VODAFONE QATAR Q.S.C.

FINANCIAL STATEMENTS
AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED
31 MARCH 2014

VODAFONE QATAR Q.S.C.

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED 31 MARCH 2014

CONTENTS **Pages**

Independent auditors' report	--
Financial statements	
Statement of income	1
Statement of comprehensive income	2
Statement of financial position	3
Statement of changes in equity	4
Statement of cash flows	5
Notes to the financial statements	6 - 26

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF VODAFONE QATAR Q.S.C.

Report on the financial statements

We have audited the accompanying financial statements of Vodafone Qatar Q.S.C. (the "Company") which comprise the statement of financial position as of 31 March 2014 and statements of comprehensive income, changes in equity and cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes 1 to 26.

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. 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 about whether the financial statements are free from 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.

Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2014 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

Other matter

The annual financial statements for the year ended 31 March 2013 were audited by another firm of auditors who expressed an unqualified audit opinion in their report dated 3 June 2013.

INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF VODAFONE QATAR Q.S.C. (CONTINUED)

Report on other legal and regulatory requirements
Further, as required by the Qatar Commercial Companies Law No. 5 of 2002 we report that:

1. We have obtained all the information we considered necessary for the purpose of our audit;
2. The Company carried out a physical verification of inventories at the year-end;
3. The Company has maintained proper books of account and the financial statements are in agreement therewith; and
4. The financial information contained in the Directors' report is consistent with the books of account of the Company.

In addition, we report that nothing has come to our attention which causes us to believe that the Company has breached any of the applicable provisions of the Qatar Commercial Companies Law No. 5 of 2002, or of its Articles of Association, which would materially affect the reported results of its operations or its financial position as at 31 March 2014.

Mohamed Elmoataz
of PricewaterhouseCoopers

Auditor's registration number: 281

Doha, 27 May 2014

VODAFONE QATAR Q.S.C.

STATEMENT OF INCOME
For the year ended 31 March 2014

vodafone

	Notes	**Year ended 31 March**	
		2014	2013
		QR'000	QR'000
Revenue	5	**1,981,760**	1,526,618
Direct costs		**(872,092)**	(689,421)
Other expenses	6	**(613,474)**	(553,228)
Earnings before interest, tax, depreciation and amortisation		**496,194**	283,969
Depreciation	10	**(197,400)**	(157,192)
Amortisation	11	**(519,238)**	(501,413)
Interest income		**394**	494
Financing costs	7	**(25,901)**	(26,577)
Loss before taxation		**(245,951)**	(400,719)
Income tax expense	8	**-**	-
Loss for the year		**(245,951)**	(400,719)
Basic and diluted loss per share (in QR per share)	9	**(0.29)**	(0.47)

The accompanying notes 1 to 26 form an integral part of these financial statements.

	Note	Year ended 31 March	
		2014	2013
		QR'000	QR'000
Loss for the year		**(245,951)**	(400,719)
Other comprehensive loss			
Items that may be subsequently reclassified to profit or loss:			
Net movement in fair value of cash flow hedges during the year		**-**	(1,073)
Total comprehensive loss for the year		**(245,951)**	(401,792)

The accompanying notes 1 to 26 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 March 2014

	Notes	31 March 2014 QR'000	31 March 2013 QR'000
Non-current assets			
Property, plant and equipment	10	**1,135,687**	1,094,634
Intangible assets	11	**6,136,489**	6,554,721
Trade and other receivables	12	**9,132**	10,598
Total non-current assets		**7,281,308**	7,659,953
Current assets			
Inventories	13	**13,724**	16,623
Trade and other receivables	12	**303,576**	217,558
Cash and cash equivalents	14	**97,401**	161,549
Total current assets		**414,701**	395,730
Total assets		**7,696,009**	8,055,683
Equity			
Share capital	15	**8,454,000**	8,454,000
Legal reserve	16	**19,382**	11,543
Hedging reserve		**-**	-
Distributable profits		**150,864**	1,917
Accumulated losses		**(2,698,488)**	(2,295,751)
Total equity		**5,925,758**	6,171,709
Non-current liabilities			
Long term borrowings	17	**951,066**	1,159,611
Provisions	18	**33,933**	36,110
Trade and other payables	19	**40,897**	36,886
Total non-current liabilities		**1,025,896**	1,232,607
Current liability			
Trade and other payables	19	**744,355**	651,367
Total current liability		**744,355**	651,367
Total liabilities		**1,770,251**	1,883,974
Total equity and liabilities		**7,696,009**	8,055,683

The financial statements were approved by the Board of Directors on 27 May 2014 and were signed on its behalf by:

Dr. Khalid bin Thani bin Abdullah Al Thani
Chairman

Kyle David Whitehill
Chief Executive Officer

Stephen Charles Walters
Chief Financial Officer

The accompanying notes 1 to 26 form an integral part of these financial statements.

