RNS Number : 7649U
Tejoori Limited
29 December 2011

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Tejoori Limited
("Tejoori" or the "Company")

Final Results

The Board of Tejoori is pleased to announce its audited results for the year ended 30 June 2011. A copy of the Company's annual report and accounts has been published and sent to shareholders, and will shortly be available from Tejoori's website, www.tejooriltd.ae.

For further information, please contact:

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Allenby Capital Limited Nick Athanas/James Reeve	Tel: +44 (0)203 328 5656

Chairman's Statement

Introduction

Welcome to the audited results of Tejoori Limited ("Tejoori" or "the Company") for the year ended 30 June 2011.

We are pleased to state that this year has been a year of excellent performance for Tejoori , where our focus was mainly on:

(a) Fulfilling our targets of making Tejoori's shares electronically tradable through CREST in the UK and;

(b) Reducing our ongoing operating costs in order to strengthen the company's platform for growth in the long run.

Key Achievements

(a) CREST enablement was one of our major achievements this year. We have successfully completed the CREST enablement process for Tejoori's shares, effective from 6 June 2011, which allows our valuable shareholders to trade their Tejoori shares electronically. Furthermore to facilitate the trading process for shareholders, we have selected the services of Collins Stewart as our nominated stock broker to our shareholders.

(b) During the year Tejoori generated income of USD 848,657, an increase of 212% in revenue compared to last year (12 months ended 30 June 2010 : USD 271,953). This increase can be attributed to a higher return being generated on the Company's Islamic investments and a c. USD 420,000 write back of excess provisions made in previous financial years.

(c) Our statement of comprehensive income also shows a 61% reduction in the administration and other operating expenses compared to last year to USD 484,377 (12 months ended 30 June

2010 : USD 1,242,850). We have appointed M/s Injaz Capital Investments LLC as a management consultant for Tejoori who render back office support and other administration services to Tejoori along with the bearing of all the Company's administration expenses on their cost. M/s Injaz Capital Investments LLC is remunerated through a management fee of 20% of the realised profit of the Company.

As at 30 June 2011 the Company had cash available for investment of USD 5,488,994 (30 June 2010 : USD 5,575,578).

This strong performance leave us in a strong position to meet the challenges which undoubtedly lie ahead for the Company in the next financial year given the economic conditions being experienced globally.

Change in Shareholding with Bekon

During this financial year, Tejoori was in discussions with BEKON, a company in which Tejoori had a equity holding of 15.15% at 30 June 2011, on a further fund raising for the company, which was finalized after the year-end. As a result, BEKON has raised c. EUR 3.0 million through the issue of new shares to a number of existing shareholders (the "Equity Issue"). Tejoori did not participate in the Equity Issue and as a final outcome, Tejoori now hold 12,674 shares in BEKON, equivalent to 12.75% of its total issued share capital.

Auditor's Report

The Company's investment in BEKON is in the Company's accounts as an available-for-sale investment and is carried at its cost of USD 8 million at 30 June 2011 (30 June 2010: USD 8 million) because the fair value could not be reliably estimated. The Board, however, has not assessed the available-for-sale investment for impairment at 30 June 2011 and, accordingly, the Company's auditors have issued a qualified opinion on the accounts since they are unable to satisfy themselves as to the carrying amount of the available-for-sale investment, at 30 June 2011. As detailed above BEKON has completed a fundraising since the period end in which Tejoori did not participate.

Outlook

We would like to assure our shareholders that following Tejoori's restructuring the team is positioned better status and focused on assessing and embarking on new investment opportunities. The Directors will continue to seek out other investment opportunities in line with the Company's investment strategy in 2012.

Khalid Al Nasser
Chairman of the Board

Directors' report

The Directors of Tejoori Limited ("the company") present their annual report on the affairs of the company, together with the audited financial statements and auditor's report, for the year ended 30 June 2011.

Principal activities

The company’s principal activity is that of an investment company which invests in ethical and Shari'a compliant ventures worldwide.

Listing

The company’s shares were admitted to trading on the Alternative Investment Market (“AIM”) of the London Stock Exchange (“LSE”) on 24 March 2006.

Listings Requirements

The company believes it has complied with the relevant provisions of the rules of the LSE governing the admission to and operation of AIM.

Substantial Shareholding

At 30 June 2011, the company had notification that :-

- The following individual shareholders had a beneficial interest of 3% or more of the company's issued share capital.

	No. of shares	**% Holding**
MR KHALID NASSER A AL NASSER	1,333,333	4.81%
MR SAAD ABDULAZIZ A AL FOZAN	1,666,800	6.02%
MR ALI MOHAMED ABBAS AL KHOORI	2,186,933	7.89%
MR MOHAMED ABDULLA HASAN A. BEDBOOSH AL ZAABI	1,350,000	4.87%

The following custodians held shares for the beneficial interest of individual share holders.

	No. of shares	**% Holding**
ANSON REGISTRARS LIMITED	2,834,760	10.23%
VIDACOS NOMINEES LIMITED	2,541,573	9.17%
VIDACOS NOMINEES LIMITED	2,224,980	8.03%
MR ALI MOHAMED ABBAS AL KHOORI	2,186,933	7.89%
VIDACOS NOMINEES LIMITED	2,186,933	7.89%
MR SAAD ABDULAZIZ A AL FOZAN	1,666,800	6.02%
CAPITA IRG TRUSTEES (NOMINEES)	1,622,000	5.85%
HSBC GLOBAL CUSTODY NOMINEE (UK)	1,488,160	5.37%
MR KHALID NASSER A AL NASSER	1,333,333	4.81%

Results and Dividends

The results for the year are set out in the statement of comprehensive income on page 16. No dividends have been proposed or declared for the year ended 30 June 2011.

