

Al Quds Al Arabi Publishing and Advertising (Overseas) Limited

Registered number: 02604233

Director's report and financial statements

For the year ended 30 September 2014

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AL QUDS AL ARABI PUBLISHING AND 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 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 2014

The director presents his report and the financial statements for the year ended 30 September 2014.

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:

J Watson (resigned 22 May 2014)
R Westover (appointed 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 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 2014**

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:

9.9.2015

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 2014 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 2014 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.



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: 10 . 9 . 2015

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

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 SEPTEMBER 2014**

	Note	2014 £	2013 £
Turnover	1	208,740	268,373
Cost of sales		(2,696,671)	(1,671,699)
Gross loss		(2,487,931)	(1,403,326)
Administrative expenses		(287,016)	(288,391)
Other operating income	3	1,400,000	1,977,870
Operating (loss)/profit	4	(1,374,947)	286,153
Interest receivable and similar income		1,437	800
Interest payable and similar charges		(222)	(50)
(Loss)/profit on ordinary activities before taxation		(1,373,732)	286,903
Tax credit / (charge) on (loss)/profit on ordinary activities	6	74,924	(74,924)
(Loss)/profit for the financial year	12	(1,298,808)	211,979

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 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets			-		-
Tangible assets	7		24,335		11,854
			<u>24,335</u>		<u>11,854</u>
Current assets					
Debtors	8	150,641		91,155	
Cash at bank		143,467		379,443	
		<u>294,108</u>		<u>470,598</u>	
Creditors: amounts falling due within one year	9	(573,000)		(438,201)	
Net current (liabilities)/assets			<u>(278,892)</u>		<u>32,397</u>
Total assets less current liabilities			<u>(254,557)</u>		<u>44,251</u>
Provisions for liabilities					
Other provisions	10		(50,000)		(50,000)
Net liabilities			<u>(304,557)</u>		<u>(5,749)</u>
Capital and reserves					
Called up share capital	11	1,570,109		570,109	
Profit and loss account	12	(1,874,666)		(575,858)	
Shareholders' deficit			<u>(304,557)</u>		<u>(5,749)</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: 9.9.2015

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 2014

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 AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

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. Turnover

100.0% of the company's turnover (2013 - 100.0%) is attributable to geographical markets outside the United Kingdom.

3. Other operating income

	2014 £	2013 £
Subsidy income	1,400,000	1,977,870

4. Operating (loss)/profit

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

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the company	8,112	3,952
Auditor's remuneration	7,140	7,000
Auditor's remuneration - non-audit	850	860

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

5. Director's remuneration

	2014 £	2013 £
Aggregate remuneration	-	110,734

6. Taxation

	2014 £	2013 £
UK corporation tax (credit)/charge on (loss)/profit for the year	(74,924)	74,924

Factors that may affect future tax charges

The UK corporation tax rate decreased from 23% to 21% from 1 April 2014.

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 20% from 1 April 2015 had been enacted at the balance sheet date.

The company has trading losses carried forward of £1,018,164 (2013: £nil). No deferred tax asset has been recognised due to uncertainty over future taxable profits.

7. Tangible fixed assets

	Fixtures & fittings £
Cost	
At 1 October 2013	110,940
Additions	20,593
At 30 September 2014	131,533
Depreciation	
At 1 October 2013	99,086
Charge for the year	8,112
At 30 September 2014	107,198
Net book value	
At 30 September 2014	24,335
At 30 September 2013	11,854

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

8. Debtors

	2014 £	2013 £
Trade debtors	58,937	68,851
Other debtors	91,704	22,304
	<u>150,641</u>	<u>91,155</u>

9. Creditors: Amounts falling due within one year

	2014 £	2013 £
Bank loans and overdrafts	126,743	18,671
Corporation tax	-	74,924
Other taxation and social security	34,126	18,794
Other creditors	412,131	325,812
	<u>573,000</u>	<u>438,201</u>

10. Provisions

	Property provision £
At 1 October 2013 and 30 September 2014	<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

	2014 £	2013 £
Allotted, called up and fully paid		
1,570,109 (2013 - 570,109) Ordinary shares of £1 each	<u>1,570,109</u>	<u>570,109</u>

On 30 September 2014, 1,000,000 ordinary shares of £1 were issued at par.

AL QUDS AL ARABI PUBLISHING AND ADVERTISING (OVERSEAS) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 SEPTEMBER 2014

12. Reserves

	Profit and loss account £
At 1 October 2013	(575,858)
Loss for the financial year	(1,298,808)
At 30 September 2014	<u>(1,874,666)</u>

13. Operating lease commitments

At 30 September 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings			Other
	2014	2013	2014	2013
	£	£	£	£
Expiry date:				
Within 1 and 2 years	61,600	-	-	-
Between 2 and 5 years	-	56,600	-	-
	<u>61,600</u>	<u>56,600</u>	<u>-</u>	<u>-</u>

14. Related party transactions

Included in other operating income is £1,400,000 (2013: £1,977,870) of income received from the ultimate parent undertaking.

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.