

Al Quds Al Arabi Publishing & Advertising (Overseas) Limited

Registered number 02604233

Director's report and financial statements

For the year ended 30 September 2011

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AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

COMPANY INFORMATION

Director	A B Atwan
Company secretary	P Sundram
Company number	02604233
Registered office	Clifton Down House Beaufort Buildings Clifton Bristol BS8 4AN
Auditors	Mazars LLP Chartered accountants & Statutory auditor Clifton Down House Beaufort Buildings Clifton Down Clifton Bristol BS8 4AN

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

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AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2011

The director presents his report and the financial statements for the year ended 30 September 2011

Director's responsibilities statement

The director is responsible for preparing the Director's Report 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). 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 judgments and 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.

Principal activities

The principal activity of the company continued to be that of publishing and distributing a daily newspaper.

Director

The director who served during the year was

A B Atwan

Provision of information to auditors

The director at the time when this Director's Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

In preparing this report, the director has taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED


DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2011

This report was approved by the board and signed on its behalf

A B Atwan
Director

Date

13 August 2012

A handwritten signature in black ink, appearing to read 'A B Atwan', with a long horizontal flourish underneath.

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

We have audited the financial statements of Al Quds Al Arabi Publishing & Advertising (Overseas) Limited for the year ended 30 September 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of director and auditors

As explained more fully in the Director's Responsibilities Statement set out on page 1, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the company's member 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 member 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 company and the company's member for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 30 September 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on the other matter prescribed by the Companies Act 2006

In our opinion the information given in the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

Matters on which we are required to report by exception

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 and the Director's Report in accordance with the small companies' regime

Emphasis of matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company incurred a net loss of £30,478 during the year ended 30 September 2011, and its liabilities exceeded its total assets by £609,264. These conditions along with other matters as set forth in Note 1, indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.



Richard Bott (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered accountants and Statutory auditors

Clifton Down House
Beaufort Buildings
Clifton Down
Clifton
Bristol
BS8 4AN

Date 19/1/12

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2011

	Note	2011 £	2010 £
Turnover	1	411,488	448,551
Cost of sales		(1,938,891)	(1,997,315)
Gross loss		(1,527,403)	(1,548,764)
Administrative expenses		(243,915)	(247,560)
Other operating income	2	1,740,000	1,740,000
Operating loss	3	(31,318)	(56,324)
Interest receivable and similar income		33	48
Interest payable and similar charges		(12)	(627)
Loss on ordinary activities before taxation		(31,297)	(56,903)
Tax on loss on ordinary activities	6	819	-
Loss for the financial year	13	(30,478)	(56,903)

The notes on pages 7 to 12 form part of these financial statements

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

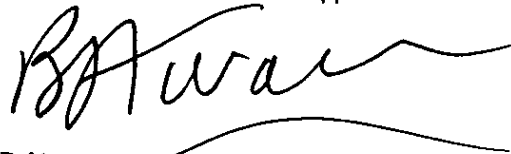
Registered number 02604233

BALANCE SHEET**AS AT 30 SEPTEMBER 2011**

	Note	£	2011 £	2010 £
Fixed assets				
Tangible assets	8		15,834	23,108
Current assets				
Debtors	9	194,409	184,254	
Cash at bank		13,498	47,722	
		<u>207,907</u>	<u>231,976</u>	
Creditors amounts falling due within one year	10	<u>(803,005)</u>	<u>(803,870)</u>	
Net current liabilities			(595,098)	(571,894)
Total assets less current liabilities			<u>(579,264)</u>	<u>(548,786)</u>
Provisions for liabilities				
Other provisions	11		<u>(30,000)</u>	<u>(30,000)</u>
Net liabilities			<u><u>(609,264)</u></u>	<u><u>(578,786)</u></u>
Capital and reserves				
Called up share capital	12		570,109	570,109
Profit and loss account	13		<u>(1,179,373)</u>	<u>(1,148,895)</u>
Shareholders' deficit			<u><u>(609,264)</u></u>	<u><u>(578,786)</u></u>

The financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



A B Atwan
Director

Date 13 August 2012

The notes on pages 7 to 12 form part of these financial statements

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

1 Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

During the year the company incurred a loss before tax of £30,478, at the balance sheet date its current liabilities exceeded its current assets by £609,264. In addition to its sales and advertising revenue, the company relies on its supporters for financial support. This is shown in the accounts as other operating income. The director has received written assurances in June 2012 that funding will be available for the next year at levels at least similar to that received in the year to 30 September 2012, therefore the director believes the company has sufficient resources to meet its obligations and liabilities for a period of twelve months from the signing of these financial statements.