vodafone

	Share capital	Legal reserve	Hedging reserve	Distributable profits	Accumulated losses	Total equity
				QR'000		
Balance at 1 April 2012	8,454,000	11,442	1,073	-	(1,893,014)	6,573,501
Total comprehensive loss for the year						
Loss for the year (note 16)	-	-	-	-	(400,719)	(400,719)
Other comprehensive income:						
Net movement in fair value of cash flow hedges	-	-	(1,073)	-	-	(1,073)
Total comprehensive loss for the year	-	-	(1,073)	-	(400,719)	(401,792)
Transfer to distributable profits (note 16)	-	-	-	2,018	(2,018)	-
Transfer to legal reserve (note 16)	-	101	-	(101)	-	-
Balance at 31 March 2013	8,454,000	11,543	-	1,917	(2,295,751)	6,171,709
Balance at 1 April 2013	**8,454,000**	**11,543**	-	**1,917**	**(2,295,751)**	**6,171,709**
Total comprehensive loss for the year						
Loss for the year (note 16)	-	-	-	**-**	**(245,951)**	**(245,951)**
Total comprehensive loss for the year	-	-	-	**-**	**(245,951)**	**(245,951)**
Transfer to distributable profits (note 16)	**-**	**-**	-	**156,786**	**(156,786)**	**-**
Transfer to legal reserve (note 16)	**-**	**7,839**	-	**(7,839)**	**-**	**-**
Balance at 31 March 2014	**8,454,000**	**19,382**	-	**150,864**	**(2,698,488)**	**5,925,758**

Proposed dividend
The Board of Directors has proposed a cash dividend of 1.7% of nominal share value (QR 0.17 per share) totalling to QR 143.7 million. The proposed dividend is subject to approval of shareholders during the Annual General Assembly.

The accompanying notes 1 to 26 form an integral part of these financial statements.

vodafone

	Note	Year ended 31 March	
		2014	2013
		QR'000	QR'000
Net cash flows from operating activities	20	**515,960**	326,779
Cash flows used in investing activities			
Purchase of property, plant and equipment		**(243,094)**	(197,970)
Purchase of intangible assets		**(101,006)**	(164,052)
Interest received		**394**	494
Net cash flows used in investing activities		**(343,706)**	(361,528)
Cash flows from financing activities			
Proceeds from long term borrowings		**-**	95,960
Repayment of long term borrowings		**(236,402)**	-
Net cash flows (used in) / from financing activities		**(236,402)**	95,960
Net (decrease) / increase in cash and cash equivalents		**(64,148)**	61,211
Cash and cash equivalents at the beginning of the year		**161,549**	100,338
Cash and cash equivalents at the end of the year	14	**97,401**	161,549

The accompanying notes 1 to 26 form an integral part of these financial statements.

1 INCORPORATION AND PRINCIPAL ACTIVITIES

Vodafone Qatar Q.S.C ("the Company") is registered as a Qatari Shareholding Company for a twenty-five year period (which may be extended by a resolution passed at a General Assembly) under article 68 of the Qatar Commercial Companies Law Number 5 of 2002. The Company was registered with the Commercial Register of the Ministry of Business and Trade on 23 June 2008 under Commercial Registration No: 39656. The shares of the Company are listed in Qatar Exchange.

The Company is licensed by the Supreme Council of Information and Communication Technology (ictQATAR) to provide both fixed and mobile telecommunications services in the state of Qatar. The conduct and activities of the Company are regulated by ictQATAR pursuant to Law No. 34 of 2006 (Telecommunications Law) and the Applicable Regulatory Framework.

The Company is engaged in providing cellular mobile telecommunication services, fixed line services and selling mobile related equipment and accessories. The Company's head office is located in Doha, State of Qatar and its registered address is P.O. Box 27727, Qatar Science and Technology Park, Doha, State of Qatar.

2 BASIS OF PREPARATION

Statement of compliance
The financial statements are prepared in accordance with International Financial Reporting Standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

Accounting convention
The financial statements are prepared on a historical cost basis, except for derivative financial instruments which are measured at fair value.

Functional and presentation currency
These financial statements are presented in Qatari Riyals, which is the Company's functional and presentation currency. All the financial information presented in Qatari Riyals has been rounded off to the nearest thousand (QR'000) unless indicated otherwise.

Use of estimates and judgments
The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting year. For a discussion on the Company's critical accounting estimates see "Critical Accounting Estimates" under note 24. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3 SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies are consistently applied in the preparation of the financial statements:

Revenue
Revenue is recognised to the extent the Company has delivered goods or rendered services under an agreement, the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Company. Revenue is measured at the fair value of the consideration received, exclusive of discounts.

The Company principally obtains revenue from providing the following telecommunication services: access charges, airtime usage, messaging, interconnect fees, data broadband services and information provision, connection fees and equipment sales. Products and services may be sold separately or in bundled packages.

.3 (LICIES (CONTINUEDSIGNIFICANT ACCOUNTING PO

Revenue (continued)
Revenue from access charges, airtime usage and messaging by contract customers is recognised as revenue as services are performed, with unbilled revenue resulting from services already provided accrued at the end of each period and unearned revenue from services to be provided in future periods deferred. Revenue from the sale of prepaid credit is deferred until such time as the customer uses the airtime, or the credit expires.

Revenue from interconnect fees is recognised at the time the services are performed. Revenue from data services and information provision is recognised when the Company has performed the related service and, depending on the nature of the service, is recognised either at the gross amount billed to the customer or the amount receivable by the Company as commission for facilitating the service. Revenue from selling the right to use preferred numbers is recognised over the expected useful life of the customer.

Customer connection revenue is recognised together with the related equipment revenue to the extent that the aggregate equipment and connection revenue does not exceed the fair value of the equipment delivered to the customer. Any customer connection revenue is deferred and recognised over the period in which services are expected to be provided to the customer.

