

AL JAZEERA INTERNATIONAL LIMITED
ABBREVIATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2009

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AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

CONTENTS OF THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors on the Abbreviated Accounts	4
Abbreviated Profit and Loss Account	5
Abbreviated Balance Sheet	6
Cash Flow Statement	7
Notes to the Cash Flow Statement	8
Notes to the Abbreviated Accounts	10

AL JAZEERA INTERNATIONAL LIMITED

COMPANY INFORMATION

FOR THE YEAR ENDED 31 DECEMBER 2009

DIRECTORS:

M Al Suwaidan
K A M Al-Mulla

SECRETARY:

M Al Suwaidan

REGISTERED OFFICE:

Premier Suite
4 Churchill Court
58 Station Road
North Harrow
Middlesex
HA2 7ST

REGISTERED NUMBER:

5233333 (England and Wales)

AUDITORS:

ADAMS MOORHOUSE, Chartered Accountants
Registered Auditors
4 Churchill Court
58 Station Road
North Harrow
Middlesex
HA2 7ST

BANKERS:

Qatar National Bank
51 Grosvenor Street
London
W1K 3HH

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report with the accounts of the company for the year ended 31 December 2009

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of Satellite Broadcasting Services

REVIEW OF BUSINESS

The Board is satisfied with the progress of the company which is in line with the Company's medium term plan. The result for the ensuing year is expected to show a smaller loss than in 2009

DIVIDENDS

No dividends will be distributed for the year ended 31 December 2009

RESEARCH AND DEVELOPMENT

Research and development expenditure, if any, is written off to profit and loss account in the period in which it is incurred

FUTURE DEVELOPMENTS

No major developments are planned and the company expects to continue with its long term plan to make the activities self financing in the medium to long term

DIRECTORS

The directors who have held office during the period from 1 January 2009 to the date of this report are as follows

M Al Suwaidan - appointed 1 September 2009
A Al Suwaidi - resigned 1 September 2009
A A M Al Khulaifi - resigned 1 September 2009
A M Al Khelaifi - resigned 1 September 2009
K A M Al-Mulla - appointed 1 September 2009

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have 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 directors must not approve the financial statements unless they are 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 directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 directors are 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 them to ensure that the financial statements comply with the Companies Act 2006. They are 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

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2009

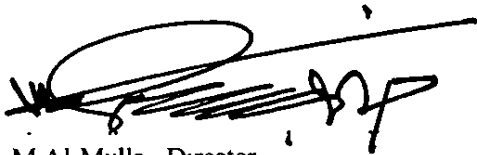
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

Messrs Adams Moorhouse will be proposed for re-appointment at the forthcoming Annual General Meeting

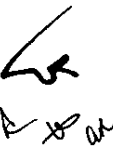
ON BEHALF OF THE BOARD:



K A M Al-Mulla - Director

27 OCT 2010

Date



REPORT OF THE INDEPENDENT AUDITORS TO
AL JAZEERA INTERNATIONAL LIMITED
UNDER SECTION 449 OF THE COMPANIES ACT 2006

We have examined the abbreviated accounts set out on pages five to fifteen, together with the full financial statements of Al Jazeera International Limited for the year ended 31 December 2009 prepared under Section 396 of the Companies Act 2006

This report is made solely to the company, in accordance with Section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to it in a special 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, for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

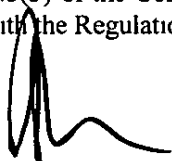
The directors are responsible for preparing the abbreviated accounts in accordance with Section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section and to report our opinion to you.

Basis of opinion

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

Opinion

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with Section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the Regulations made under that Section.