The financial statements have been prepared on a going concern basis which assumes that the company will continue in operational existence for the foreseeable future. The validity of this is based on the supporters giving their support by continuing to provide adequate loan facilities and making substantial donations as outlined above.

If the company were unable to continue in operational existence for the foreseeable future, adjustments would have to be made to reduce the balance sheet values of assets to their recoverable amounts, to provide for future liabilities that might arise and to reclassify fixed assets and long term liabilities as current assets and liabilities.

1.2 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

1.3 Intangible fixed assets and amortisation

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and Loss Account over its estimated economic life.

1.4 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures & fittings	- 25% reducing balance
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1.5 Operating leases

Rentals under operating leases are charged to the Profit and Loss Account on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

1 Accounting Policies (continued)

1.6 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

1.7 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the Profit and Loss Account

2. Other operating income

	2011 £	2010 £
Subsidy income	1,740,000	1,740,000

3 Operating loss

The operating loss is stated after charging

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	5,888	7,703
Auditors' remuneration	7,032	7,100

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

4 Staff costs

Staff costs, including director's remuneration, were as follows

	2011 £	2010 £
Wages and salaries	613,851	597,009
Social security costs	64,803	62,750
	<u>678,654</u>	<u>659,759</u>

The average monthly number of employees, including the director, during the year was as follows

	2011 No	2010 No.
Management	3	3
Production	17	17
	<u>20</u>	<u>20</u>

5. Director's remuneration

	2011 £	2010 £
Aggregate emoluments	<u>150,294</u>	<u>142,499</u>

6. Taxation

	2011 £	2010 £
Analysis of tax credit in the year		
UK corporation tax charge on loss for the year	9	-
Adjustments in respect of prior periods	(828)	-
	<u>(819)</u>	<u>-</u>
Tax on loss on ordinary activities		

Factors that may affect future tax charges

The company has tax losses available for carry forward of £355,694

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

7. Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2010 and 30 September 2011	325,928
Amortisation	
At 1 October 2010 and 30 September 2011	325,928
Net book value	
At 30 September 2011	-
At 30 September 2010	-

8. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 1 October 2010	135,832
Additions	443
Disposals	(29,347)
At 30 September 2011	106,928
Depreciation	
At 1 October 2010	112,724
Charge for the year	5,888
On disposals	(27,518)
At 30 September 2011	91,094
Net book value	
At 30 September 2011	15,834
At 30 September 2010	23,108

9 Debtors

	2011 £	2010 £
Trade debtors	147,826	153,576
Other debtors	46,583	30,678
	194,409	184,254

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

10 Creditors: Amounts falling due within one year

	2011 £	2010 £
Bank loans and overdrafts	34,880	44,033
Corporation tax	9	24
Social security and other taxes (see below)	17,880	18,314
Other creditors	750,236	741,499
	<u>803,005</u>	<u>803,870</u>

Social security and other taxes

	2011 £	2010 £
PAYE/NI control	<u>17,880</u>	<u>18,314</u>

11. Provisions

	Property provision £
At 1 October 2010 and 30 September 2011	<u>30,000</u>

Property provision

A property provision has been set up in respect of expected future liabilities for property dilapidation

12. Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
570,109 Ordinary shares of £1 each	<u>570,109</u>	<u>570,109</u>

13. Reserves

	Profit and loss account £
At 1 October 2010	(1,148,895)
Loss for the year	(30,478)
At 30 September 2011	<u>(1,179,373)</u>

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2011

14 Operating lease commitments

At 30 September 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			
	2011	2010	2011	Other 2010
	£	£	£	£
Expiry date:				
Between 2 and 5 years	56,600	-	916	-

15. Controlling party

The ultimate controlling party is Sweetrain Limited, a company incorporated in the British Virgin Islands