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Companies House Copy

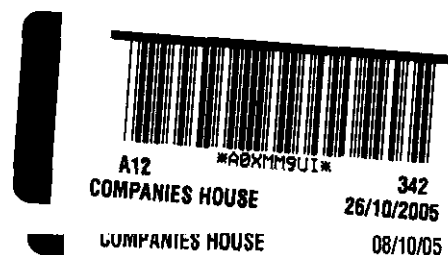
AL JAZEERA SATELLITE
CHANNEL LIMITED
(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)

REPORT OF THE DIRECTORS AND

FINANCIAL STATEMENTS

FOR THE YEAR ENDED

30 NOVEMBER 2004



AL JAZEERA SATELLITE
CHANNEL LIMITED
(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)

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FOR THE YEAR ENDED 30 NOVEMBER 2004

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AL JAZEERA SATELLITE
CHANNEL LIMITED
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COMPANY INFORMATION
FOR THE YEAR ENDED 30 NOVEMBER 2004

DIRECTORS:

M Al Suwaidan
M J Al Ali
H A Jafar
M A Sahlawi
K A Al Mannae

SECRETARY:

K Nadeem

REGISTERED OFFICE:

4 Churchill Court
58 Station Road
North Harrow
HA2 7ST

REGISTERED NUMBER:

03466258 (England and Wales)

ACCOUNTANTS:

ADAMS MOORHOUSE, Chartered Accountants
4 Churchill Court
Station Road
Harrow
Middlesex
HA2 7ST

BANKERS:

Qatar National Bank
51 Grosvenor Street
London
W1K 3HH

**AL JAZEERA SATELLITE
CHANNEL LIMITED
(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)**

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 30 NOVEMBER 2004**

The directors present their report with the financial statements of the company for the year ended 30 November 2004.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Satellite TV programme producers and provision of production facilities.

REVIEW OF BUSINESS

The results for the year and financial position of the company are as shown in the annexed financial statements.

DIVIDENDS

The company, by virtue of being a company limited by guarantee, is unable to pay any dividends.

RESEARCH AND DEVELOPMENT

Research and development costs are written off to profit and loss account in the period in which the expenditure is incurred.

FUTURE DEVELOPMENTS

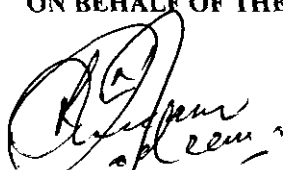
No major developments are planned for the ensuing year.

DIRECTORS

The directors during the year under review were:

M Al Suwaidan
M J Al Ali
H A Jafar
M A Sahlawi
K A Al Mannae

ON BEHALF OF THE BOARD:



K Nadeem - Secretary

17 August 2005

**AL JAZEERA SATELLITE
CHANNEL LIMITED
(A COMPANY LIMITED BY GUARANTEE
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**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 NOVEMBER 2004**

		2004		2003	
	Notes	£	£	£	£
TURNOVER			2,123,508		1,535,526
Cost of sales			1,217,873		920,212
GROSS PROFIT			905,635		615,314
Distribution costs		39,559		95,984	
Administrative expenses		516,005		523,310	
			555,564		619,294
OPERATING PROFIT/(LOSS)	3		350,071		(3,980)
Interest receivable and similar income			1,310		2,137
			351,381		(1,843)
Interest payable and similar charges	4		2,151		865
PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION			349,230		(2,708)
Tax on profit/(loss) on ordinary activities	5		-		-
PROFIT/(LOSS) FOR THE FINANCIAL YEAR AFTER TAXATION			349,230		(2,708)
Retained profit brought forward			94,494		97,202
RETAINED PROFIT CARRIED FORWARD			£443,724		£94,494

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current and previous years.

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the profit for the current year and the loss for the previous year.

**AL JAZEERA SATELLITE
CHANNEL LIMITED
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**BALANCE SHEET
30 NOVEMBER 2004**

		2004		2003	
	Notes	£	£	£	£
FIXED ASSETS:					
Tangible assets	6		307,859		353,824
CURRENT ASSETS:					
Debtors	7	258,586		534,346	
Cash at bank and in hand		420,791		73,706	
		679,377		608,052	
CREDITORS: Amounts falling due within one year	8	543,512		867,382	
NET CURRENT ASSETS/(LIABILITIES):			135,865		(259,330)
TOTAL ASSETS LESS CURRENT LIABILITIES:			£443,724		£94,494
RESERVES:					
Profit and loss account			443,724		94,494
	12		£443,724		£94,494


The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 30 November 2004.

The members have not required the company to obtain an audit of its financial statements for the year ended 30 November 2004 in accordance with Section 249B(2) of the Companies Act 1985.

The directors acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

ON BEHALF OF THE BOARD:



M Al Suwaidan - Director

Approved by the Board on 17 August 2005

The notes form part of these financial statements

AL JAZEERA SATELLITE
CHANNEL LIMITED
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CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2004

		2004	2003
	Notes	£	£
Net cash inflow from operating activities	1	505,152	45,959
Returns on investments and servicing of finance	2	(841)	1,272
Capital expenditure	2	(8,362)	(339,873)
		<u>495,949</u>	<u>(292,642)</u>
Financing	2	(16,881)	(13,856)
Increase/(Decrease) in cash in the period		<u><u>£479,068</u></u>	<u><u>£(306,498)</u></u>
Reconciliation of net cash flow to movement in net debt	3		
Increase/(Decrease) in cash in the period		<u>479,068</u>	<u>(306,498)</u>
Change in net debt resulting from cash flows		<u>479,068</u>	<u>(306,498)</u>
Movement in net debt in the period		<u>479,068</u>	<u>(306,498)</u>
Net (debt)/funds at 1 December		<u>(58,277)</u>	<u>248,221</u>
Net funds/(debt) at 30 November		<u><u>£420,791</u></u>	<u><u>£(58,277)</u></u>