Revenue for device sales is recognised when the device is delivered to the end customer or to an intermediary when the significant risks and rewards associated with the device are transferred. In case of bundled products, the consideration is allocated to each separate unit of accounting based on its relative fair value.

Direct costs
Direct costs include interconnection charges, commission and dealer charges, regulatory costs, cost of equipment sold, bad debt costs and other direct and access costs.

Interconnection costs
Costs of network interconnection with other domestic and international telecommunications carriers are recognised as a direct cost in the statement of income based on the actual recorded traffic minutes.

Commissions and dealer charges
Intermediaries are given cash incentives by the Company to connect new customers, upgrade existing customers, and distribute recharge cards. These cash incentives are recognised as direct costs on an accrual basis.

Regulatory fees
The annual license fee and spectrum charges are accrued as direct costs based on the terms of the License Fee Agreement and relevant applicable regulatory framework issued by ictQATAR.

Operating leases
Rentals payable under operating leases are charged to statement of income on a straight line basis over the term of the relevant lease.

Foreign currencies
Transactions in foreign currencies are initially recorded by the Company at the currency rate prevailing at the date of the transaction. Any differences on settlement of the transaction are immediately recognised in the statement of income.

Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the end of the reporting period. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income.

.3 (SIGNIFICANT ACCOUNTING POLICIES (CONTINUED

Borrowing costs
The borrowing costs incurred on qualifying assets are capitalised being part of cost of construction. All other borrowing costs are recognised on an accrual basis in profit or loss as finance costs during the year in which they arise.

Income tax
Corporate income tax is levied on companies that are not wholly owned by Qataris or any GCC nationals, based on the net profit of the company. The Company is listed on the Qatar Exchange and hence is not subject to income tax.

Property, plant and equipment

Recognition and measurement
Furniture and fixtures and network, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any). Assets in the course of construction are carried at cost, less any recognised impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation. The costs of self-constructed assets include the cost of materials and direct labour, any other costs directly attributable for bringing the assets to a working condition for their intended use, capitalised borrowing costs and estimated discounted costs for dismantling and restoration of the sites, where the Company has an obligation to restore the sites.

Depreciation
Depreciation of these assets commences when the assets are ready for use as intended by the management. Depreciation is charged so as to write off the cost of assets, other than assets under construction, over their estimated useful lives using the straight line method as follows:

Leasehold improvements	During the period of the lease
Network infrastructure	4 - 25 years
Other equipment	1 - 5 years
Furniture and fixtures	4 - 8 years
Others	3 - 5 years

Derecognition
An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of income.

Intangible assets
Identifiable intangible assets are recognised when the Company controls the asset, it is probable that future economic benefits will flow to the Company and the cost of the asset can be reliably measured. Intangible assets include license fees, software and indefeasible rights of use (IRU's).

License fees
Licence fees are stated at cost less accumulated amortisation. The amortisation period is determined primarily by reference to the unexpired licence period, the conditions for the licence renewal and whether licences are dependent on specific technologies. Amortisation is charged to the statement of income on a straight-line basis over the estimated useful lives from the commencement of service of the network. The estimated useful lives of the mobile and fixed line licenses are 20 years and 25 years respectively.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Intangible assets (continued)

Indefeasible rights of use ("IRU")
IRUs correspond to the right to use a portion of the capacity of a terrestrial or submarine transmission cable granted for a fixed period. IRUs are recognised at cost as an asset when the Company has the indefeasible right to use a specific asset, generally specific optical fibres or dedicated wavelengths on specific cables, and the duration of the right is for the major part of the underlying asset's economic life. IRU's are considered as intangible assets with finite lives.

Finite lived intangible assets (including software)
Intangible assets with finite lives are stated at acquisition or development cost, less accumulated amortisation. The amortisation period and method is reviewed at least annually. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in statement of income on a straight line basis.

Impairment of assets

Property, plant and equipment and finite lived intangible assets
At each end of reporting period date, the Company reviews the carrying amounts of its property, plant and equipment and finite lived intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent, if any, of the impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of income.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset or cash-generating unit in prior periods. A reversal of an impairment loss is recognised immediately in the statement of income.

Inventories
Inventory is stated at the lower of cost and net realisable value. Cost is determined on the basis of weighted average cost and comprises direct materials and, where applicable, direct labour cost and those overheads that have been incurred in bringing the inventories to their present location and condition.

Employees' end of service benefits
The Company provides end of service benefits to its employees. The entitlement to these benefits is based upon the employees' final salary and length of service, subject to the completion of a minimum service period, calculated under the provisions of Qatar Labour Law and is payable upon resignation or termination of the employee. The expected costs of these benefits are accrued over the period of employment.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Provisions
Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Non-derivative financial instruments

Financial assets and financial liabilities are recognised on the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets
Financial assets recognised by the Company include:

Trade receivables
Trade receivables do not carry any interest and are stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts. Estimated irrecoverable amounts are based on the ageing of the receivable balances and historical experience. Individual trade receivables are written off when management deems them not to be collectible.

Cash and cash equivalents
Cash and cash equivalents comprise cash on hand and call deposits and other short term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Derecognition of financial assets
A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised where:

- the contractual rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Financial liabilities and equity instruments
Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities and includes no obligation to deliver cash or other financial assets. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Non-derivative financial instruments (continued)

Trade payables
Trade payables are not interest bearing and are stated at their nominal value.