S R Mamdani FCA FCCA (Senior Statutory Auditor)
for and on behalf of ADAMS MOORHOUSE, Chartered Accountants
Registered Auditors
4 Churchill Court
58 Station Road
North Harrow
Middlesex
HA2 7ST

Date

25/10/10

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

ABBREVIATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	year ended 31 12 09 £	period 1 7 08 to 31 12 08 £
TURNOVER	2	20,032,869	12,109,062
Cost of sales		(17,209,279)	(11,666,566)
		<u>2,823,590</u>	<u>442,496</u>
Administrative expenses		<u>4,390,232</u>	<u>2,797,815</u>
OPERATING LOSS	4	(1,566,642)	(2,355,319)
Interest receivable and similar income		<u>1,028</u>	<u>9,105</u>
		(1,565,614)	(2,346,214)
Interest payable and similar charges	5	<u>244</u>	<u>331</u>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(1,565,858)	(2,346,545)
Tax on loss on ordinary activities	6	<u>1,001,643</u>	<u>695,465</u>
LOSS FOR THE FINANCIAL YEAR AFTER TAXATION		<u>(2,567,501)</u>	<u>(3,042,010)</u>
DEFICIT FOR THE YEAR		(2,567,501)	(3,042,010)
Deficit brought forward		(5,457,597)	(2,415,587)
DEFICIT CARRIED FORWARD		<u>(8,025,098)</u>	<u>(5,457,597)</u>

CONTINUING OPERATIONS

None of the company's activities were acquired or discontinued during the current year or previous period

TOTAL RECOGNISED GAINS AND LOSSES

The company has no recognised gains or losses other than the losses for the current year or previous period

The notes on pages 10 to 15 form part of these abbreviated accounts

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

ABBREVIATED BALANCE SHEET
31 DECEMBER 2009

	Notes	2009 £	2008 £
FIXED ASSETS			
Tangible assets	7	5,319,060	6,896,825
CURRENT ASSETS			
Debtors	8	1,439,273	1,148,278
Cash at bank and in hand		621,745	642,456
		<u>2,061,018</u>	<u>1,790,734</u>
CREDITORS			
Amounts falling due within one year	9	<u>2,975,831</u>	<u>2,873,441</u>
NET CURRENT LIABILITIES		<u>(914,813)</u>	<u>(1,082,707)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		4,404,247	5,814,118
CREDITORS			
Amounts falling due after more than one year	10	(9,533,025)	(9,377,038)
PROVISIONS FOR LIABILITIES	11	<u>(2,846,320)</u>	<u>(1,844,677)</u>
NET LIABILITIES		<u><u>(7,975,098)</u></u>	<u><u>(5,407,597)</u></u>
CAPITAL AND RESERVES			
Called up share capital	12	50,000	50,000
Profit and loss account		<u>(8,025,098)</u>	<u>(5,457,597)</u>
SHAREHOLDERS' FUNDS	15	<u><u>(7,975,098)</u></u>	<u><u>(5,407,597)</u></u>

The abbreviated accounts have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to medium-sized companies

The financial statements were approved by the Board of Directors on

27th October 2010 and were signed on its behalf by


K A M Al-Mulla - Director

The notes on pages 10 to 15 form part of these abbreviated accounts

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

		year ended 31.12 09 £	period 1 7 08 to 31 12 08 £
Net cash inflow/(outflow) from operating activities	Notes 1	67,099	(70,683)
Returns on investments and servicing of finance	2	784	8,774
Capital expenditure	2	(88,594)	(48,455)
Decrease in cash in the period		<u>(20,711)</u>	<u>(110,364)</u>
<hr/>			
Reconciliation of net cash flow to movement in net funds	3		
Decrease in cash in the period		<u>(20,711)</u>	<u>(110,364)</u>
Change in net funds resulting from cash flows		<u>(20,711)</u>	<u>(110,364)</u>
Movement in net funds in the period		<u>(20,711)</u>	<u>(110,364)</u>
Net funds at 1 January		<u>642,456</u>	<u>752,820</u>
Net funds at 31 December		<u>621,745</u>	<u>642,456</u>