Directors

The Directors, who served during the year and to the date of this report, were as follows:

Director’s name	**Date appointed**	**Date resigned**
Khalid Al Nasser	05 April 2008	-

Saad Al Fouzan	05 April 2008	-
Mohamed Abdulla Al Zaabi	05 April 2008	-
Ilke Toklu	04 June 2010	25 May 2011
Abdullah Ibrahim Saeed Lootah	15 March 2011	-

Directors' interests

The directors who held office as at 30 June 2011 had the following interest in the shares of the company.

	No. of shares	**% holding**
Khalid Al Nasser	1,333,333	4.81%
Saad Al Fouzan	1,666,800	6.02%
Mohamed Abdulla Hasan A. Bedboosh Al Zaabi	1,350,000	4.87%
Abdullah Ibrahim Saeed Lootah	200,000	0.72%

Refer to Note 18 for other disclosures on directors' interests.

Sharia law compliance

The company has retained the services of Dr. Hussain Hamid Hassan. Dr. Hassan, Professor of Sharia and Comparative Law from Cairo University, will, prior to the making of any investment, approve the relevant investment as being Sharia compliant. Dr Hassan is President of the Fatwa and Sharia Supervision Board of the following Islamic Banks and financial institutions: Dubai Islamic Bank (Dubai), Sharjah Islamic Bank (Sharjah), Emirates Islamic Bank (Dubai), Mashreqbank (Dubai), First Gulf Bank (Abu Dhabi), Al Salam Bank (Sudan), Liquidity Management Centre (Bahrain), Dubai Islamic Insurance Company (Dubai), Amlak Finance Company (Dubai), Tamweel Finance (Dubai).

In addition, Dr Hassan is a member of the Fatwa and Sharia Supervision Board of the Islamic Development Bank (Jeddah), Vice President of the Islamic International Rating Agency, a member of Sharia Standard Committee of Accounting and Auditing Organisation for Islamic Financial Institutions, and of the Islamic Fiqh Academy of the Muslim World League (Makkah). Dr Hassan acts as legal advisor to the President of Kazakhstan and advisor to the World Islamic League (Jeddah).

Acquisition of the company's own shares

By virtue of being traded on a stock market, there is always the possibility of the ordinary shares trading at a discount to their Net Asset Value per Share. However, in structuring the company, the Directors have given detailed consideration to the discount risk and how this may be managed. Conditionally, the Directors have authority to buy back the ordinary shares in issue.

There is no present intention to exercise such authority. Any repurchase of ordinary shares will be made subject to BVI law as appropriate and within guidelines established from time to time by the Board (which will take into account the income and cash flow requirements of the company) and the making and timing of any repurchase will be at the absolute discretion of the Board. Purchases of ordinary shares will only be made through the market for cash at prices below the prevailing Net Asset Value per Share where the Board believes that purchases enhance Shareholder value.

During the period under review no ordinary shares were purchased.

Further share issues

Subject to market conditions then prevailing and to all necessary consents and approvals being obtained, the Board may decide to make one or more further issue of ordinary shares for cash from time to time. There are no provisions of BVI law or the current Articles of Association providing for pre-emption rights for existing Shareholders on the allotment of further ordinary share for cash. Unless authorised by Shareholders (save for the issue of any ordinary shares pursuant to the exercise of any Warrants), the company will not issue further ordinary shares at a price below the prevailing Net Asset Value per Share unless they are first offered pro-rata to existing Shareholders or Shareholders have otherwise approved any such issue.

The Directors have the authority to issue 4,131,279 warrants. These warrants give the holder the right to acquire 1 share in the company at a price of USD1.00 per warrant. No warrants were issued during the period under audit.

Auditors

In the case of each persons who are Directors of the company at the date when this report was approved:

- so far as each Director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the Directors has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Mohamed Abdulla Al Zaabi

Saad Al Fouzan

Abdullah Ibrahim Saeed Lootah

29 December 2011

Corporate governance statement

Whilst the BVI do not have a corporate governance regime the Directors recognise the importance of sound corporate governance, taking into account the size of the company and the fact that it is a self-managed investment company. The Board will comply with the principles of the Corporate Governance Guidelines for AIM Companies issued by the Quoted Companies Alliance.

The Board has established an audit committee comprising of Saad Al Fouzan & Mohammed Al Zaabi with duties and responsibilities formally delegated to it by the Board. The audit committee is primarily responsible for ensuring that the financial performance of the company is properly monitored and reported on and for meeting with the auditors and reviewing reports from the auditors relating to the company's accounting and internal controls and for reviewing the effectiveness of the company's systems of internal control.

The company has also established a remuneration and nominations committee to review the performance of its executive Directors and review and recommend the scale and structure of their remuneration and the basis of their remuneration and the terms of their service agreements with due regard to the interests of Shareholders. In considering the remuneration of executive Directors the committee seeks to enable the company to attract and retain staff of the highest calibre. The remuneration and nomination committee will also be required to approve the allocation of warrants to employees. No Director is permitted to participate in discussions or decisions concerning his own remuneration including the grant of warrants. The committee also ensures that the Board has a formal and transparent appointment procedure and has primary responsibility for reviewing the balance and effectiveness of the Board and identifying the skills needed by the Board and by those individuals who might best provide them. The remuneration and nominations committee consists of Khalid Al Nasser and Abdullah I. S. Lootah.