Long term borrowings
Interest bearing loans and overdrafts are initially measured at fair value (which is equal to cost at inception), and are subsequently measured at amortised cost, using the effective interest rate method, except where they are identified as a hedged item in a fair value hedge. Any difference between the proceeds net of transaction costs and the settlement or redemption of borrowings is recognised over the term of the borrowing.

Equity instruments
Ordinary shares issued by the Company are classified as equity.

Derecognition of financial liabilities
A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the statement of income.

Derivative financial instruments and hedge accounting

The Company's activities expose it to the financial risks of changes in foreign exchange rates and interest rates. The use of financial derivatives is governed by the Company's policies approved by the Board of directors, which provide written principles on the use of financial derivatives consistent with the Company's risk management strategy. The Company does not use derivative financial instruments for speculative purposes. Derivative financial instruments are initially measured at fair value on the contract date and are subsequently remeasured to fair value at each reporting date. The Company designates certain derivatives as either:

- hedges of the change of fair value of recognised assets and liabilities ('fair value hedges'); or
- cash flow hedges

Fair value hedges
Fair value hedges are used while hedging the exposure to changes in the fair value of a recognised asset or liability or unrecognised firm commitment. The change in the fair value of a hedging derivative is recognised in the statement of income. The change in the fair value of the hedged item attributable to the risk hedged is recorded as a part of the carrying value of the hedged item and is also recognised in statement of income.

Cash flow hedges
Cash flow hedging is used by the Company to hedge certain exposures to variability in future cash flows. The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in statement of income. Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting, or the Company chooses to end the hedging relationship.

3. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of financial assets
Financial assets, other than those at fair value through profit and loss, are assessed for indicators of impairment at reporting date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

For trade receivables, objective evidence of impairment could include: (i) significant financial difficulty of the issuer or counterparty; (ii) default or delinquency in interest or principal payments; or (iii) it is becoming probable that the borrower will enter bankruptcy or financial re-organisation.

For certain categories of financial assets, such as trade receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Company's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

Dividend on ordinary share capital
Dividend distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividend is approved by the shareholders. Dividend for the year that is approved after the statement of financial position date is dealt with as an event after balance sheet date.

4. SEGMENT REPORTING

Operating segments are components that engage in business activities that may earn revenues or incur expenses, whose operating results are regularly reviewed by the chief operating decision maker (CODM), and for which discrete financial information is available. The CODM is the person or group of persons who allocates resources and assesses the performance of the components. The functions of the CODM are performed by the Board of Directors of the Company.

(a) Description of products and services from which each reportable segment derives its revenue and factors that management used to identify the reportable segments
The Company only operates in Qatar and is therefore viewed to operate in one geographical area. Management also views that its mobile business is the main operating segment of the Company. Fixed line services are reported in the same operating segment as they are currently immaterial to the overall business. The Company does not have customers with the revenues exceeding 10% of the total revenue of the Company.

(b) Measurement of operating segment profit or loss, assets and liabilities
The CODM reviews financial information prepared based on IFRS adjusted to meet the requirements of internal reporting. Such financial information does not significantly differ from that presented in these financial statements.

5 REVENUE

	Year ended 31 March	
	2014	2013
	QR'000	QR'000
Revenue from sale of goods and services	**1,972,346**	1,520,716
Other revenue	**9,414**	5,902
	1,981,760	1,526,618

6 OTHER EXPENSES

	Year ended 31 March	
	2014	2013
	QR'000	QR'000
Employee benefits expense	**184,746**	165,166
Operating lease rentals	**116,105**	119,533
Other expenses	**312,623**	268,529
	613,474	553,228

7 FINANCING COSTS

	Year ended 31 March	
	2014	2013
	QR'000	QR'000
Interest on long term borrowings	**24,206**	23,431
Others	**1,695**	3,146
	25,901	26,577

8 INCOME TAX EXPENSE

	Year ended 31 March	
	2014	2013
	QR'000	QR'000
Income tax expense	-	-

The Company is exempt from paying corporate tax being a listed entity in Qatar Exchange. Further, no deferred tax assets or liabilities have been recognised.

9 BASIC AND DILUTED LOSS PER SHARE

	31 March 2014	31 March 2013
Loss for the year (QR '000)	**(245,951)**	(400,719)
Weighted average number of shares (in thousands)	**845,400**	845,400
Basic and diluted loss per share (QR)	**(0.29)**	(0.47)

There is no dilutive element and hence basic and diluted shares are the same.

10 PROPERTY, PLANT AND EQUIPMENT

	Furniture and fixtures QR'000	**Network and equipment QR'000**	**Total QR'000**
Cost:			
At 1 April 2012	114,071	1,201,110	1,315,181
Additions	60,401	154,212	214,613
Disposals	(7,156)	(2,794)	(9,950)
At 31 March 2013	167,316	1,352,528	1,519,844
Additions	37,971	205,123	243,094
Disposals	(2,050)	(4,539)	(6,589)
At 31 March 2014	**203,237**	**1,553,112**	**1,756,349**
Accumulated Depreciation:			
At 1 April 2012	37,875	234,472	272,347
Charge for the year	20,422	136,770	157,192
Disposals	(3,458)	(871)	(4,329)
At 31 March 2013	54,839	370,371	425,210
Charge for the year	29,743	167,657	197,400
Disposals	(1,948)	-	(1,948)
At 31 March 2014	**82,634**	**538,028**	**620,662**
Net book value:			
At 31 March 2014	**120,603**	**1,015,084**	**1,135,687**
At 31 March 2013	112,477	982,157	1,094,634

The net book value of property, plant and equipment includes assets in the course of construction amounting to QR 148.4 million (2013: QR 121.2 million), which are not depreciated.

