

**REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
FOR
ASHARQ AL - AWSAT LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2020**

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DIRECTOR: S H Aldowais

SECRETARY: A Ellithy

REGISTERED OFFICE: 10th Floor, Building 7 Chiswick Park
566 Chiswick High Road
London
W4 5YG

REGISTERED NUMBER: 01355149 (England and Wales)

AUDITORS: Haines Watts, Statutory Auditor
Chartered Accountants
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 31 DECEMBER 2020**

The director presents his report with the financial statements of the company for the year ended 31 December 2020.

PRINCIPAL ACTIVITY

There was no trading activity during the year.

DIRECTOR

S H Aldowais held office during the whole of the period from 1 January 2020 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Haines Watts, Statutory Auditor, have been appointed in the year and will be proposed for re-appointment at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

S H Aldowais - Director

18 December 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ASHARQ AL - AWSAT LIMITED

Opinion

We have audited the financial statements of Asharq Al - Awsat Limited (the 'company') for the year ended 31 December 2020 which comprise the Income Statement, Balance Sheet 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, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020;
- 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 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 director's 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 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 director with respect to going concern are described in the relevant sections of this report.

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

Other information

The director is responsible for the other information. The other information comprises the information in the Report of the Director, but does not include the financial statements and our Report of the 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 Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Director.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the director was not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Director.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page two, the director is 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 director determines 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 director is responsible for assessing the 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory framework applicable to the Company and the industry in which it operates. We determined that the following laws and regulations were most significant: FRS102 - the Financial Reporting Standard applicable in the UK & The Republic of Ireland, the Companies Act 2006 and relevant tax compliance regulations in the UK.

We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making enquiries of management.

We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where management considered there was susceptibility to fraud. Audit procedures performed by the audit team included:

- Challenging assumptions and judgements made by management in its significant accounting estimates;
- Identifying and testing journal entries, with a focus on entries made with unusual accounting combinations;
- Confirming with management whether they have knowledge of any actual, suspected or illegal fraud;
- Evaluating whether there was evidence of bias by management that represents a risk of material misstatement due to fraud.

These procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error.

Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance with all laws and regulations.

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 Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
ASHARQ AL - AWSAT LIMITED**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Mark Newbold FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts, Statutory Auditor
Chartered Accountants
Advantage
87 Castle Street
Reading
Berkshire
RG1 7SN

21 December 2022

**INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£	£
TURNOVER	<u>-</u>	<u>-</u>
OPERATING PROFIT and		
PROFIT BEFORE TAXATION	-	-
Tax on profit	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR	<u><u>-</u></u>	<u><u>-</u></u>

BALANCE SHEET
31 DECEMBER 2020

	Notes	£	2020 £	£	2019 £
FIXED ASSETS					
Investments	4		500,000		500,000
CURRENT ASSETS					
Debtors	5	101		101	
NET CURRENT ASSETS			101		101
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>500,101</u>		<u>500,101</u>
CAPITAL AND RESERVES					
Called up share capital	6		900,101		900,101
Retained earnings			<u>(400,000)</u>		<u>(400,000)</u>
SHAREHOLDERS' FUNDS			<u>500,101</u>		<u>500,101</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and authorised for issue by the director and authorised for issue on 18 December 2022 and were signed by:

S H Aldowais - Director

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. STATUTORY INFORMATION

Asharq Al - Awsat Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

The financial statements are prepared in pound Sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest '£'.

2. ACCOUNTING POLICIES

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared on a going concern basis under the historical cost convention.

The Company has taken advantage of the exemption under section 401 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the Company as an individual entity and not about its group.

The Company's immediate parent undertaking is Saudi Research and Publishing Company LLC., a company registered in the Kingdom of Saudi Arabia and the principal place of business is PO Box 4556, Medinah Road, Jeddah 21412, Saudi Arabia. This is the smallest group of which it is a member for which group financial statements are drawn up.

In the director's opinion the Company's ultimate parent undertaking and controlling party is Saudi Research and Media Group, which is incorporated and registered in the Kingdom of Saudi Arabia. The largest group of which Asharq Al-Awsat Limited is a member for which group financial statements are drawn up, Copies of its group financial statements, which include the Company, are available from PO Box 53108, Riyadh 11583, Saudi Arabia.

The principal accounting policies adopted are set out below.

The company was dormant throughout the current year and previous year.

Going concern

The Company has not traded during the period and has positive net current assets and shareholder's funds. The director has at the time of approving the financial statements, a reasonable expectation that the Company to continue in operational existence for the foreseeable future. Thus the director has continued to adopt the going concern basis of accounting in preparing the financial statements.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the period. However, the nature of estimation means that actual outcomes could differ from those estimates.

Management apply judgement in evaluating investments for overstatement. The judgement is based on the projected net present value of future cash flows. At each balance sheet date, investments are assessed for impairment and written down where appropriate.

Investments in subsidiaries

Investments in subsidiary undertakings are recognised at cost less any provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

2. ACCOUNTING POLICIES - continued

Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in the profit or loss.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was NIL (2019 - NIL).

Director's emoluments paid during the year totalled £NIL (2019: £NIL).

The director's remuneration for the current year is paid by the ultimate Parent Company Saudi Research and Media Group.

4. FIXED ASSET INVESTMENTS

	Shares in group undertakings £
COST	
At 1 January 2020	
and 31 December 2020	<u>900,000</u>
PROVISIONS	
At 1 January 2020	
and 31 December 2020	<u>400,000</u>
NET BOOK VALUE	
At 31 December 2020	<u>500,000</u>
At 31 December 2019	<u>500,000</u>

Details of the Company's subsidiaries at 31 December 2020 are as follows:

Name of undertaking and country of incorporation or residency	Nature of Business	Class of shareholding	% held
H.H. Saudi Research & Marketing Limited	Publishing and selling newspaper	Ordinary	100
Euromena Research Center Limited	Printing of newspaper and magazines	Ordinary	100
Sayidaty Limited	Dormant	Ordinary*	100
Al-Majalla Magazine Limited	Dormant	Ordinary*	100

* indirectly held subsidiary undertakings

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Other debtors	<u>101</u>	<u>101</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2020

6. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
900,100	Class A	£1	900,100	900,100
1	Class B	£1	1	1
			<u>900,101</u>	<u>900,101</u>

7. RELATED PARTY TRANSACTIONS

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

8. CONTROLLING PARTY

The Company's immediate parent undertaking is Saudi Research and Publishing Company LLC., a company registered in the Kingdom of Saudi Arabia and the principal place of business is PO Box 4556, Medinah Road, Jeddah 21412, Saudi Arabia. This is the smallest group of which it is a member for which group financial statements are drawn up.

In the director's opinion the Company's ultimate parent undertaking and controlling party is Saudi Research and Media Group, which is incorporated and registered in the Kingdom of Saudi Arabia. The largest group of which Asharq Al-Awsat Limited is a member for which group financial statements are drawn up, Copies of its group financial statements, which include the Company, are available from PO Box 53108, Riyadh 11583, Saudi Arabia.

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