The company will comply with Rule 21 of the AIM Rules regarding dealings in the company's shares and will ensure compliance by the Directors and applicable employees. The company has adopted a share dealing code appropriate for a company admitted to trading on AIM.

In order to manage the day to day operations and administrations functions on behalf of the board of directors, the company has established an Executive Committee ("EC"). The EC is primarily responsible to review policies and procedures and give recommendations, provides oversight of the company's finances and ensures resources are available to ensure the company can meet its goals, ensure and provide comment / recommendations regarding potential investment opportunities beside provides timely information to the board regarding existing company investments, assist the company to adhere to all regulatory requirements and meets all regulatory deadlines and oversees strategic direction of the company.

The executive committee consists of Khalid Al Nasser and Mohammed Al Zaabi.

Audit committee report

The audit committee is appointed by the Board from the non-executive Directors of the company.

The audit committee is responsible for:

- monitoring the integrity of the financial statements of the company and any formal announcements relating to the company's financial performance and reviewing significant financial reporting judgements contained therein;
- reviewing the company's internal financial controls and, unless expressly addressed by the board itself, the company's internal control and risk management systems;
- monitoring and reviewing the effectiveness of the company's internal audit function;
- making recommendations to the board , for a resolution to be put to the shareholders for their approval in general meeting, in relation to the appointment of the external auditors and the approval of the remuneration and terms of engagement of the external auditors;
- reviewing and monitoring the external auditors' independence and objectivity and the effectiveness of the audit process, taking into consideration relevant UK professional and regulatory requirements; and
- developing and implementing a policy on the engagement of the external auditors to supply non-audit services, taking into account relevant guidance regarding the provision of non-audit services by the external audit firm.

The Audit Committee is required to report its findings to the board, identifying any matters in respect of which it considers that action or improvement is needed, and make recommendations as to the steps to be taken.

Composition of the Audit Committee

The members of the Audit Committee during the period were as follows:

Director's name	**Date appointed**	**Date resigned**
Saad Al Fouzan	2 April 2008	-
Mohamed Abdulla Al Zaabi	2 April 2008	-

The board expects the Audit Committee members to have an understanding of:

- the principles of, contents of, and developments in financial reporting including the applicable accounting standards and statements of recommended practice;
- key aspects of the company's operations including corporate policies, company financing, products and systems of internal control;
- matters that influence or distort the presentation of accounts and key figures;
- the principles of, and developments in, company law, sector-specific laws and other relevant corporate legislation;
- the role of internal and external auditing and risk management;
- the regulatory framework for the company's businesses; and
- environmental and social responsibility best practices.

Meetings

The Audit Committee is required to meet four times per year and has an agenda linked to events in the company's financial calendar. The agenda is predominantly cyclical and is therefore approved by the Audit Committee Chairman on behalf of his fellow members.

Each Audit Committee member has the right to require reports on matters of interest in addition to the cyclical items.

The Audit Committee can invite the executive management and senior representatives of the external auditors to attend any of its meetings in full, although it reserves the right to request any of these individuals to withdraw. Other senior management are invited to present such reports as are required for the Committee to discharge its duties.

Overview of the actions taken by the Audit Committee to discharge its duties

External auditors

The Audit Committee is responsible for the development, implementation and monitoring of the company's policy on external audit. The policy assigns oversight responsibility for monitoring the independence, objectivity and compliance with ethical and regulatory requirements to the Audit Committee, and day to day responsibility to the company head of finance. The policy states that the external auditors are jointly responsible to the Board and the Audit Committee and that the Audit Committee is the primary contact.

Overview

As a result of its work during the year, the Audit Committee has concluded that it has acted in accordance with its terms of reference and has ensured the independence and objectivity of the external auditors. The Chairman of the Audit Committee will be available at the Annual General Meeting to answer any questions about the work of the committee.

Approval

This report was approved by the Audit Committee and signed on its behalf by:

Saad Al Fouzan
Chairman of the Audit Committee.

29 December 2011

Directors' remuneration

The services of each of Directors : Saad Al Fouzan, Khalid Al Nasser, Mohammed Al Zaabi & Abdullah Ibrahim Saeed Lootah are provided under the terms of letters of appointment between the company and each of them. Each Director will receive a base fee of USD 2,500 per board meeting.

The total amounts for Directors' remuneration actually paid during the period were as follows:

Name of Director		**Fee (USD)**
Abdullah I. S. Lootah	*Executive Director*	12,494.04
Khalid Al Nasser	*Non-Executive Director*	12,494.04
Mohammed Al Zaabi	*Non-Executive Director*	12,494.04
Saad Al Fouzan	*Non-Executive Director*	4,997.02
		42,479.14

Approval

This report was approved by the Board of Directors on 29 December 2011 and signed on its behalf by:

Saad Al Fouzan

29 December 2011

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to assume that the company will continue in business.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the BVI Business Companies Act, 2004. 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.

Director ………………..

Director ………………….