11 INTANGIBLE ASSETS

	License fee	Software	Indefeasible right to use	Total
	QR'000	QR'000	QR'000	QR'000
Cost:				
At 1 April 2012	7,726,000	472,035	-	8,198,035
Additions	-	164,052	20,684	184,736
At 31 March 2013	7,726,000	636,087	20,684	8,382,771
Additions	-	100,978	28	101,006
At 31 March 2014	**7,726,000**	**737,065**	**20,712**	**8,483,777**
Accumulated amortisation:				
At 1 April 2012	1,175,742	150,895	-	1,326,637
Charge for the year	402,737	97,527	1,149	501,413
At 31 March 2013	1,578,479	248,422	1,149	1,828,050
Charge for the year	402,737	115,120	1,381	519,238
At 31 March 2014	**1,981,216**	**363,542**	**2,530**	**2,347,288**
Net book value:				
At 31 March 2014	**5,744,784**	**373,523**	**18,182**	**6,136,489**
At 31 March 2013	6,147,521	387,665	19,535	6,554,721

The net book value of software includes software under development amounting to QR 62.7 million (2013: QR 59.1 million), which are not amortised.

12 TRADE AND OTHER RECEIVABLES

	31 March 2014	31 March 2013
	QR'000	QR'000
Non-current assets:		
Prepayments	**9,132**	10,598
Current assets:		
Trade receivables – net	**140,472**	138,140
Prepayments	**20,284**	24,970
Due from related parties (note 21)	**114,720**	16,149
Accrued revenue receivables	**5,453**	4,113
Other receivables	**22,647**	34,186
	303,576	217,558

Trade receivables include provision for impairment amounting to QR 55.6 million (2013: QR 32.6 million), for which details are provided in note 22.

13 INVENTORIES

	31 March 2014	31 March 2013
	QR'000	QR'000
Goods held for resale	**13,724**	16,623

13 INVENTORIES (CONTINUED)

Inventory is reported net of allowance for obsolescence, an analysis of which is as follows:

	31 March 2014 QR'000	31 March 2013 QR'000
At 1 April	**3,514**	2,761
Amounts (released) /charged to statement of income	**(813)**	753
At 31 March	**2,701**	3,514

14 CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are as follows:

	31 March 2014 QR'000	31 March 2013 QR'000
Cash at bank and on hand	**97,401**	161,549

15 SHARE CAPITAL

	31 March 2014		31 March 2013	
	Number	**QR'000**	Number	QR'000
Ordinary shares authorised, allotted, issued and fully paid:				
Ordinary shares of QAR 10 each	**845,400,000**	**8,454,000**	845,400,000	8,454,000

16 LEGAL AND DISTRIBUTABLE RESERVE

The Company is an "Article 68 Company", having been incorporated under Article 68 of the Qatar Commercial Companies' Law No. 5 of 2002.

The excess of issuance fees collected over the issuance cost during the initial public offering of the ordinary shares has been transferred to the legal reserve as required by Article 154 of Qatar Commercial Companies Law No. 5 of 2002.

Further, as per Article 69(a) of the Articles of Association of the Company, 5% of annual distributable profits should be transferred to a separate legal reserve. The General Assembly may discontinue this deduction if the legal reserve reaches 10% of the paid up capital.

Distributable profits:
As per Article 69 of the Articles of Association of the Company, distributable profits are defined as the net profit/loss for the financial year plus amortisation of license fees for the year. Undistributed profits are carried forward and are available for distribution in future periods.

	Year ended 31 March 2014		Year ended 31 March 2013	
	QR'000	**QR'000**	QR'000	QR'000
Balance at beginning of the year		**1,917**		-
Net loss for the year	**(245,951)**		(400,719)	
Amortisation of license fee	**402,737**		402,737	
Distributable profits		**156,786**		2,018
Transfer to legal reserve		**(7,839)**		(101)
Balance at year end		**150,864**		1,917

17 LONG TERM BORROWINGS

	31 March 2014 QR'000	31 March 2013 QR'000
Loan from Vodafone Investments Luxembourg SARL	**951,066**	1,159,611

The Company has three credit facilities totalling to USD $330 million (QR 1,201.6 million) from Vodafone Investments Luxembourg SARL at variable interest rates. The Company has drawn down USD $ 261.2 million (QR 951.1 million) from these facilities as at 31 March 2014.

The Company refinanced a maturing loan as at 31 March 2014 amounting to USD 120 million. The long term borrowings bear an average effective interest rate of 2.34% annually (2013: 2.38%).

