

Al Quds Al Arabi Publishing & Advertising (Overseas) Limited

Registered number: 02604233

Director's report and financial statements

For the year ended 30 September 2013

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AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

COMPANY INFORMATION

Director	R Westover (appointed 22 May 2014)
Company secretary	P Sundram
Registered number	02604233
Registered office	Clifton Down House Beaufort Buildings Clifton Down Clifton Bristol BS8 4AN
Independent auditor	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 2013

The director presents his report and the financial statements for the year ended 30 September 2013.

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.

Directors

The directors who served during the year were:

A B Atwan (resigned 11 July 2013)
J Watson (appointed 11 July 2013 & resigned 22 May 2014)

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 directors' 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.

Auditor

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2013

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:

12.09.2014

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

INDEPENDENT AUDITOR'S 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 2013 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 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 2013 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.

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 AUDITOR'S 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.



Jonathan Marchant (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: 29 / 9 / 2014

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 SEPTEMBER 2013

	Note	2013 £	2012 £
Turnover	1	268,373	309,236
Cost of sales		(1,671,699)	(1,752,860)
Gross loss		(1,403,326)	(1,443,624)
Administrative expenses		(288,391)	(251,353)
Other operating income	2	1,977,870	2,111,186
Operating profit	3	286,153	416,209
Interest receivable and similar income		800	97
Interest payable and similar charges		(50)	(32)
Profit on ordinary activities before taxation		286,903	416,274
Tax on profit on ordinary activities	5	(74,924)	(24,738)
Profit for the financial year	12	211,979	391,536

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

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

Registered number: 02604233

BALANCE SHEET**AS AT 30 SEPTEMBER 2013**

	Note	£	2013 £	£	2012 £
Fixed assets					
Intangible assets	6		-		-
Tangible assets	7		11,854		12,118
			<u>11,854</u>		<u>12,118</u>
Current assets					
Debtors	8	91,155		126,092	
Cash at bank		379,443		325,702	
		<u>470,598</u>		<u>451,794</u>	
Creditors: amounts falling due within one year	9	(438,201)		(651,640)	
Net current assets/(liabilities)			32,397		(199,846)
Total assets less current liabilities			<u>44,251</u>		<u>(187,728)</u>
Provisions for liabilities					
Other provisions	10		(50,000)		(30,000)
Net liabilities			<u>(5,749)</u>		<u>(217,728)</u>
Capital and reserves					
Called up share capital	11		570,109		570,109
Profit and loss account	12		(575,858)		(787,837)
Shareholders' deficit			<u>(5,749)</u>		<u>(217,728)</u>

The financial statements have been prepared in accordance with the 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 April 2008).

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

R Westover
Director



Date:

12.09.2014

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 2013

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).

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, has net liabilities, and is dependent upon its ultimate parent for funding. While the director expects the company to achieve profitability in the near future, 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 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.

1.5 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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1.6 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 2013

1. Accounting Policies (continued)

1.7 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.

1.8 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

	2013 £	2012 £
Subsidy income	1,977,870	2,111,186

3. Operating profit

The operating profit is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets:		
- owned by the company	3,952	4,040
Auditor's remuneration	7,000	6,800
Auditor's remuneration - non-audit	860	860

4. Director's remuneration

	2013 £	2012 £
Aggregate remuneration	110,734	138,324

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

5. Taxation

	2013 £	2012 £
UK corporation tax charge on profit for the year	74,924	24,738

Factors that may affect future tax charges

The UK corporation tax rate decreased from 24% to 23% from 1 April 2013.

Further 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 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.

6. Intangible fixed assets

	Goodwill £
Cost	
At 1 October 2012 and 30 September 2013	325,928
Amortisation	
At 1 October 2012 and 30 September 2013	325,928
Net book value	
At 30 September 2013	-
At 30 September 2012	-

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

7. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 1 October 2012	107,252
Additions	3,688
At 30 September 2013	<u>110,940</u>
Depreciation	
At 1 October 2012	95,134
Charge for the year	3,952
At 30 September 2013	<u>99,086</u>
Net book value	
At 30 September 2013	<u>11,854</u>
At 30 September 2012	<u>12,118</u>

8. Debtors

	2013 £	2012 £
Trade debtors	68,851	95,438
Other debtors	22,304	30,654
	<u>91,155</u>	<u>126,092</u>

9. Creditors: Amounts falling due within one year

	2013 £	2012 £
Bank loans and overdrafts	18,671	10,115
Corporation tax	74,924	24,738
Other taxation and social security	18,794	16,995
Other creditors	325,812	599,792
	<u>438,201</u>	<u>651,640</u>

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

10. Provisions

	Property provision £
At 1 October 2012	30,000
Additions	20,000
At 30 September 2013	<u>50,000</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.

11. Share capital

	2013 £	2012 £
Allotted, called up and fully paid		
570,109 Ordinary shares of £1 each	<u>570,109</u>	<u>570,109</u>

12. Reserves

	Profit and loss account £
At 1 October 2012	(787,837)
Profit for the financial year	211,979
At 30 September 2013	<u>(575,858)</u>

13. Operating lease commitments

At 30 September 2013 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2013 £	2012 £	2013 £	Other 2012 £
Expiry date:				
Within 1 year	-	-	-	916
Between 2 and 5 years	<u>56,600</u>	<u>56,600</u>	<u>-</u>	<u>-</u>

AL QUDS AL ARABI PUBLISHING & ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2013

14. Related party transactions

Included in other operating income is £1,977,870 (2012: £2,111,186) of income received from the ultimate parent undertaking.

At the year end the company owed Mr A B Atwan, a former director of the company, £nil (2012: £69,162).

15. 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.