

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

Registered number 2604233

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

**For the year ended 30 September 2010**

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

## **COMPANY INFORMATION**

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<b>Director</b>	A B Atwan
<b>Company secretary</b>	P Sundram
<b>Company number</b>	2604233
<b>Registered office</b>	Clifton Down House Beaufort Buildings Clifton Bristol BS8 4AN
<b>Auditors</b>	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 2010**

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

### **Statement of director's responsibilities**

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.

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

## **DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2010**

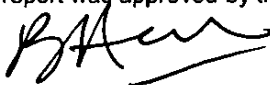
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### **Auditors**

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 on 28 June 2011



**A B Atwan**  
Director

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

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS 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 2010, 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 statement of director's responsibilities set out on page 1, the directors are 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 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 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 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 members, as a body, 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/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

### **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 2010 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 provisions of the Companies Act 2006 applicable to small companies.

### **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 SHAREHOLDERS 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 were 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 £56,903 during the year ended 30 September 2010, and its liabilities exceeded its total assets by £578,786. 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 (Statutory auditors)

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

Date 29/6/11

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

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Note	2010 £	2009 £
Turnover	1	448,551	578,130
Cost of sales		(1,997,315)	(2,220,326)
<b>Gross loss</b>		<b>(1,548,764)</b>	<b>(1,642,196)</b>
Administrative expenses		(247,560)	(236,009)
Other operating income	2	1,740,000	1,740,000
<b>Operating loss</b>	3	<b>(56,324)</b>	<b>(138,205)</b>
Interest receivable and similar income		48	90
Interest payable and similar charges		(627)	(2,513)
<b>Loss on ordinary activities before taxation</b>		<b>(56,903)</b>	<b>(140,628)</b>
Tax on loss on ordinary activities		-	-
<b>Loss for the financial year</b>	12	<b>(56,903)</b>	<b>(140,628)</b>

The notes on pages 7 to 11 form part of these financial statements



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

Registered number 2604233

**BALANCE SHEET  
AS AT 30 SEPTEMBER 2010**

	Note	£	2010 £	£	2009 £
<b>Fixed assets</b>					
Tangible assets	7		23,108		26,340
<b>Current assets</b>					
Debtors	8	184,254		221,707	
Cash at bank		47,722		114,316	
		<u>231,976</u>		<u>336,023</u>	
<b>Creditors' amounts falling due within one year</b>	9	(803,870)		(884,246)	
<b>Net current liabilities</b>			(571,894)		(548,223)
<b>Total assets less current liabilities</b>			(548,786)		(521,883)
<b>Provisions for liabilities</b>					
Other provisions	10		(30,000)		-
<b>Net liabilities</b>			<u>(578,786)</u>		<u>(521,883)</u>
<b>Capital and reserves</b>					
Called up share capital	11		570,109		570,109
Profit and loss account	12		(1,148,895)		(1,091,992)
<b>Shareholders' deficit</b>			<u>(578,786)</u>		<u>(521,883)</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 on

28 June 2011



**A B Atwan**  
Director

The notes on pages 7 to 11 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 2010**

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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)

During the year the company incurred a loss before tax of £56,903, at the balance sheet date its current liabilities exceeded its current assets by £578,786. 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 that funding will be available for next year at levels at least similar to that received in the year to 30 September 2010.

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, 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 2010

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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

	2010 £	2009 £
Subsidy income	1,740,000	1,740,000

### 3. Operating loss

The operating loss is stated after charging

	2010 £	2009 £
Depreciation of tangible fixed assets		
- owned by the company	7,703	8,780
Auditors' remuneration	7,100	6,500

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

### 4. Staff costs

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

	2010 £	2009 £
Wages and salaries	597,009	610,896
Social security costs	62,750	64,901
	<u>659,759</u>	<u>675,797</u>

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

	2010 No	2009 No.
Management	3	3
Production	17	16
	<u>20</u>	<u>19</u>

### 5. Director's remuneration

	2010 £	2009 £
Aggregate emoluments	<u>142,499</u>	<u>156,120</u>

### 6. Intangible fixed assets

	Goodwill £
<b>Cost</b>	
At 1 October 2009 and 30 September 2010	<u>325,928</u>
<b>Amortisation</b>	
At 1 October 2009 and 30 September 2010	<u>325,928</u>
<b>Net book value</b>	
At 30 September 2010	<u>-</u>
At 30 September 2009	<u>-</u>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

### 7. Tangible fixed assets

	Fixtures & fittings £
<b>Cost</b>	
At 1 October 2009	131,361
Additions	4,471
At 30 September 2010	<u>135,832</u>
<b>Depreciation</b>	
At 1 October 2009	105,021
Charge for the year	7,703
At 30 September 2010	<u>112,724</u>
<b>Net book value</b>	
At 30 September 2010	<u>23,108</u>
At 30 September 2009	<u>26,340</u>

### 8. Debtors

	2010 £	2009 £
Trade debtors	153,576	192,135
Other debtors	30,678	29,572
	<u>184,254</u>	<u>221,707</u>

### 9. Creditors

#### Amounts falling due within one year

	2010 £	2009 £
Bank loans and overdrafts	44,033	112,078
Corporation tax	24	-
Social security and other taxes (see below)	18,314	18,470
Other creditors	741,499	753,698
	<u>803,870</u>	<u>884,246</u>

#### Social security and other taxes

	2010 £	2009 £
PAYE/NI control	<u>18,314</u>	<u>18,470</u>

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

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2010

### 10 Provisions

	Property provision £
At 1 October 2009	-
Additions	30,000
At 30 September 2010	<u>30,000</u>

#### Property provision

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

### 11. Share capital

	2010 £	2009 £
<b>Allotted, called up and fully paid</b>		
570,109 Ordinary shares of £1 each	<u>570,109</u>	<u>570,109</u>

### 12. Reserves

	Profit and loss account £
At 1 October 2009	(1,091,992)
Loss for the year	(56,903)
At 30 September 2010	<u>(1,148,895)</u>

### 13. Operating lease commitments

At 30 September 2010 the company had annual commitments under non-cancellable operating leases as follows

	2010 £	2009 £
<b>Expiry date</b>		
Within 1 year	<u>-</u>	<u>758</u>

### 14 Controlling party

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