18 PROVISIONS

	31 March 2014 QR'000	31 March 2013 QR'000
Asset retirement obligations	**5,902**	17,678
Employee's end of service benefits (note 18.1)	**15,365**	10,666
Other provisions	**12,666**	7,766
	33,933	36,110

18.1 Employee's end of service benefits

	Year ended 31 March	
	2014 QR'000	2013 QR'000
At 1 April	**10,666**	8,233
Charge for the year	**6,861**	4,354
Payments during the year	**(2,162)**	(1,921)
	15,365	10,666

19 TRADE AND OTHER PAYABLES

	31 March 2014 QR'000	31 March 2013 QR'000
Non-current liabilities:		
Supplier retentions	**40,897**	36,886
	40,897	36,886
Current liabilities:		
Trade payables	**227,809**	200,140
Accruals and deferred income	**458,872**	404,497
Other payables	**2,354**	111
Due to related parties (note 21)	**55,320**	46,649
	744,355	651,397

20 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES

	Year ended 31 March	
	2014	2013
	QR'000	QR'000
Net loss for the year	**(245,951)**	(400,719)
Adjustments for:		
Depreciation and amortisation	**716,638**	658,605
Finance costs	**25,901**	26,577
Interest income	**(394)**	(494)
Decrease / (increase) in inventories	**2,899**	(4,728)
Increase in trade and other receivables	**(84,552)**	(45,663)
Increase in trade and other payables	**92,884**	54,467
Increase in provisions	**8,535**	38,734
Net cash flow from operating activities	**515,960**	326,779

21 RELATED PARTY TRANSACTIONS

Related parties represent the shareholders, directors and key management personnel of the Company and companies controlled, jointly controlled or significantly influenced by those parties.

The following transactions were carried out with related parties:

	Year ended 31 March	
	2014	2013
	QR'000	QR'000
Sales of goods and services		
Vodafone Group Plc controlled entities	**6,745**	3,730
Purchases of goods and services		
Vodafone Group Plc controlled entities	**80,367**	64,969
Interest on long term borrowing		
Vodafone Group Plc controlled entities	**24,788**	26,285

Goods and services are bought from related parties at prices approved by management, as being on an arm's length basis. Balances arising from sales/purchases of goods/services:

	31 March 2014	31 March 2013
	QR'000	QR'000
Receivables from related parties:		
Vodafone Group Plc controlled entities	**114,720**	16,149
Payables to related parties:		
Vodafone Group Plc controlled entities	**55,320**	46,649
Loans from a related party:		
Loans from Vodafone Investment SARL	**951,066**	1,159,611

21 RELATED PARTY TRANSACTIONS (CONTINUED)

	31 March 2014 QR'000	31 March 2013 QR'000
Compensation of key management personnel		
Salaries and short-term benefits	**22,875**	18,331
Employees' end of service benefits	**1,173**	881
	24,048	19,212

The receivables from related parties arise mainly from sale transactions which are unsecured in nature and bear no interest. No impairment losses were recognised for balances due from related parties during the year (2013: nil). The payables to related parties arise mainly from purchase transactions and bear no interest. Loans from related parties bear interest at variable rates.

22 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Capital management

The following table summarises the capital structure of the Company:

	31 March 2014 QR'000	31 March 2013 QR'000
Cash and cash equivalents	**(97,401)**	(161,549)
Borrowings	**951,066**	1,159,611
Net debt	**853,665**	998,062
Total equity	**5,925,758**	6,171,709
Gearing ratio	**14.4%**	16.2%

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's policy is to borrow long term facilities from its related parties to meet anticipated funding requirements.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt or increase its borrowings from related parties.

Categories of financial instruments

	31 March 2014 QR'000	31 March 2013 QR'000
Loans and receivables:		
Cash and cash equivalents	**97,401**	161,549
Trade and other receivables (excluding prepayments)	**283,292**	192,588
Other financial liabilities at amortised cost:		
Trade and other payables (excluding accruals and deferred income)	**326,380**	283,786
Long term borrowings	**951,066**	1,159,611

22 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Foreign currency risk management
The Company undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters.

During the year the Company has entered into a number of foreign exchange forward contracts to hedge its exposure to currency fluctuations. The notional values of forward contracts outstanding as at 31 March 2014 amounted to EUR 9.7 million (2013: EUR 6 million). These derivative instruments are recognised as fair value hedges at fair value through profit or loss, which were valued at insignificant values at the year end.

Interest rate risk management
Under the Company's interest rate management policy, interest rates on monetary assets and liabilities are maintained on a floating rate basis. For every one percent rise or fall in market interest rates in which the Company had borrowings at 31 March 2014 there would be an increase or reduction in the total loss for the financial year before tax of QR 9.5 million (2013: increase or reduction by QR 11.6 million).

Credit risk management
Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company's exposure and the creditworthiness of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by management annually.

:The following table presents the movement in the provision for doubtful receivables

	31 March 2014 QR'000	31 March 2013 QR'000
At 1 April	**32,558**	21,992
Amounts charged to income statement	**23,007**	10,566
At 31 March	**55,565**	32,558

The following table presents ageing of trade receivables (gross):

	31 March 2014 QR'000	31 March 2013 QR'000
0 – 30 days	**113,640**	114,987
31 – 60 days	**22,663**	16,143
61 – 90 days	**4,169**	7,010
Over 90 days	**55,565**	32,558
	196,037	170,698

Exposure to credit risk
The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

	Carrying amount	
	31 March 2014 QR'000	31 March 2013 QR'000
Cash and cash equivalents	**97,401**	161,549
Trade and other debit balances (excluding prepayments)	**283,292**	192,588
	380,693	354,137

22 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

Liquidity risk management
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Company has secured additional borrowing facilities from Vodafone Investments Luxembourg SARL which the Company has at its disposal to further reduce liquidity risk.

