Al Ansari Holding L.L.C.

Reissued Consolidated Financial Statements

For the year ended 31 December 2021

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Reissued Consolidated financial statements

For the year ended 31 December 2021

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Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Al Ansari Holding L.L.C. (the "Company") and its subsidiaries (together the "Group") as at 31 December 2021, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS").

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the Audit of the Consolidated Financial Statements section of our report.

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

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA code) and the ethical requirements that are relevant to our audit of the consolidated financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

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Independent auditor’s report to the shareholders of Al Ansari Holding L.L.C. (continued)

Emphasis of Matter

We draw attention to Notes 2 (c) and 29 to the consolidated financial statements which describe the details of amendments made to the previously issued consolidated financial statements for the year ended 31 December 2021. The consolidated financial statements issued previously on 31 May 2022 have been amended to change the consolidated statement of cash flows in relation to the cash and cash equivalents, and certain other prior period amendments and disclosure enhancements for listing purposes. Notes 2 (c) and 29 provide further details on the nature of these changes. We issued our unqualified independent auditor’s report on the consolidated financial statements previously issued on 31 May 2022. Following these changes, we provide this new report on the reissued consolidated financial statements.

Our opinion is not modified in respect of this matter.

Responsibilities of directors and those charged with governance for the consolidated financial statements

The directors are responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the UAE Federal Law No. (2) of 2015, as amended, and for such internal control as directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group’s financial reporting process.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Independent auditor's report to the shareholders of Al Ansari Holding L.L.C. (continued)

Auditor's responsibilities for the audit of the consolidated financial statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Further, as required by the UAE Federal Law No. (2) of 2015, as amended, we report that for the year ended 31 December 2021:

i) we have obtained all the information we considered necessary for the purposes of our audit;

ii) the consolidated financial statements have been prepared and comply, in all material respects, with the applicable provisions of the UAE Federal Law No. (2) of 2015, as amended;

iii) the Group has maintained proper books of account;

iv) the Group has not purchased any shares during the year ended 31 December 2021;

v) note 11 to the consolidated financial statements discloses material related party transactions and the terms under which they were conducted; and

vi) based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Group has contravened during the year ended 31 December 2021 any of the applicable provisions of the UAE Federal Law No. (2) of 2015, as amended, or in respect of the Group, its Memorandum of Association which would materially affect its activities or its financial position as at 31 December 2021.

PricewaterhouseCoopers
9 November 2022

Rami Sarhan
Registered Auditor Number 1152
Place: Dubai, United Arab Emirates

Al Ansari Holding L.L.C.

Consolidated statement of financial position

	Note	As at 31 December 2021 AED'000	As at 31 December 2020 AED'000 (restated)	At 1 January 2020 AED'000 (restated)
ASSETS				
Non-current assets				
Right of use assets	5	49,524	47,988	66,361
Property, equipment and intangibles	6	58,055	48,238	48,696
Capital work in progress	7	2,598	2,077	1,515
Investment properties	8	240,863	245,511	235,100
		351,040	**343,814**	**351,672**
Current assets				
Cash in hand and in transit	9	1,078,135	961,619	854,869
Due from banks	9	1,674,606	1,725,208	1,580,476
Due from exchange houses and agents	9	114,411	45,110	34,745
Due from related parties	11	15,857	5,975	26,585
Prepayments and other receivables	12	116,730	107,250	135,319
Investments securities at fair value through profit or loss		4,612	3,756	2,765
		3,004,351	**2,848,918**	**2,634,759**
Total assets		**3,355,391**	**3,192,732**	**2,986,431**
LIABILITIES AND EQUITY				
LIABILITIES				
Non-current liabilities				
Lease liabilities	13	18,115	17,956	27,465
Provision for employees' end of service benefits	14	39,381	37,307	34,321
		57,496	**55,263**	**61,786**
Current liabilities				
Trade and other payables	15	587,042	531,457	449,049
Due to banks	16	8,836	20,861	29,013
Due to exchange houses and agents	16	40,082	27,078	45,939
Due to related parties	11	109,406	161,077	169,271
Lease liabilities	13	26,059	22,960	37,369
		771,425	**763,433**	**730,641**
Total liabilities		**828,921**	**818,696**	**792,427**
EQUITY				
Share capital	18	50,000	50,000	50,000
Acquisition reserve	26	1,381,043	1,381,043	1,381,043
Shareholders' current account	27	96,934	259,787	117,859
Retained earnings		983,980	668,758	630,709
Total shareholders' equity		**2,511,957**	**2,359,588**	**2,179,611**
Non-controlling interest		14,513	14,448	14,393
Total equity		**2,526,470**	**2,374,036**	**2,194,004**
Total liabilities and equity		**3,355,391**	**3,192,732**	**2,986,431**

These financial statements were approved and authorised for issue by the Managing Director on 9 November 2022.