29 December 2011

Independent auditor's report to the shareholders and Directors of Tejoori Limited

Report on the financial statements

We have audited the accompanying financial statements of Tejoori Limited ("the company") which comprise the statement of financial position as at 30 June 2011 and statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. Except as discussed in the Basis for qualified opinion paragraph, we conducted our audit in accordance with International Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for qualified opinion

The company has an available-for-sale investment which was carried at a cost of USD 8 million at 30 June 2011 (2010: USD 8 million) because management is unable to reliably estimate its fair value. As at 30 June 2011, management has not assessed the available-for-sale investment for impairment and, accordingly, we are unable to satisfy ourselves as to the carrying amount of the available-for-sale investment, at that date.

Qualified opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the accompanying financial statements present fairly, in all material respects, the financial position of the company as of 30 June 2011 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

PricewaterhouseCoopers
Dubai, United Arab Emirates

29 December 2011

Statement of financial position

	Note	As at 30 June 2011 USD	As at 30 June 2010 USD
ASSETS			
Cash and bank balances	4	5,488,994	5,575,578
Due from related parties	18	39,677	402,011
Trade and other receivables	5	139,341	71,804
Available-for-sale investment	6	8,019,715	8,019,715
Advance towards acquisition of investment property	7	4,386,058	4,386,058
Property and equipment	8	681	4,037
Total assets		18,074,466	18,459,203
LIABILITIES AND EQUITY			
Liabilities			
Due to a shareholder	9	877,200	877,200
Due to a related party	18	-	271,850
Trade and other payables	10	92,986	570,153
Total liabilities		970,186	1,719,203
Equity			
Share capital	11	277,089	277,089
Share premium	12	41,286,207	41,286,207
Share warrants reserve	11	1,370,000	1,370,000
Accumulated losses		(25,829,016)	(26,193,296)
Total equity		17,104,280	16,740,000

Total liabilities and equity	18,074,466	18,459,203

These financial statements were approved for issue by the Board of Directors of the company on 29 December 2011 and signed on its behalf by:

Director

Director

Statement of comprehensive income

	Notes	Year ended 30 June 2011 USD	2010 USD
Income			
Return on Islamic investments		429,197	271,953
Other income	14	419,460	-
Total income		848,657	271,953
Expenses			
Administrative and other operating expenses	15	(484,377)	(1,242,850)
Impairment losses	5, 7	-	(14,653,292)
Profit/(loss) for the year		364,280	(15,624,189)
Other comprehensive income/(loss)		-	-
Total comprehensive income/(loss) for the year		364,280	(15,624,189)
Earnings/(loss) per share - basic	16	0.013	(0.56)
Earnings/(loss) per share – diluted	16	0.012	(0.51)

Statement of changes in shareholders' equity

	Share capital USD	Share premium USD	Share warrants reserve USD	Accumulated losses USD	Total USD
At 1 July 2009	277,089	41,286,207	1,370,000	(10,569,107)	32,364,189
Total comprehensive loss for the year	-	-	-	(15,624,189)	(15,624,189)
At 30 June 2010	277,089	41,286,207	1,370,000	(26,193,296)	16,740,000
Total comprehensive income for the year	-	-	-	364,280	364,280
At 30 June 2011	277,089	41,286,207	1,370,000	(25,829,016)	17,104,280

Statement of cash flows

	Notes	Year ended 30 June 2011 USD	2010 USD
Operating activities			
Profit/(loss) for the year		364,280	(15,624,189)
Adjustments for:			
Depreciation	8	3,356	7,995
Employees’ end of service benefits	13	-	10,934
Provision for impairment	5, 7	-	14,653,292
Operating cash flows before changes in assets and liabilities and payment of employees’ end of service benefits		367,636	(951,968)
Payment of employees’ end of service benefit	13	(20,258)	-
Changes in assets and liabilities:			
Available-for-sale investment	6	-	(449,528)
Investment in Wakala deposits		(2,775,522)	-
Due to shareholder	9	-	(877,200)
Due from related parties	18	362,334	(402,011)
Due to related party	18	(271,850)	271,850
Trade and other receivables	5	(67,537)	74,410
Trade and other payables net of provision for employees’ end of service benefits	10	(456,909)	(16,705)
Net cash used in operating activities		(2,862,106)	(2,351,152)
Net decrease in cash and cash equivalents		(2,862,106)	(2,351,152)
Cash and cash equivalents, beginning of the year		5,575,578	7,926,730
Cash and cash equivalents, end of the year	4	2,713,472	5,575,578

1 Establishment and principal activities

Tejoori Limited ("the company") is a self-managed investment company incorporated and domiciled in the British Virgin Islands. The registered address of the company is PO Box 173, Kingston Chambers, Road Town, Tortola, British Virgin Islands. The company's operations are managed from the United Arab Emirates (UAE).

The principal activity of the company is that of an investment company which invests in Shari'a compliant ventures worldwide.

2 Significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These principles have been consistently applied to all years presented, unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets.

The preparation of financial statements in conformity with the IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. The significant areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed under each accounting policy.