The table below analyses the Company's financial liabilities based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

At 31 March 2014	**Less than 1 Year**	**More than 1 year**
	QR'000	**QR'000**
Trade and other payables	**285,483**	**40,897**
Long term borrowings	**-**	**951,066**

At 31 March 2013	Less than 1 Year	More than 1 year
	QR'000	QR'000
Trade and other payables	246,900	36,886
Long term borrowings	-	1,159,611

Fair value of financial instruments
Fair value measurements are analysed by levels in the fair value hierarchy as follows:
- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unobserved inputs)

At year-end, no financial assets or liabilities were measured at fair value, except for the fair value hedges. The carrying value of financial assets and financial liabilities classified as current assets or current liabilities in the statement of financial position at year-end approximates its fair value due to its shorter maturities.

All financial assets and liabilities are classified as Level 3, except for fair value hedges, which are classified as Level 2.

23 COMMITMENTS AND CONTINGENT LIABILITIES

Commitments

Operating lease commitments

The Company has entered into commercial leases on certain properties, network infrastructure, motor vehicles, and items of equipment. The leases have various terms, escalation clauses, and renewal rights, none of which are individually significant to the Company. Future lease payments comprise:

	31 March 2014 QR'000	31 March 2013 QR'000
Within one year	**118,482**	120,406
In more than one year but less than two years	**72,150**	66,843
In more than two years but less than three years	**65,423**	62,837
In more than three years but less than four years	**53,563**	61,914
In more than four years but less than five years	**42,174**	60,625
In more than five years	**448,292**	447,469
	800,084	820,094

Capital commitments

	31 March 2014 QR'000	31 March 2013 QR'000
Contracts, placed for future capital expenditure not provided for in the financial statements	**196,481**	76,593

Contingent liabilities

	31 March 2014 QR'000	31 March 2013 QR'000
Performance bonds	**24,566**	24,569
Credit guarantees – third party indebtedness	**900**	900

Performance bonds

Performance bonds require the Company to make payments to third parties in the event that the Company does not perform what is expected of it under the terms of any related contracts.

third party indebtedness –Credit guarantees

Credit guarantees comprise guarantees and indemnity of bank or other facilities.

24 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Company prepares its financial statements in accordance with IFRS as issued by the International Accounting Standards Board, the application of which often requires judgements to be made by management when formulating the Company's financial position and results. Under IFRS, the directors are required to adopt those accounting policies most appropriate to the Company's circumstances for the purpose of presenting fairly the Company's financial position, financial performance and cash flows.

In determining and applying accounting policies, judgement is often required in respect of items where the choice of specific policy, accounting estimate or assumption to be followed could materially affect the reported results or net asset position of the Company should it later be determined that a different choice would be more appropriate.

Management considers the accounting estimates and assumptions discussed below to be its critical accounting estimates and, accordingly, provides an explanation of each, below. The discussion below should also be read in conjunction with the Company's disclosure of significant IFRS accounting policies, which is provided in note 3 to the financial statements.

Impairment reviews

IFRS requires management to undertake an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters, including management's expectations of:

- growth in earnings before interest, tax, depreciation and amortisation ("EBITDA"), calculated as adjusted operating profit before depreciation and amortisation;
- timing and quantum of future capital expenditure;
- long term growth rates; and
- the selection of discount rates to reflect the risks involved.

The Company prepares and Vodafone Group approves formal five year plans for its business and the Company uses these as the basis for its impairment reviews.

In estimating the value in use, the Company uses a discrete period of 5 years where a long term growth rate into perpetuity has been determined as the lower of:

- The nominal GDP rates for the country of operation; and
- The compound annual growth rate in EBITDA.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Company's impairment evaluation and, hence, results. The discount rate used in the most recent value in use calculation for the year ended 31 March 2014 was 10.1% (2013: 10.4%) and the long-term growth rate was 4.3% (2013: 5.3%).

Should the pre-tax discount rate applied in the model, having other inputs constant, be increased by 3.9%, the model would suggest to recognise an impairment provision, since recoverable amount would be lower than carrying amount of intangible assets and property, plant and equipment.

24 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Revenue presentation: gross versus net
When deciding the most appropriate basis for presenting revenue and costs of revenue, both the legal form and substance of the agreement between the Company and its business partners are reviewed to determine each party's respective role in the transaction.

Where the Company's role in a transaction is that of principal, revenue is recognised on a gross basis. This requires revenue to comprise the gross value of the transaction billed to the customer, after trade discounts, with any related expenditure charged as an operating cost. Where the Company's role in a transaction is that of an agent, revenue is recognised on a net basis, with revenue representing the margin earned.

Revenue from selling the right to use preferred numbers and acquisition revenue and costs are amortised over a two year period which represents the estimated useful life of the customer.

Estimation of useful life
The useful life used to amortise intangible assets relates to the future performance of the assets acquired and management's judgement of the period over which economic benefit will be derived from the asset. The basis for determining the useful life for the most significant categories of intangible assets is as follows:

Licence fees
The estimated useful life is generally the term of the licence unless there is a presumption of renewal at negligible cost. Using the licence term reflects the period over which the Company will receive economic benefit. For technology specific licences with a presumption of renewal at negligible cost, the estimated useful economic life reflects the Company's expectation of the period over which the Company will continue to receive economic benefit from the licence. The economic lives are periodically reviewed taking into consideration such factors as changes in technology. Historically any changes to economic lives have not been material following these reviews.

