

Al Quds Al Arabi Publishing and Advertising (Overseas) Limited

Registered number: 02604233

Director's report and financial statements

For the year ended 30 September 2016

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AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

COMPANY INFORMATION

Director	R Westover
Company secretary	P Sundram
Registered number	02604233
Registered office	90 Victoria Street Bristol BS1 6DP
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor 90 Victoria Street Bristol BS1 6DP

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

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AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

The director presents his report and the audited financial statements for the year ended 30 September 2016.

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:

R Westover

Qualifying third party indemnity provisions

The company has granted indemnity to its director against liabilities in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Director's report.

Disclosure of information to auditor

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

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware, and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor is aware of that information.

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2016

Auditor

The auditor, 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.



R Westover
Director

Date: 21.6.17

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

We have audited the financial statements of Al Quds Al Arabi Publishing and Advertising (Overseas) Limited for the year ended 30 September 2016 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 January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

Respective responsibilities of director and auditor

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 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 Auditor's 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.

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 2016 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 AND ADVERTISING (OVERSEAS) LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF AL QUDS AL ARABI PUBLISHING AND 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, take advantage of the small companies' exemption in preparing the Director's report and take advantage of the small companies exemption from the requirement to prepare a Strategic report.



Jonathan Marchant (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

90 Victoria Street
Bristol
BS1 6DP

Date: 26/6/17.

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2016

	Note	2016 £	2015 £
Turnover	1	165,305	191,828
Cost of sales		(3,585,314)	(3,375,918)
Gross loss		(3,420,009)	(3,184,090)
Administrative expenses		(320,202)	(188,787)
Other operating income	3	3,600,000	3,886,876
Operating (loss)/profit	4	(140,211)	513,999
Interest receivable and similar income		360	1,428
Interest payable and similar charges		-	(528)
(Loss)/profit on ordinary activities before taxation		(139,851)	514,899
Tax (charge)/credit on (loss)/profit on ordinary activities	5	(242)	-
(Loss)/profit for the financial year	10	(140,093)	514,899

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

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

Registered number: 02604233

BALANCE SHEET AS AT 30 SEPTEMBER 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	6		65,532		80,019
Current assets					
Debtors	7	120,924		216,650	
Cash at bank		338,067		340,343	
		<u>458,991</u>		<u>556,993</u>	
Creditors: amounts falling due within one year	8	(454,274)		(426,670)	
Net current assets			4,717		130,323
Total assets less current liabilities			<u>70,249</u>		<u>210,342</u>
Capital and reserves					
Called up share capital	9		1,570,109		1,570,109
Profit and loss account	10		(1,499,860)		(1,359,767)
Shareholders' funds			<u>70,249</u>		<u>210,342</u>

The financial statements have been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective January 2015).

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



R Westover
Director

Date: 21.6.17

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

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

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 January 2015).

1.2 Going concern

The financial statements have been prepared on a going concern basis. The company has incurred losses before discretionary subsidy funding in the current and prior year and is dependent upon its ultimate parent for funding. The company will remain dependent upon this funding until such a time as it has generated enough cash through profitable trading to enable it to meet its liabilities as and when they fall due. The ultimate parent company has confirmed to the director their current intention to continue to provide this subsidy funding to enable the company to meet its liabilities as they fall due for the foreseeable future, and the director has therefore prepared the financial statements on a going concern basis.

1.3 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.

1.4 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.

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.

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

1. Accounting Policies (continued)

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. Turnover

100.0% of the company's turnover (2015 - 100.0%) is attributable to geographical markets outside the United Kingdom.

3. Other operating income

	2016 £	2015 £
Subsidy income	3,600,000	3,826,876
Rent premium	-	60,000
	<u>3,600,000</u>	<u>3,886,876</u>

4. Operating (loss)/profit

The operating (loss)/profit is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the company	21,845	29,497
Auditor's remuneration	7,425	7,280
Auditor's remuneration - non-audit	6,420	850
Pension costs	1,002	-
	<u>36,692</u>	<u>37,627</u>

During the year, no director received any emoluments (2015 - £NIL).

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

5. Taxation

	2016 £	2015 £
Adjustments in respect of prior periods	242	-
Tax on (loss)/profit on ordinary activities	242	-

Factors that may affect future tax charges

Reductions to the UK corporation tax rate have been announced that will have an effect on future tax charges. Further reductions in the rate to 19% from 1 April 2017 and 17% from 1 April 2020 had been enacted at the balance sheet date.

The company has trading losses carried forward of £622,204 (2015: £529,832). No deferred tax asset has been recognised due to uncertainty over future taxable profits.

6. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 1 October 2015	181,452
Additions	7,358
At 30 September 2016	188,810
Depreciation	
At 1 October 2015	101,433
Charge for the year	21,845
At 30 September 2016	123,278
Net book value	
At 30 September 2016	65,532
At 30 September 2015	80,019

7. Debtors

	2016 £	2015 £
Due within one year		
Trade debtors	34,577	45,751
Other debtors	86,347	170,899
	120,924	216,650

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

8. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank loans and overdrafts	26,710	19,670
Other taxation and social security	34,557	33,642
Other creditors	393,007	373,358
	<u>454,274</u>	<u>426,670</u>

9. Share capital

	2016 £	2015 £
Allotted, called up and fully paid		
1,570,109 Ordinary shares of £1 each	<u>1,570,109</u>	<u>1,570,109</u>

10. Reserves

	Profit and loss account £
At 1 October 2015	(1,359,767)
Loss for the financial year	(140,093)
	<u>(1,499,860)</u>
At 30 September 2016	<u>(1,499,860)</u>

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £1,002 (2015 - £nil). Contributions totaling £502 (2015 - £nil) were payable to the fund at the balance sheet date and are included within creditors.

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2016

12. Operating lease commitments

At 30 September 2016 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2016	2015
	£	£
Expiry date:		
Within 1 year	92,319	-
Between 2 and 5 years	-	123,092
	<u>92,319</u>	<u>123,092</u>

13. Related party transactions

Included in other operating income is £3,600,000 (2015: £3,886,876) of income received from the ultimate parent undertaking.

14. Ultimate parent undertaking and controlling party

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