(a) Amendments to published standards and a new interpretation that are effective for the company's accounting year beginning 1 July 2010:

The following applicable amendments to existing standards and a new interpretation that have been published, are effective for the company's accounting year beginning 1 July 2010:

- The following collection of amendments to 12 standards as part of the IASB's programme of annual improvements:
  - IFRS 2, 'Share based payment' (effective 1 January 2010)
  - IFRS 5, 'Non current assets held for sale and discontinued operations' (amendment) (effective 1 January 2010)
  - IFRS 8, 'Operating segments' (amendment) (effective 1 January 2010)
  - IAS 1, 'Presentation of financial statements' (amendment) (effective 1 January 2010)
  - IAS 7, 'Statement of cash flows (amendment) (effective 1 January 2010)
  - IAS 17, 'Leases' (amendment) (effective 1 January 2010)
  - IAS 18, 'Revenue' (amendment) (effective 1 January 2010)

- IAS 36, ‘Impairment of assets’ (amendment) (effective 1 January 2010)
- IAS 38, ‘Intangible assets’ (amendment) (effective 1 January 2010)
- IAS 39, ‘Financial instruments: Recognition and measurement’ (amendment) (effective 1 January 2010)
- IFRIC 9, ‘Reassessment of embedded derivatives’ (amendment) (effective 1 January 2010)
- IFRIC 16, ‘Hedges of a net investment in foreign operation’ (amendment) (effective 1 January 2010)

- Amendment to IFRS 2, ‘Share-based payments – Group cash-settled payment transactions’ (effective 1 January 2010).
- Amendment to IFRS 1, ‘First-time adoption’, on ‘Additional exemptions’ (effective 1 January 2010).
- Amendments IAS 32, ‘Financial instruments: Presentation’, on ‘Classification of rights issues’ (effective 1 February 2010)
- Amendment to IFRS 1, ‘First time adoption’, on financial instrument disclosures (effective 1 July 2010).
- IFRIC 19, ‘Extinguishing financial liabilities with equity investments’ (effective 1 July 2010);

The above interpretation and amendments to published standards are either not relevant to the company or do not have any significant impact on the company’s financial position or the results of its operations.

(*b*) *Standards, amendments and interpretation which are not yet mandatorily effective and have not been early adopted by the company:*

The following new standards, amendments to the existing standards and interpretation that have been published, are not effective for the company’s accounting periods commencing 1 July 2010, and have not been early adopted by the company:

- Amendment to IAS 24, ‘Related party disclosures’ (effective 1 January 2011)
- Annual improvements 2010; This set of amendments includes changes to six standards and one IFRIC. It is based on the exposure draft issued in August 2009, with an additional change to IFRS 1, ‘First-time adoption of IFRS’, which was exposed as part of the ‘rate-regulated activities’ proposals issued in July 2009 (effective 1 January 2011)
- Amendments to IFRS 7,‘Financial instruments: Disclosures’ on derecognition (effective 1 July 2011)
- Amendment to IFRS 1, ‘First time adoption’, on fixed dates and hyperinflation (effective 1 July 2011)
- Amendment to IAS 12, ‘Income taxes’ on deferred tax (effective 1 January 2012)
- Amendment to IAS 19, ‘Employee benefits’ (effective 1 January 2013)
- Amendment to IAS 1, ‘Financial statement presentation’ regarding other comprehensive income (effective 1 July 2012)
- IFRS 9, ‘Financial instruments’ − classification and measurement’ (effective 1 January 2013)

- IFRS 10, ‘Consolidated financial statements’(effective 1 January 2013)
- IFRS 11, ‘Joint arrangements’ (effective 1 January 2013)
- IFRS 12, ‘Disclosures of interests in other entities’ (effective 1 January 2013)
- IFRS 13, ‘Fair value measurement’ (effective 1 January 2015)
- IAS 27 (revised 2011), ‘Separate financial statements’ (effective 1 January 2013)
- IAS 28 (revised 2011), ‘Associates and joint ventures’ (effective 1 January 2013)
- Amendment to IFRIC 14,‘Prepayments of a minimum funding requirement’ (effective 1 January 2011)

Management has assessed the impact of the above new standards, amendments to the existing standards and interpretation on the financial statements and has concluded that they are not relevant to the company’s financial statements except for IFRS 9. The adoption of this standard is not expected to have any significant impact on the company’s financial statements.

Foreign currencies

The financial statements of the company are presented in United States Dollars (“USD”), which is the functional currency in which the majority of its transactions are denominated.

Transactions denominated in foreign currencies are translated into USD at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities are translated into USD at the rates of exchange prevailing on the statement of financial position date. The resulting exchange differences are accounted for in the statement of comprehensive income.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation. Depreciation is calculated on the straight-line method to write down the cost of assets to their estimated residual values over their expected useful economic lives as follows:

	Years
Computers	3
Furniture and fixtures	5
Office equipment	4

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount being the higher of the net selling price and value in use.

Gains and losses on disposal of property and equipment are determined by comparing the sales proceeds to their carrying amount and are taken into account in determining profit/loss for the year. Repairs and renewals expenses are charged to the statement of comprehensive income when the expenditure is incurred.

Financial assets

The company classifies its financial assets in the following categories: financial assets at fair value through profit or loss; loans and receivables; held-to-maturity investments; and available-for-sale investment securities. Management determines the classification of its investments at initial recognition.

Financial assets at fair value through profit or loss: This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if acquired principally for the purpose of selling in the short term or if so designated by management. Financial assets are designated at fair value through profit or loss when they are managed and evaluated on a fair value basis in accordance with a documented risk management or investment strategy and reported to key management personnel on that basis.

Held-to-maturity: Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the company's management has the positive intention and ability to hold to maturity. If the company were to sell other than an insignificant amount of held-to-maturity assets, the entire category would be reclassified as available-for-sale.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. The company's loans and receivables comprise 'due from related parties', 'trade and other receivables' and 'cash and cash equivalents' in the statement of financial position.

Available-for-sale: Available-for-sale investments are those non-derivative financial assets that are designated as available-for-sale or are not classified as (a) loans and receivables, (b) held-to-maturity investments or (c) financial assets at fair value through profit or loss.