Fuad Al Ansari
Managing Director

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

Al Ansari Holding L.L.C.

Consolidated statement of comprehensive income

For the year ended 31 December 2021

	Note	2021 AED'000	2020 AED'000
Income			
Net gain on currency exchange		458,529	357,424
Net commission income	20	515,952	464,814
Interest income - net		6,570	16,865
Rental income		13,084	8,472
Other income		8,313	1,003
		1,002,448	**848,578**
Expenses			
Salaries and benefits	21	(355,339)	(318,248)
General and administrative expenses	22	(83,983)	(92,806)
Provision for expected credit losses	9.3	(4,000)	-
Depreciation and amortisation	23	(65,054)	(60,109)
Finance cost on lease liabilities		(1,642)	(2,212)
Bank charges		(1,215)	(505)
Profit for the year		**491,215**	**374,698**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year		**491,215**	**374,698**
Profit attributable to:			
Shareholders of Al Ansari Holding L.L.C.		491,150	374,643
Non-controlling interest		65	55
		491,215	**374,698**
Basic and diluted earnings per share	**19**	**9.82**	7.49

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

Al Ansari Holding L.L.C.

Consolidated statement of changes in equity
For the year ended 31 December 2021

	Share capital AED'000	Acquisition reserve AED'000	Shareholders' current account AED'000	Retained earnings AED'000	Total Shareholders' equity AED'000	Non-controlling interest AED'000	Total equity AED'000
At 1 January 2020	50,000	1,381,043	117,859	630,709	2,179,611	14,393	2,194,004
Total comprehensive income for the year ended 2020	-	-	-	374,643	374,643	55	374,698
Distribution of dividend (note 28)	-	-	-	(336,594)	(336,594)	-	(336,594)
Contribution to current account	-	-	141,928	-	141,928	-	141,928
At 31 December 2020	50,000	1,381,043	259,787	668,758	2,359,588	14,448	2,374,036
At 1 January 2021	**50,000**	**1,381,043**	**259,787**	**668,758**	**2,359,588**	**14,448**	**2,374,036**
Total comprehensive income for the year ended 2021	-	-	-	491,150	491,150	65	491,215
Distribution of dividend (note 28)	-	-	-	(175,928)	(175,928)	-	(175,928)
Distribution from current account	-	-	(162,853)	-	(162,853)	-	(162,853)
At 31 December 2021	**50,000**	**1,381,043**	**96,934**	**983,980**	**2,511,957**	**14,513**	**2,526,470**

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

Al Ansari Holding L.L.C.

Consolidated statement of cash flows
For the year ended 31 December 2021

	Note	2021 AED'000	2020 AED'000 (restated)
Operating activities			
Profit for the year		491,215	374,698
Adjustments for:			
Depreciation and amortisation	23	65,054	60,109
Provision for expected credit losses	9.3	4,000	-
Provision for employees' end of service benefits	14	4,876	5,677
(Gain) / loss on disposal of property, equipment and intangibles		(490)	252
Operating cash flows before settlement of employees' end of service benefits and changes in working capital		**564,655**	**440,736**
Settlement of employees' end of service benefits	14	(2,802)	(2,691)
Changes in working capital:			
Due from exchange houses and agents		(69,301)	(10,365)
Due from related parties		(9,882)	20,610
Prepayment and other receivables		(9,480)	28,069
Trade and other payables		55,585	82,408
Due to related parties		(51,671)	(8,194)
Due to exchange houses and agents		13,004	(18,861)
Blocked deposits with banks		(2,838)	80,236
Net cash generated from operating activities		**487,270**	**611,948**
Investing activities			
Payment for purchase of property, equipment and intangibles		(13,353)	(11,297)
Capital work in progress		(14,657)	(3,804)
Investment properties		(91)	(14,702)
Fixed deposits		240,000	(203,000)
Investments at fair value through profit & loss		(856)	(991)
Proceeds from sale of property and equipment		920	-
Net cash generated from /(used in) investing activities		**211,963**	**(233,794)**
Financing activities			
Dividends paid		(175,928)	(336,594)
Movement in shareholders' current account		(162,853)	141,928
Finance lease liabilities paid	13	(41,351)	(46,618)
Net cash used in financing activities		**(380,132)**	**(241,284)**
Net cash and cash equivalents generated		319,101	136,870
Cash and cash equivalents at the beginning of the year		2,362,157	2,225,287
Cash and cash equivalents at the end of the year	10	**2,681,258**	**2,362,157**