Property, plant and equipment
Property, plant and equipment represent a significant proportion of the asset base of the Company being 14.8% (2013: 13.6%) of the Company's total assets. Therefore, the estimates and assumptions made to determine their carrying value and related depreciation are critical to the Company's financial position and performance.

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of income.

The useful lives and residual values of the Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

Provision for receivables
An estimate of the collectible amount of trade receivables is made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis. Amounts which are not individually significant, but which are past due, are assessed collectively and a provision applied according to the length of time the amount has been due.

24 CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

Impairment of inventories
Inventories are held at the lower of cost and net realisable value. When inventories become old or obsolete, an estimate is made of their net realisable value. Inventories which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on historical selling prices.

Asset retirement obligation
A provision for asset retirement is made when a site lease contains a restoration clause, or where historical experience indicates that these costs will be incurred, and where such modification to the site has already occurred that would result in an economic outflow to return the site to its original condition, and only to the extent that an economic outflow in respect of restoration costs is considered probable. The future expected restoration costs are estimated by applying an average inflation rate to recently incurred costs and an average lease renewal rate is applied based on historical renewal rates and estimated future renewals.

25 ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

New and amended standards adopted by the Company
The following standards are effective for the first time for the financial year beginning on or after 1 January 2013 and have no material impact on the Company:

- IFRS 10 “Consolidated Financial Statements” (issued in May 2011 and effective for annual periods beginning on or after 1 January 2013).
- IFRS 11 “Joint Arrangements” (issued in May 2011 and effective for annual periods beginning on or after 1 January 2013).
- IFRS 12 “Disclosure of Interests in Other Entities” (issued in May 2011 and effective for annual periods beginning on or after 1 January 2013).
- IFRS 13 “Fair Value Measurement” (issued in May 2011 and effective for annual periods beginning on or after 1 January 2013).
- IAS 27 “Separate Financial Statements” (revised in May 2011 and effective for annual periods beginning on or after 1 January 2013).
- IAS 28 “Investments in Associates and Joint Ventures” (revised in May 2011 and effective for annual periods beginning on or after 1 January 2013).
- Amendments to IAS 1 “Presentation of Financial Statements” (issued in June 2011, effective for annual periods beginning on or after 1 July 2012).
- Amended IAS 19 “Employee Benefits” (issued in June 2011, effective for periods beginning on or after 1 January 2013).
- “Disclosures - Offsetting Financial Assets and Financial Liabilities” - Amendments to IFRS 7 (issued in December 2011 and effective for annual periods beginning on or after 1 January 2013).
- Improvements to International Financial Reporting Standards (issued in May 2012 and effective for annual periods beginning on or after 1 January 2013).
- “Transition Guidance Amendments to IFRS 10, IFRS 11, and IFRS 12” (issued in June 2012 and effective for annual periods beginning 1 January 2013).
- Other revised standards and interpretations: IFRIC 20 “Stripping Costs in the Production Phase of a Surface Mine” considers when and how to account for the benefits arising from the stripping activity in mining industry. The interpretation did not have an impact on the Company’s financial statements.
- Amendments to IFRS 1 “First-time adoption of International Financial Reporting Standards - Government Loans”, which were issued in March 2012 and are effective for annual periods beginning 1 January 2013, give first-time adopters of IFRSs relief from full retrospective application of accounting requirements for loans from government at below market rates. The amendment is not relevant to the Company.

25 ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS (CONTINUED)

New standards and interpretations not yet adopted

Below are other IFRSs or IFRIC interpretations that are not yet effective that would not be expected to have a material impact on the financial statements of the Company:

- IFRS 9, Financial Instruments.
- Amendments to IAS 32, 'Financial instruments: Presentation' (effective annual periods beginning on or after 1 January 2014).
- Amendments to IAS 36, 'Impairment of assets' on recoverable amount disclosures (effective annual periods beginning on or after 1 January 2014).
- Amendments to IAS 39 'Financial instruments: Recognition and measurement', on novation of derivatives and hedge accounting (effective annual periods beginning on or after 1 January 2014).
- IFRIC 21 'Levies' (effective annual periods beginning on or after 1 January 2014).

26 RECLASSIFICATION OF COMPARATIVE FIGURES

The below amounts reported during the comparative period have been reclassified, to preserve comparability with the current year presentation:

	Reported in 2013 QR'000	Reclassification QR'000	As reclassified QR'000
Statement of income			
Depreciation - note (a)	(254,719)	97,527	(157,192)
Amortisation - note (a)	(403,886)	(97,527)	(501,413)
Statement of financial position			
Property, plant and equipment - note (a)	1,482,299	(387,665)	1,094,634
Intangible assets - note (a)	6,167,056	387,665	6,554,721
Provisions - note (b)	10,666	25,444	36,110
Trade and other payables (non-current) - note (b)	54,564	(17,678)	36,886
Trade and other payables (current) - note (b)	659,133	(7,766)	651,367

(a) Software, which was earlier classified as property, plant and equipment has been reclassified to intangible assets.

(b) Provision for asset retirement obligation and other provisions which were included in trade payable are reclassified to provisions.

These reclassifications do not have an impact on the net profits or total equity of the Company reported during the previous year.