Regular-way purchases and sales of financial assets at fair value through profit or loss, held to maturity and available-for-sale are recognised on the trade-date – the date on which the company commits to purchase or sell the asset.

Financial assets are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit and loss are initially recognised at fair value and transaction costs are expensed in the statement of comprehensive income. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the company has transferred substantially all risks and rewards of ownership.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Held-to-maturity investments are carried at amortised cost using the effective interest method. Loans and receivables are subsequently carried at amortised cost using the effective interest method. Gains and losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are included in the statement of comprehensive income in the period in which they arise. Gains and losses arising from changes in the fair value of available-for-sale financial assets are recognised directly in equity, until the financial asset is derecognised or impaired. At this time, the cumulative gain or loss previously recognised in equity is recognised in statement of comprehensive income. Foreign currency gains and losses arising on available-for-sale monetary financial assets are directly recognised in the statement of comprehensive income.

The fair values of quoted investments in active markets are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the company establishes fair value by using valuation techniques. Available for sale investments are carried at cost in cases where fair value cannot be reliably estimated.

Profit earned whilst holding investment securities and wakala deposits is reported as return on Islamic investments.

Dividends on equity instruments are recognised in the statement of comprehensive income when the entity's right to receive payment is established.

The company assesses at each statement of financial position date whether there is objective evidence that a financial asset is impaired. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered in determining whether the asset is impaired. This determination of what is significant or prolonged requires judgment. In making this judgment, the company evaluates, among other factors, the normal volatility in share price. In addition, impairment may be appropriate when there is evidence of deterioration in the financial health of the investee, industry and sector performance, changes in technology, and operational and financing cash flows. If any such evidence exists for available-for-sale financial assets, the cumulative loss – measured as the difference between the acquisition cost and the current fair value, less any impairment loss on that financial asset previously recognised in equity – is removed from equity and recognised in the statement of comprehensive income.

Impairment losses recognised in the statement of comprehensive income on available-for-sale equity instruments are not reversed through the statement of comprehensive income.

Advance towards acquisition of investment property

Advance amounts paid towards the acquisition of investment property are recognised at cost less provision for impairment and presented as "advance towards acquisition of investment property" until the full purchase price is paid and legal and beneficial title is transferred to the company, at which point the total purchase consideration is reclassified as investment property. The company assesses, at each balance sheet date, whether there is objective evidence that the advance towards acquisition of investment property is impaired. The accounting estimates used to determine impairment will, by definition, seldom equal the related actual results.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents comprise current accounts and murabaha/wakala deposits with an original maturity of less than three months.

Provisions

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reversed and recognised as other income in the statement of comprehensive income when the company no longer has an obligation to honor these provisions.

Research and development costs

Amounts advanced to start up entities in respect of their research phase are expensed in the statement of comprehensive income when advanced.

Provision for staff benefits

End of service benefits

A provision is made for the estimated liability for employees' entitlements to annual leave and leave passage as a result of services rendered by the employees up to statement of financial position date. This provision is included in trade and other payables. Provision is also made, using actuarial techniques, for the end of service benefits due to employees in accordance with the UAE Labour Law for their periods of service up to the statement of financial position date.

Share-based compensation

The company operates an equity-settled, share-based compensation plan. The fair value of the employee services received in exchange for the grant of the options/warrants is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options/warrant granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets).

Non-market vesting conditions are included in assumptions about the number of warrants that are expected to vest. At each statement of financial position date, the entity revises its estimates of the number of options that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to share warrant reserve in equity.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

3 Financial risk management

The company's activities expose it to a variety of financial risks: liquidity risk, market risk (including currency risk, profit rate risk and price risk) and credit risk. The company reviews and agrees policies for managing each of these risks and these policies are summarised below:

3.1 Liquidity risk

Liquidity risk is the risk that the company will be unable to meet its payment obligations associated with its financial liabilities when they fall due. The consequence may be the failure to meet obligations and fulfil commitments. Prudent liquidity risk management implies maintaining a level of cash and bank balances deemed adequate by management to finance the company's activities. The company monitors liquidity risk on a regular basis. Financial liabilities comprise amount due to the shareholder, amount due to related parties and trade and other payables. These financial liabilities are due within one year from the statement of financial position date.

3.2 Market risk

The company may be exposed to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in profit rate, currency and equity products, all of which are exposed to general and specific market movements and changes in the level of volatility of market rates or prices such as profit rates, credit spreads, foreign exchange rates and equity prices.

<u>Foreign currency risk</u>

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company has no significant exposure to currency risk as the company's transactions are in the United States Dollar (USD) and Arab Emirates Dirham (AED). Foreign exchange risk is minimised as the AED is currently pegged to the USD.

<u>Profit rate risk</u>

Profit rate risk is the exposure to various risks associated with the effect of fluctuations in the prevailing profit rates on the company's financial position and cash flows. The company monitors profit rate risk on a regular basis. As at the statement of financial position date the company has no significant exposure to profit rate risk as all its profit bearing financial instruments are short term in nature.

<u>Price risk</u>

The company has no exposure to price risk as its available-for-sale investment is not quoted in an active market.

3.3 Credit risk

Credit risk is a risk that the counterparty will cause a financial loss to the company by failing to discharge an obligation. Financial assets which potentially subject the company to credit risk comprise bank balances which are only held with highly rated financial institutions, trade and other receivables and amounts due from related party. Credit risk on amounts due from related party and trade and other receivables is monitored on a regular basis.