The notes on pages 10 to 15 form part of these abbreviated accounts

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009**

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

	year ended 31 12 09 £	period 1 7 08 to 31 12.08 £
Operating loss	(1,566,642)	(2,355,319)
Depreciation charges	1,659,541	1,184,114
Loss on disposal of fixed assets	6,818	-
Increase in debtors	(290,995)	(442,386)
Increase in creditors	258,377	1,542,908
Net cash inflow/(outflow) from operating activities	67,099	(70,683)

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

	year ended 31 12 09 £	period 1 7 08 to 31 12 08 £
Returns on investments and servicing of finance		
Interest received	1,028	9,105
Interest paid	(244)	(331)
Net cash inflow for returns on investments and servicing of finance	784	8,774
Capital expenditure		
Purchase of tangible fixed assets	(88,594)	(48,455)
Net cash outflow for capital expenditure	(88,594)	(48,455)

The notes on pages 10 to 15 form part of these abbreviated accounts

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2009

3 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 1 09 £	Cash flow £	At 31 12 09 £
Net cash			
Cash at bank and in hand	642,456	(20,711)	621,745
	<u>642,456</u>	<u>(20,711)</u>	<u>621,745</u>
Total	<u>642,456</u>	<u>(20,711)</u>	<u>621,745</u>

The notes on pages 10 to 15 form part of these abbreviated accounts

NOTES TO THE ABBREVIATED ACCOUNTS
FOR THE YEAR ENDED 31 DECEMBER 2009

1 ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention

Turnover

Turnover represents net invoiced sales of goods, excluding value added tax

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	- 20% on cost
Fixtures and fittings	- 20% on cost
Motor vehicles	- 20% on cost
Computer equipment	- 33% on cost

Deferred tax

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

Research and development

Expenditure on research and development is written off in the year in which it is incurred

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit and loss account in the period to which they relate.

2 TURNOVER

The turnover and loss before taxation are attributable to the one principal activity of the company.

The entire turnover relates to export services provided to the company's principal customer, Al Jazeera Network, the state owned corporation of the State of Qatar.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2009

3 STAFF COSTS

	year ended 31 12 09 £	period 1 7 08 to 31 12 08 £
Wages and salaries	7,194,084	3,998,196
Social security costs	813,093	461,703
Other pension costs	389,125	248,711
	<u>8,396,302</u>	<u>4,708,610</u>

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

	year ended 31 12 09	period 1 7 08 to 31 12 08
Production	136	180
Administration and Finance	13	16
	<u>149</u>	<u>196</u>

4 OPERATING LOSS

The operating loss is stated after charging.

	year ended 31 12 09 £	period 1 7 08 to 31 12 08 £
Depreciation - owned assets	1,659,544	1,184,114
Loss on disposal of fixed assets	6,820	-
Auditors' remuneration	19,250	9,115
	<u>-</u>	<u>-</u>
Directors' remuneration	-	-

5 INTEREST PAYABLE AND SIMILAR CHARGES

	year ended 31 12 09 £	period 1 7 08 to 31 12 08 £
Bank interest	244	331
	<u>244</u>	<u>331</u>

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2009**6 TAXATION****Analysis of the tax charge**

The tax charge on the loss on ordinary activities for the year was as follows

	year ended 31 12 09 £	period 1 7 08 to 31 12 08 £
Current tax		
Provision for potential Corporation Tax liability	1,001,643	695,465
Tax on loss on ordinary activities	<u>1,001,643</u>	<u>695,465</u>

7 TANGIBLE FIXED ASSETS

	Short leasehold £	Plant and machinery £	Fixtures and fittings £
COST			
At 1 January 2009	3,349,295	9,758,303	566,042
Additions	30,000	32,523	17,521
Disposals	-	(13,978)	(328)
At 31 December 2009	<u>3,379,295</u>	<u>9,776,848</u>	<u>583,235</u>
DEPRECIATION			
At 1 January 2009	515,914	5,954,064	318,270
Charge for year	147,065	1,432,406	80,473
Eliminated on disposal	-	(7,372)	(240)
At 31 December 2009	<u>662,979</u>	<u>7,379,098</u>	<u>398,503</u>
NET BOOK VALUE			
At 31 December 2009	<u>2,716,316</u>	<u>2,397,750</u>	<u>184,732</u>
At 31 December 2008	<u>2,833,381</u>	<u>3,804,239</u>	<u>247,772</u>

