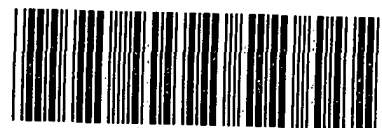


Registered number
02450499

Al Khaleejiah (UK) Limited
Directors' Report and Financial Statements
For the year ended 31 December 2013

TUESDAY



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COMPANIES HOUSE

Al Khaleejiah (UK) Limited
Officers and professional advisers

Directors

Eng. Sulaiman Ibrahim Al Hudalthi (Appointed 8 December 2014)
Dr Azzam Mohammed Al Dakhil (Terminated 8 December 2014)
Saleh Aldowais

Secretary

Amr Mohamed Hamza (Terminated 1 February 2014)
Yousif Abdulrahim (Appointed 1 February 2014)

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
1 Embankment Place
London
WC2N 6RH

Registered office

Baker & McKenzie LLP
100 New Bridge
Street London
EC4V 6JA

Registered number

02450499

Al Khaleejiah (UK) Limited

Registered number:

02450499

Directors' Report

The directors present the annual report and the audited financial statements of the Company for the year ended 31 December 2013.

Principal activities and review of the business

The principal activity of the Company continues to be the provision of advertising services. The directors expect the current level of activity to continue for the foreseeable future.

Results and dividends

The profit on ordinary activities before taxation for the year amounted to £693 (2012: profit of £742). The directors do not recommend the payment of any dividends (2012: £nil)

Directors and their interests

The directors of the Company who were in office during the year and up to the date of signing the financial statements, unless otherwise noted below, were:

Dr Azzam Mohammed Al Dakhil (Terminated 8 December 2014)
Eng. Sulaiman Ibrahim Al Hudailhi (Appointed 8 December 2014)
Saleh Aldowais

There are no directors' interests requiring disclosure under the Companies Act 2006.

Credit risk

The Company revenue is generated from its parent company so potential credit risk is monitored by management on a group wide basis.

Going concern

Due to the current economic conditions, there are inherent future uncertainties that may impact the business. As a result, the directors have made enquiries and have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report 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 prepared 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.

The directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Al Khaleejiah (UK) Limited

Registered number:

02450499

Director's Report (Continued)

Disclosure of information to auditors

The directors at the date of approval of this report confirms

- so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

Independent auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office as auditors as independent auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Approved and signed on behalf of the Board.

Saleh Aldowais

Director

Date: 22/12/2014

Al Khaleejiah (UK) Limited
Independent auditors' report
to the members of Al Khaleejiah (UK) Limited

Report on the financial statements

Our opinion

In our opinion, Al Khaleejiah (UK) Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the Company's affairs as at 31 December 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Al Khaleejiah (UK) Limited's financial statements comprise:

- the Balance Sheet as at 31 December 2013;
- the Profit and Loss Account for the year then ended; and
- the Notes to the Financial Statements, which include a summary of significant accounting policies and

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, the directors have made assumptions and considered future events.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Al Khaleejiah (UK) Limited
'Independent auditors' report
to the members of Al Khaleejiah (UK) Limited

Our responsibilities and those of the directors (Continued)

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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

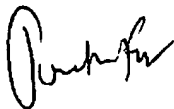
We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the Company's circumstances and have been
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Jonathan Ford (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
Date: 22 December 2014

Al Khaleejiah (UK) Limited
Profit and Loss Account
for the year ended 31 December 2013

	Notes	2013 £	2012 £
Turnover	2	7,622	8,161
Administrative expenses		(6,929)	(7,419)
Operating profit	3	<u>693</u>	<u>742</u>
Profit on ordinary activities before taxation		<u>693</u>	<u>742</u>
Tax on profit on ordinary activities	5	(56)	(164)
Profit for the financial year	9	<u>637</u>	<u>578</u>

All profits have been derived from continuing operations.

There are no recognised gains or losses other than the profit of £637 attributable to the shareholders for the year and accordingly no statement of total recognised gains and losses is presented.

There is no material difference between the profit on ordinary activities before taxation and the profit for the financial year stated above and their historical cost equivalents.

The notes on pages 8 to 11 form part of these financial statements.

Al Khaleejiah (UK) Limited
Balance Sheet
as at 31 December 2013

	Notes	2013 £	2012 £
Current assets			
Debtors	6	254,158	246,537
Cash at bank and in hand		14,071	13,884
		<u>268,229</u>	<u>260,421</u>
Creditors: amounts falling due within one year	7	(56,918)	(49,747)
Total assets less current liabilities		<u>211,311</u>	<u>210,674</u>
Net assets		<u>211,311</u>	<u>210,674</u>
Capital and reserves			
Called up share capital	8	100	100
Profit and loss account	9	211,211	210,574
Shareholders' funds	9	<u>211,311</u>	<u>210,674</u>

The financial statements have been prepared in accordance with the small companies' regime of the Companies Act 2006 relating to small companies.

The financial statements of Al Khaleejiah (UK) Limited (registered number 02450499) on pages 6 to 11 were approved by the Board of Directors on 22/12/2014 and signed on its behalf by:

Saleh Aldowais
Director



1 Accounting policies

Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008). The accounting policies stated below have been consistently applied.

Going Concern

The Directors continue to adopt the going concern basis, as explained in the Directors' report.