3.4 Capital management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns to shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

3.5 Fair value estimation

The fair values of financial instruments are not materially different from their carrying values at the statement of financial position date except for the available-for-sale investment which is carried at cost since it is impracticable to reliably assess its fair value.

4 Cash and bank balances

	2011 USD	2010 USD
Cash at bank	1,573,326	147,934
Cash in hand	236	236

Investment in Wakala deposits	3,915,432	5,427,408
	5,488,994	5,575,578
Less: Wakala deposits invested for more than three months	(2,775,522)	-
Cash and cash equivalents	2,713,472	5,575,578

Cash at bank and investment in Wakala deposits are placed with reputable banks and corporate based in the United Arab Emirates. The Wakala deposits carried a profit rate of 5% (2010: 4.85%) per annum and includes USD 1.1 million (2010: nil) placed with a related party.

5 Trade and other receivables

	2011 USD	2010 USD
Prepayments	16,263	6,240
Advances and deposits	680	3,362
Advance to Martin Hage	1,685,592	1,685,592
Other receivables	3,227,442	3,167,246
	4,929,977	4,862,440
Impairment of advance to Martin Hage	(1,685,592)	(1,685,592)
Impairment of other receivables	(3,105,044)	(3,105,044)
	139,341	71,804

Other receivables mainly represent amounts receivable from disposal of the company's interest in investment property (Note 7) amounting to USD 3.1 million (2010: USD 3.1 million) which is impaired and has been provided for in full.

The company committed and invested a total of EUR 1.5 million (USD 1.9 million) (2010: EUR 1.5 million or USD 1.9 million) in a joint venture with Martin Hage for the development of an innovative safety system for motor vehicles designed to significantly improve vehicular safety standards. The advance is considered to be irrecoverable and has been fully provided for.

6 Available-for-sale investment

	2011 USD	2010 USD
Opening balance	8,019,715	7,570,187
Additions during the year	-	449,528
Closing balance	8,019,715	8,019,715

Available-for-sale investment represents an unquoted investment in the BEKON Group. During the year ended 30 June 2007, the company entered into an agreement to invest up to EUR 6 million to acquire a 16.7% equity interest in the BEKON Group, the holding company of a group focused on the development, construction, marketing and operation of biogas, energy and waste treatment plants. As at 30 June 2011, the actual percentage of shareholding of the company is 15.15% (2010: 15.15%).

The company's investment in BEKON Group is carried at its cost since it is impracticable to reliably assess its fair value. The company has also not assessed the investment for impairment at 30 June 2011.

At 30 June 2011 the company had no investment commitment (30 June 2010: Nil) in respect of this investment.

7 Advance towards acquisition of investment property

	2011 USD	2010 USD
Advance against plots of land	22,763,295	22,763,295
Provision for impairment	(18,377,237)	(18,377,237)
	4,386,058	4,386,058

On 17 December 2006, the company and Omniyat Group closed a Musharaka agreement with the company acquiring a 25% equity stake in Omniyat Properties Eleven Limited, a British Virgin Islands Company. On 10 June 2007, the shareholders of Omniyat Properties Eleven Limited entered into a dissolution agreement in which it was agreed and acknowledged that the company would surrender its shareholding in Omniyat Properties Eleven Limited in exchange for three plots of land with an aggregate fair value of USD 86,651,520. The advance towards acquisition of investment property at 30 June 2011 and 30 June 2010 represents the deposit and premium paid on these plots of land plus legal and administration fees paid. The commitment outstanding at 30 June 2011 relating to the acquisition of these plots of land is USD 36 million (2010: USD 36 million) which the directors believe is unlikely to be paid in view of the advanced discussions currently in progress with the property developer to swap the advance in exchange for plots of land in respect of which any further payment to be made by the company remains to be determined.

On 26 October 2008, the company entered into a contract to sell its interest in one of the plots. This plot was sold for USD 12,632,743, resulting in a gain of USD 1,589,271.

An impairment loss of USD 11,548,248 was recognized in the prior year in respect of the carrying amount of the advance at 30 June 2010 in order to reduce it to its recoverable amount as at that date. No further provision for impairment is required at 30 June 2011.

8 Property and equipment

	Furniture and fixtures USD	Office equipment USD	Computers USD	Total USD

Cost				
At 30 June 2010 and 30 June 2011	10,788	17,008	25,864	53,660
Depreciation				
At 1 July 2009	6,317	11,010	24,301	41,628
Charge for the year	2,172	4,260	1,563	7,995
At 30 June 2010	8,489	15,270	25,864	49,623
Charge for the year	1,618	1,738	-	3,356
At 30 June 2011	10,107	17,008	25,864	52,979
Net book amount				
30 June 2011	681	-	-	681
30 June 2010	2,299	1,738	-	4,037

9 Due to a shareholder

	2011 USD	2010 USD
Opening balance	877,200	1,754,400
Repayments during the year	-	(877,200)
	877,200	877,200

In accordance with the company's placement document, the shareholding of individual investors cannot exceed eight percent of the issued and fully paid share capital. This balance represents funds received from a shareholder in excess of the eight percent limit and is refundable to the investors unless the company is able to secure additional capital from the other shareholders.

