

# **Al Quds Al Arabi Publishing & Advertising (Overseas) Limited**

Registered number 02604233

## **Director's report and financial statements**

**For the year ended 30 September 2012**



# **AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED**

## **COMPANY INFORMATION**

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<b>Directors</b>	A B Atwan (resigned 11 July 2013) J Watson (appointed 11 July 2013)
<b>Company secretary</b>	P Sundram
<b>Registered number</b>	02604233
<b>Registered office</b>	Clifton Down House Beaufort Buildings Clifton Bristol BS8 4AN
<b>Independent auditors</b>	Mazars LLP Chartered accountants & Statutory auditors 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 2012**

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The director presents his report and the financial statements for the year ended 30 September 2012

### **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 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

### **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 (resigned 11 July 2013)

### **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

**AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED**

**DIRECTOR'S REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2012**

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**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

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

**J Watson**  
Director

Date

  
29/11/13

# **AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED**

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

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We have audited the financial statements of Al Quds Al Arabi Publishing & Advertising (Overseas) Limited for the year ended 30 September 2012 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 Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2012 and of its profit 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.

### **Emphasis of matter**

Without qualifying our opinion, we draw attention to Note 1 in the financial statements which indicates that the Company has net liabilities of £217,728. This 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.

### **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**

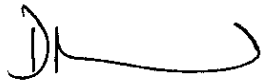
## **INDEPENDENT AUDITORS' REPORT TO THE MEMBER OF AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED**

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### **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



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 2/12/2012

# AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2012

	Note	2012 £	2011 £
Turnover	1	309,236	411,488
Cost of sales		(1,752,860)	(1,938,891)
<b>Gross loss</b>		<b>(1,443,624)</b>	<b>(1,527,403)</b>
Administrative expenses		(251,353)	(243,915)
Other operating income	2	2,111,186	1,740,000
<b>Operating profit/(loss)</b>	3	<b>416,209</b>	<b>(31,318)</b>
Interest receivable and similar income		97	33
Interest payable and similar charges		(32)	(12)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>416,274</b>	<b>(31,297)</b>
Tax on profit/(loss) on ordinary activities	6	(24,738)	819
<b>Profit/(loss) for the financial year</b>	13	<b>391,536</b>	<b>(30,478)</b>

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 2012**

	Note	£	2012 £	£	2011 £
<b>Fixed assets</b>					
Tangible assets	8		12,118		15,834
<b>Current assets</b>					
Debtors	9	126,092		194,409	
Cash at bank		325,702		13,498	
		<u>451,794</u>		<u>207,907</u>	
<b>Creditors</b> amounts falling due within one year	10	(651,640)		(803,005)	
<b>Net current liabilities</b>			(199,846)		(595,098)
<b>Total assets less current liabilities</b>			(187,728)		(579,264)
<b>Provisions for liabilities</b>					
Other provisions	11		(30,000)		(30,000)
<b>Net liabilities</b>			<u>(217,728)</u>		<u>(609,264)</u>
<b>Capital and reserves</b>					
Called up share capital	12		570,109		570,109
Profit and loss account	13		(787,837)		(1,179,373)
<b>Shareholders' deficit</b>			<u>(217,728)</u>		<u>(609,264)</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

J Watson  
Director

Date

29/11/13

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

# AL QUDŞ AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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### 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)

At the balance sheet date its current liabilities exceeded its current assets by £217,728. 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 2013 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 QUDŞ AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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### 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

	2012 £	2011 £
Subsidy income	2,111,186	1,740,000

### 3 Operating profit/(loss)

The operating profit/(loss) is stated after charging

	2012 £	2011 £
Depreciation of tangible fixed assets		
- owned by the company	4,040	5,888
Auditors' remuneration	6,800	6,100
Auditors' remuneration - non-audit	860	805

# AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 4. Staff costs

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

	2012 £	2011 £
Wages and salaries	581,280	613,851
Social security costs	61,560	64,803
	<u>642,840</u>	<u>678,654</u>

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

	2012 No	2011 No.
Management	3	3
Production	15	17
	<u>18</u>	<u>20</u>

### 5 Director's remuneration

	2012 £	2011 £
Aggregate emoluments	<u>138,324</u>	<u>150,294</u>

### 6 Taxation

	2012 £	2011 £
<b>Analysis of tax charge/(credit) in the year</b>		
UK corporation tax charge on profit/loss for the year	24,738	9
Adjustments in respect of prior periods	-	(828)
<b>Tax on profit/loss on ordinary activities</b>	<u>24,738</u>	<u>(819)</u>

#### Factors that may affect future tax charges

The UK corporation tax rate decreased from 26% to 24% from 1 April 2012

Further reductions to the UK corporation tax rate have been announced that will have an effect on future tax charges. The change in the corporation tax rate to 23% from 1 April 2013 had been enacted at the balance sheet date. Further reductions in the rate to 21% from 1 April 2014 and to 20% from 1 April 2015 have now been announced but were not substantively enacted at the balance sheet date.

# AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 7. Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 October 2011 and 30 September 2012	325,928
<b>Amortisation</b>	
At 1 October 2011 and 30 September 2012	325,928
<b>Net book value</b>	
At 30 September 2012	-
At 30 September 2011	-

### 8 Tangible fixed assets

	Fixtures & fittings £
<b>Cost</b>	
At 1 October 2011	106,928
Additions	324
At 30 September 2012	107,252
<b>Depreciation</b>	
At 1 October 2011	91,094
Charge for the year	4,040
At 30 September 2012	95,134
<b>Net book value</b>	
At 30 September 2012	12,118
At 30 September 2011	15,834

### 9. Debtors

	2012 £	2011 £
Trade debtors	95,438	147,826
Other debtors	30,654	46,583
	126,092	194,409

# AL QUDŞ AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

### 10 Creditors Amounts falling due within one year

	2012 £	2011 £
Bank loans and overdrafts	10,115	34,880
Corporation tax	24,738	9
Social security and other taxes (see below)	16,995	17,880
Other creditors	599,792	750,236
	<u>651,640</u>	<u>803,005</u>

### Social security and other taxes

	2012 £	2011 £
PAYE/NI control	<u>16,995</u>	<u>17,880</u>

### 11 Provisions

	Property provision £
At 1 October 2011 and 30 September 2012	<u>30,000</u>

### Property provision

A property provision has been set up in respect of expected future liabilities for property dilapidation. The company expects this to be utilised at the end of the property lease term.

### 12. Share capital

	2012 £	2011 £
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 2011	(1,179,373)
Profit for the year	<u>391,536</u>
At 30 September 2012	<u>(787,837)</u>

# AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2012

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### 14 Operating lease commitments

At 30 September 2012 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings		2012	Other
	2012	2011		2011
	£	£	£	£
<b>Expiry date</b>				
Within 1 year	-	-	916	-
Between 2 and 5 years	56,600	56,600	-	916
	<u>56,600</u>	<u>56,600</u>	<u>-</u>	<u>916</u>

### 15 Related party transactions

At the year end the company owed Mr A B Atwan, a former director of the company, £69,192 (2011 £69,162) This is an interest free loan with no fixed repayment date

### 16 Controlling party

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