leases and hire purchase contracts				
Repayable within one year	115,960	115,960	-	-
Repayable between one and five years	17,444	133,404	-	-
	133,404	249,364	-	-
Finance charges and interest allocated to future accounting periods	(15,738)	(29,418)	-	-
	117,666	219,946	-	-
Included in liabilities falling due within one year	(102,280)	(102,280)	-	-
	15,386	117,666	-	-

14 Share capital

	2002	2001
	£	£
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	8
20,000 Preference shares of £ 1 each	20,000	20,000
	20,008	20,008

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 CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

15 Statement of movements on profit and loss account Group

	Profit and loss account £
Balance at 1 July 2001	2,112,062
Retained profit for the year	383,517
	<u>2,495,579</u>
Balance at 30 June 2002	<u>2,495,579</u>

Company

	Profit and loss account £
Balance at 1 July 2001	-
Balance at 30 June 2002	<u>-</u>

16 Reconciliation of movements in shareholders' funds Group

	2002 £	2001 £
Profit for the financial year	548,478	321,428
Dividends	(164,961)	(170,544)
	<u>383,517</u>	<u>150,884</u>
Proceeds from issue of shares	-	1
	<u>383,517</u>	<u>150,885</u>
Net addition to shareholders' funds	2,132,070	1,981,185
Opening shareholders' funds	<u>2,515,587</u>	<u>2,132,070</u>
Closing shareholders' funds	<u>2,515,587</u>	<u>2,132,070</u>

	2002 £	2001 £
Profit for the financial year	164,961	170,544
Dividends	(164,961)	(170,544)
	<u>-</u>	<u>-</u>
Proceeds from issue of shares	-	1
	<u>-</u>	<u>1</u>
Net (depletion in)/addition to shareholders' funds	20,008	20,007
Opening shareholders' funds	<u>20,008</u>	<u>20,007</u>
Closing shareholders' funds	<u>20,008</u>	<u>20,008</u>

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

17 Financial commitments

At 30 June 2002 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2002 £
Expiry date:	
Between two and five years	667,680

18 Directors' emoluments

	2002 £	2001 £
Emoluments for qualifying services	1,111,287	807,910
Emoluments disclosed above include the following amounts paid to the highest paid director:		
Emoluments for qualifying services	189,581	139,966

19 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 2002 £	2001 £	Maximum in year £
L Abbott	5,507	6,420	6,420
A Morris	27,568	30,419	30,419
R Paul	6,981	8,681	8,681
A Kalsi	12,512	-	18,750

RICHARD ROGERS AND PARTNERS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2002

20 Employees

Number of employees

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

	2002	2001
	Number	Number
Office and administration	43	31
Architects	82	84
Model shop	6	6
	<u>131</u>	<u>121</u>

Employment costs

	£	£
Wages and salaries	4,558,927	4,048,221
Social security costs	465,816	397,460
	<u>5,024,743</u>	<u>4,445,681</u>

21 Employee benefit trust

The group contributes 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 £770,736 were charged during the year (2001 - £1,100,326). Distributions of £1,682,918 were made during the year (2001 - £597,281). The Employee Benefit Trust has not been included in the consolidated balance sheets as at the balance sheet date it held assets of £34,524 not already vested in identified beneficiaries. The directors do not consider this departure from UITF 322 to be material.

22 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 £36 (2001 - £228) and at the year end was owed £10,655 (2001 - £10,692). River Cads Limited charged management fees amounting to £2,616,139 (2001 - £3,174,467) and expenses amounting to £Nil (2001 - £44,286) and at the year end was owed £2,160,768 (2001 - £3,238,327). Thames Wharf Studios Limited charged rent and other property related charges amounting to £860,659 (2001 - £848,348) and at the year end was owed £2,165 (2000 - £20,018).

Richard Rogers GmbH, a subsidiary excluded from the consolidation, had no discloseable transactions (2001 - £Nil) and at the year end owed £5,237 (2001 - £5,237).