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)**NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2009****7 TANGIBLE FIXED ASSETS - continued**

	Motor vehicles £	Computer equipment £	Totals £
COST			
At 1 January 2009	19,604	446,678	14,139,922
Additions	-	8,550	88,594
Disposals	-	(8,671)	(22,977)
At 31 December 2009	19,604	446,557	14,205,539
DEPRECIATION			
At 1 January 2009	8,168	446,678	7,243,094
Charge for year	3,038	(3,438)	1,659,544
Eliminated on disposal	-	(8,547)	(16,159)
At 31 December 2009	11,206	434,693	8,886,479
NET BOOK VALUE			
At 31 December 2009	8,398	11,864	5,319,060
At 31 December 2008	11,436	-	6,896,828

8 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Other debtors	8,592	2,529
Staff Advances	52,456	161,010
VAT	1,135,898	860,603
Called up share capital not paid	50,000	50,000
Prepayments and accrued income	192,327	74,136
	<u>1,439,273</u>	<u>1,148,278</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2009 £	2008 £
Trade creditors	668,178	1,373,089
UK Corporation Tax	12,413	12,413
Other creditors	1,104,764	1,063,784
Pension Contributions Payable	44,221	90,170
Childcare Vouchers	363	1,145
Accrued expenses	1,145,892	332,840
	<u>2,975,831</u>	<u>2,873,441</u>

AL JAZEERA INTERNATIONAL LIMITED (REGISTERED NUMBER: 5233333)

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2009

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR - continued

Included in creditors is an amount of £1,104,764 (2008 - £1,063,784) which is owed to Al Jazeera, Washington, an entity under common ownership. No interest is payable on this sum.

10 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2009 £	2008 £
Al Jazeera Network, Qatar	<u>9,533,025</u>	<u>9,377,038</u>

11 PROVISIONS FOR LIABILITIES

	2009 £	2008 £
Deferred tax	395,000	395,000
Other provisions	<u>2,451,320</u>	<u>1,449,677</u>
	<u>2,846,320</u>	<u>1,844,677</u>
	Deferred tax £	Other provisions £
Balance at 1 January 2009	395,000	1,449,677
Provision for potential Corporation Tax	-	1,001,643
Balance at 31 December 2009	<u>395,000</u>	<u>2,451,320</u>

12 CALLED UP SHARE CAPITAL

Allotted and issued Number	Class	Nominal value	2009 £	2008 £
50,000	Ordinary £1 shares	£1	<u>50,000</u>	<u>50,000</u>

13 RELATED PARTY DISCLOSURES

The company's entire turnover is based on services provided to Al Jazeera Network, Qatar which is owned by the State of Qatar. The company's 100% shareholding is owned by the Emir of Qatar, who is also the sovereign head of the State of Qatar.

14 ULTIMATE CONTROLLING PARTY

His Excellency the Emir of Qatar is the 100% owner of the issued share capital and therefore the ultimate controlling party.

NOTES TO THE ABBREVIATED ACCOUNTS - continued
FOR THE YEAR ENDED 31 DECEMBER 2009

15 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2009	2008
	£	£
Loss for the financial year	(2,567,501)	(3,042,010)
Net reduction of shareholders' funds	(2,567,501)	(3,042,010)
Opening shareholders' funds	(5,407,597)	(2,365,587)
Closing shareholders' funds	(7,975,098)	(5,407,597)

16 GOING CONCERN

The financial statements have been drawn up on a going concern basis which assume that the company will continue receiving the financial support of Al Jazeera Network, Qatar. The Board believes that this basis is appropriate and they are not aware of any reasons why the financial support should not continue in the foreseeable future.