The notes form part of these financial statements

**AL JAZEERA SATELLITE
CHANNEL LIMITED
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**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2004**

1. RECONCILIATION OF OPERATING PROFIT/(LOSS) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2004 £	2003 £
Operating profit/(loss)	350,071	(3,980)
Depreciation charges	54,327	62,440
Decrease/(Increase) in debtors	275,760	(19,311)
(Decrease)/Increase in creditors	(175,006)	6,810
Net cash inflow from operating activities	505,152	45,959

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	2004 £	2003 £
Returns on investments and servicing of finance		
Interest received	1,310	2,137
Interest paid	(2,151)	(865)
Net cash (outflow)/inflow for returns on investments and servicing of finance	(841)	1,272
Capital expenditure		
Purchase of tangible fixed assets	(8,362)	(339,873)
Net cash outflow for capital expenditure	(8,362)	(339,873)
Financing		
Amount withdrawn by directors	(16,881)	(13,856)
Net cash outflow from financing	(16,881)	(13,856)

AL JAZEERA SATELLITE
CHANNEL LIMITED
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NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2004

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.12.03 £	Cash flow £	At 30.11.04 £
Net cash:			
Cash at bank and in hand	73,706	347,085	420,791
Bank overdraft	(131,983)	131,983	-
	<u>(58,277)</u>	<u>479,068</u>	<u>420,791</u>
Total	<u>(58,277)</u>	<u>479,068</u>	<u>420,791</u>
Analysed in Balance Sheet			
Cash at bank and in hand	73,706		420,791
Bank overdraft	(131,983)		-
	<u>(58,277)</u>		<u>420,791</u>

The notes form part of these financial statements

AL JAZEERA SATELLITE
CHANNEL LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2004

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention.

Turnover

Turnover represents invoiced value of services provided, excluding Value Added Tax. The entire turnover relates to export services.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 15% on reducing balance
Fixtures and fittings	- 15% on reducing balance

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. STAFF COSTS

	2004 £	2003 £
Wages and salaries	667,967	464,694
Social security costs	73,752	50,307
	<u>741,719</u>	<u>515,001</u>

The average monthly number of employees during the year was as follows:

	2004	2003
Office and administration	5	5
Production	17	13
	<u>22</u>	<u>18</u>

3. OPERATING PROFIT/(LOSS)

The operating profit (2003 - operating loss) is stated after charging:

	2004 £	2003 £
Hire of plant and machinery	1,968	2,114
Depreciation - owned assets	54,327	62,440
Auditors' remuneration	-	5,000
	<u>51,633</u>	<u>50,000</u>

**AL JAZEERA SATELLITE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2004**

4. INTEREST PAYABLE AND SIMILAR CHARGES

	2004	2003
	£	£
Bank interest	2,124	865
Other Interest	27	-
	<u>2,151</u>	<u>865</u>

5. TAXATION

The company is exempt from Corporation Tax by virtue of the provisions of the International Organisations Act 1968.

6. TANGIBLE FIXED ASSETS

	Plant and machinery	Fixtures and fittings	Totals
	£	£	£
COST:			
At 1 December 2003	100,015	342,726	442,741
Additions	7,000	1,362	8,362
At 30 November 2004	<u>107,015</u>	<u>344,088</u>	<u>451,103</u>
DEPRECIATION:			
At 1 December 2003	35,344	53,573	88,917
Charge for year	10,750	43,577	54,327
At 30 November 2004	<u>46,094</u>	<u>97,150</u>	<u>143,244</u>
NET BOOK VALUE:			
At 30 November 2004	<u>60,921</u>	<u>246,938</u>	<u>307,859</u>
At 30 November 2003	<u>64,671</u>	<u>289,153</u>	<u>353,824</u>

**7. DEBTORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2004	2003
	£	£
V.A.T.	28,804	19,935
Other debtors	6,695	-
Prepayments & accrued income	108,458	108,458
Amounts owed by common ownership companies	<u>114,629</u>	<u>405,953</u>
	<u>258,586</u>	<u>534,346</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 NOVEMBER 2004**

**8. CREDITORS: AMOUNTS FALLING
DUE WITHIN ONE YEAR**

	2004 £	2003 £
Bank loans and overdrafts (see note 9)	-	131,983
Trade creditors	464,334	651,761
Directors current accounts	16,069	32,950
Amounts owed to common ownership companies	19,076	-
Other creditors	-	2,075
Social security & other taxes	17,033	18,090
Employee salaries	-	55
Accrued expenses	27,000	30,468
	<u>543,512</u>	<u>867,382</u>

9. LOANS AND OVERDRAFTS

An analysis of the maturity of loans and overdrafts is given below:

	2004 £	2003 £
Amounts falling due within one year or on demand:		
Bank overdrafts	<u>-</u>	<u>131,983</u>

10. CONTINGENT LIABILITIES

As far as the Board is aware, there were no contingent liabilities at the balance sheet date.

11. RELATED PARTY DISCLOSURES

The entire turnover of the company is derived from provision of services to Al Jazeera in the Emirate of Qatar. The directors of the company are also the directors of Al Jazeera, Qatar.

The directors (who are also the members) have undertaken to contribute £1 each, towards the assets of the company in the event that a contribution is required upon the winding up of the company.

12. RECONCILIATION OF MOVEMENTS IN RESERVES

	2004 £	2003 £
Profit/(Loss) for the financial year	349,230	(2,708)
Net addition/(reduction) to reserves	349,230	(2,708)
Opening reserves	94,494	97,202
Closing reserves	<u>443,724</u>	<u>94,494</u>