10 Trade and other payables

	2011 USD	2010 USD
Trade payables	54,647	37,179
Employees' end of service benefits (Note 13)	-	20,258
Directors' fees (Note 18)	7,500	213,500
Other payables	30,839	299,216
	92,986	570,153

11 Share capital

The authorised share capital of the company comprises 1 billion shares of USD 0.01 each (2010: 1 billion shares of USD 0.01 each).

The issued and fully paid share capital of the company comprises 27,708,864 shares of USD 0.01 each (2010: 27,708,864 shares of USD 0.01 each).

Share warrants

On 16 September 2006, the company granted share warrants to employees, directors and a company that used to provide services to the company. The exercise price of the granted warrants is USD 1. The warrants should be exercised on or before the date falling five years from the grant date. The company has no legal or constructive obligation to repurchase or settle the share warrants in cash.

No share warrants were issued and exercised during the year and the number of share warrants outstanding at 30 June 2011 is 2,740,000 (2010: 2,740,000).

The fair value of the share warrants on grant date was based on the fair value of the company’s shares of USD 1.50 per share on that date.

12 Share premium

Share premium represents amounts received from shareholders in excess of the nominal value of the shares allotted to them.

13 Employees’ end of service benefits

	Year ended 30 June	
	2011	2010
	USD	USD
Opening balance	20,258	9,324
Charge for the year (Note 15)	-	10,934
Paid during the year	(20,258)	-
	-	20,258

14 Other income

	Year ended 30 June	
	2011	2010
	USD	USD
Reversal of excess expense provisions	405,296	-
Other income	14,164	-
	419,460	-

15 Administrative and other operating expenses

	Year ended 30 June	
	2011	2010
	USD	USD

Legal and professional fees	281,355	609,276
Outsourcing fees to a related party (Note 18)	91,070	-
Salaries and benefits	-	254,185
Administration fees	24,179	270,870
Employees' end of service benefits (Note 13)	-	10,934
Directors' remuneration and fees (Note 18)	42,479	69,788
Depreciation (Note 8)	3,356	7,995
Net foreign exchange loss	-	2,812
Others	41,938	16,990
	484,377	1,242,850

16 Earnings per share

The basic earnings per share is calculated by dividing the net profit/loss attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

	2011	2010
Basic		
Profit/(loss) for the year in USD	364,280	(15,624,189)
Weighted average number of shares in issue	27,708,864	27,708,864
Basic earnings/(loss) per share in USD	0.0131	(0.56)

Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The company has one category of dilutive potential ordinary shares: share warrants. For the share warrants, a calculation is made in order to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the company's shares) based on the monetary value of the subscription rights attached to outstanding share warrants. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share warrants.

	2011	2010
Profit/(loss) for the year in USD	364,280	(15,624,189)
Weighted average number of shares in issue	27,708,864	27,708,864
Adjustment for share warrants	2,740,000	2,740,000
Weighted average number of shares for diluted earnings per share	30,448,864	30,448,864
Diluted earnings/(loss) per share in USD	0.0120	(0.51)

17 Segmental reporting

For the financial year ended 30 June 2011, segment reporting by the company was prepared in accordance with IFRS 8, 'Operating segments'

Following the management approach of IFRS 8, operating segments are reported in accordance with the internal reporting provided to the Board of Directors (the chief operating decision-maker), which is responsible for allocating resources to the reportable segments and assesses its performance. The company is managed as one unit and therefore the Board of Directors are of the opinion that the company is engaged in a single segment of investing in Shari'a compliant investments worldwide.

18 Related party transactions and balances

Related parties comprise key management, businesses controlled by shareholders and directors as well as businesses over which they exercise significant influence. During the year, the company entered into significant transactions with related parties in the ordinary course of business. In addition to the disclosure in note 4, following are the other transactions and balances arising from these transactions:

	Year ended 30 June	
	2011	2010
	USD	USD
Transactions		
Key management remuneration	-	108,873
Directors' fees and other remuneration (Note 15)	42,479	69,788
Outsourcing fees to Injaz Capital Investments LLC (Note 15)*	91,070	-

* This represents 20% of the profits of the company payable to Injaz Capital Investments LLC as remuneration for rendering back office support and other administration services to the company and for bearing some of the company's administration and other operating expenses. Injaz Capital Investments LLC is a company owned by one of the company's shareholder and director.

	2011	2010
	USD	USD
Balances		
Due from related parties		
Advance to a director for the purchase of investment property in the Kingdom of Saudi Arabia on behalf of the company	-	402,011
Due from Injaz Capital Investments LLC	39,677	-
		-
	39,677	402,011

	2011	2010
	USD	USD
Due to related parties		

Due to a shareholder (Note 9)	877,200	877,200
Due to a related party	-	271,850
Directors’ fees and other remuneration (Note 10)	7,500	213,500

Related party balances are profit fee and payable/receivable on demand.

19 Subsidiary and special purpose vehicles

The company has the following subsidiary and special purpose vehicles.

Entity	**Percentage of equity beneficially owned**		**Country of incorporation**
	2011	2010	
Tejoori Emirates LLC	100	100	United Arab Emirates
Tejoori Environmental Middle East Limited	100	100	British Virgin Islands
Lagoons Plot 1 Limited	100	100	British Virgin Islands
Lagoons Plot 2 Limited	100	100	British Virgin Islands
Lagoons Plot 3 Limited	100	100	British Virgin Islands

Lagoons Plot 1 Limited, Lagoons Plot 2 Limited and Lagoons Plot 3 Limited are special purpose vehicles established for the purpose of acquiring certain plots of land (Note 7).