Cash flow statement

The Company has taken advantage of the exemption in Financial Reporting Standard 1 ("FRS") (revised 1996) "Cash Flow Statements" from the requirement to produce a cash flow statement as it is a wholly owned subsidiary of a company, which has prepared consolidated financial statements that include this subsidiary undertaking.

Related parties transactions

The Company has taken advantage of the exemption in FRS 8 "Related Parties" as a 100% owned subsidiary, not to disclose transactions with other members of the group headed by Saudi Research and Marketing Group, a company whose consolidated financial statements are available to the public.

Group financial statements

The Company is exempt by virtue of Section 401 of Companies Act 2006 from the requirement to prepare group financial statements.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Al Khaleejiah (UK) Limited

Notes to the financial statements (Continued)
for the year ended 31 December 2013

2 Turnover

Turnover comprises amounts receivable for the provision of advertising services, net of trade discounts; value added tax and other sales related taxes. Costs incurred are recharged to the Company's parent company after including an agreed profit element of 10%. All turnover arises from continuing activities in one geographical area.

3 Profit on ordinary activities before taxation**2013****2012**

£

£

This is stated after charging:

Fees payable to the Company's auditor for the audit of the
 Company's annual financial statements

5,000

5,000

Depreciation of fixed assets held under finance leases

-

114

4 Directors' emoluments

Two directors served during the current and preceding financial year. They received no remuneration for their services (2012: £nil).

5 Tax on profit on ordinary activities

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

2013**2012**

£

£

Current tax:

UK corporation tax at current rates

56

164

Prior year adjustment

-

-

Total current tax (note 7(b))

56

164

Deferred tax:

Origination and reversal of timing differences

-

-

Tax charge on profit on ordinary activities

56

164

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is 23.25% (2012: 24.5%). The differences are reconciled below:

£

£

Profit on ordinary activities before tax

693

742

Profit on ordinary activities multiplied by standard rate of
 corporation tax in the UK of 23.25% (2012: 24.5%)

161

182

Expenses not deductible for tax purposes

87

-

Capital allowances in arrears of depreciation

(193)

(18)

Total current tax charge for the year (note 5(a))

56

164

Al Khaleejiah (UK) Limited**Notes to the financial statements (Continued)
for the year ended 31 December 2013****5 Tax on profit on ordinary activities (continued)**

As at 31 December 2013, the Company has a deferred tax asset of £Nil (2012: £Nil) relating to capital allowances in arrears of depreciation. In accordance with the Company's accounting policy these amounts have not been recognised as the directors did not consider it more likely than not that the asset would be realised.

The effective tax rate for the year was 23.25% (2012: 24.5%).

The effect of further planned reductions to the main rate of corporation tax by a further 2% from 1 April 2014 to 21% and by a further 1% from 1 April 2015 to 20% have been applied to the Company's financial statements as the reductions to the corporation tax rates were substantively enacted in July 2013.

6 Debtors	2013	2012
	£	£
Amounts owed by group undertakings and undertakings in which the Company has a participating interest	254,158	246,537
	<u>254,158</u>	<u>246,537</u>

Amounts owed by immediate parent undertakings are secured, interest free and are repayable as soon as practicable.

7 Creditors: amounts falling due within one year	2013	2012
	£	£
Accruals	8,100	8,100
Amounts owed to group undertakings	48,762	41,483
Corporation tax	56	164
	<u>56,918</u>	<u>49,747</u>

Amounts owed to group undertakings are secured, interest free and are repayable as soon as practicable.

8 Share capital	2013	2013	2012	2012
	Number	£	Number	£
Authorised				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>
Allotted, called up and fully paid				
Ordinary shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

Al Khaleejiah (UK) Limited

Notes to the financial statements (Continued)
for the year ended 31 December 2013

9 Reconciliation of movements in shareholders' funds and on reserves

	Called up Share capital	Profit and loss account	Total shareholders' funds
At 1 January 2012	100	209,996	210,096
Profit for the financial year	-	578	578
At 1 January 2013	100	210,574	210,674
Profit for the financial year	-	637	637
At 31 December 2013	<u>100</u>	<u>211,211</u>	<u>211,311</u>

10 Related party transactions

The Company's turnover represents amounts recharged to the Company's immediate parent Company, for costs incurred in the provision of advertising services, after including an agreed profit element.

During the year the Company recharged an aggregate of £7,622 (2012: £8,161) to its parent undertaking.

The amount owed by the parent undertaking to the Company at the end of the year was £254,158 (2012: £246,537).

11 Ultimate parent undertaking

The Company's immediate parent undertaking is Al Khaleejiah Advertising & Public Relations Co. Ltd, a Company registered in Saudi Arabia, PO Box 22304, Makkah Road, Riyadh, 11495, Saudi Arabia. This is the smallest group in which the Company's results are included.

The directors consider the Company's ultimate parent undertaking and controlling party to be Saudi Research and Marketing Group, which is incorporated and registered in the Kingdom of Saudi Arabia. Therefore, the parent undertaking of the largest group of Companies into which the results of the Company are consolidated is Saudi Research and Marketing Group. Copies of its group financial statements, which include the Company, are available from PO Box 53108, Riyadh 11583, Saudi Arabia.