The notes on pages 8 to 45 are an integral part of these consolidated financial statements.

Notes to the consolidated financial statements for the year ended 31 December 2021

1 Legal status and principal activities

Al Ansari Holding L.L.C. (the "Company" or the "Parent") was incorporated on 9 May 2016 and is registered under the laws of the United Arab Emirates ("UAE") as a limited liability company.

The Company together with its following subsidiaries are collectively referred to hereafter as the "Group".

Name of Subsidiary	Percentage holding 2021	Percentage holding 2020
Al Ansari Exchange L.L.C.	100%	100%
Al Ansari Real Estate	100%	100%
Al Ansari Financial Services	78%	78%
Worldwide Cash Express Limited	100%	100%
Blue Horizon On Demand Labours Supply Services L.L.C	100%	100%
Cash Trans Money & Valuables Transport Services	100%	100%

All the subsidiaries mentioned above are incorporated in the United Arab Emirates.

The Group is engaged in the business of buying and selling of foreign currencies, remittance business, and sale of multi-currency travel card, real estate development and facilities management and provide brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

The Company is required, for the year ended 31 December 2021, to be in compliance with the provisions of the UAE Federal Law No. 2 of 2015, as amended. The UAE Federal Decree Law No. 32 of 2021 ("Companies Law") which was issued on 30 September 2021 came into effect on 2 January 2022. The Company has 12 months from 2 January 2022 to comply with its provisions.

As at 31 December 2021 and 31 December 2020, the ultimate shareholders of the Group were Mohammad Ali Al Ansari, Fuad Ali Al Ansari, Eisa Ali Al Ansari, Rashed Ali Al Ansari, Mrs. Seddeqa Murtaza, Mrs. Fatema Al Ansari & Mrs. Maryam Al Ansari.

On 31 January 2022, the UAE Ministry of Finance announced the introduction of a corporate income tax (the "CIT")") on business profits, which will come into effect from the financial year beginning on or after 1 June 2023. The CIT will apply on the adjusted accounting net profits of a business. Further details regarding the CIT are expected to be published by the UAE Ministry of Finance in due course.

The registered office of the Group is at PO Box 6176, Dubai, UAE.

2 Basis of preparation

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with and comply with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), interpretations issued by International Financial Reporting Interpretations Committee (IFRIC) and the applicable requirements of laws of the United Arab Emirates.

2 Basis of preparation (continued)

(b) Basis of measurement

The directors have assessed the Group's ability to continue as a going concern and are satisfied that the Group has the resources to continue in business for the foreseeable future. Furthermore, directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on the going concern basis.

The consolidated financial statements are prepared on the historical cost basis, except for investment securities at fair value through profit or loss that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

(c) Reissuance

The consolidated financial statements of the Group for the year ended 31 December 2021 issued previously on 31 May 2022 have been withdrawn and are replaced by these consolidated financial statements, in view of revisions in the consolidated statement of cash flows and other reported amounts/notes, as explained in Note 29. These revisions do not have any impact on the previously reported net profit, consolidated statement of comprehensive income and consolidated statement of changes in equity for the years ended 31 December 2021 or 31 December 2020.

(d) Functional and presentation currency

The functional and presentation currency of the Group is UAE Dirham ("AED"), the currency of the primary economic environment in which the Group operates.

(e) Basis of consolidation

Subsidiary

A subsidiary is an investee controlled by the Group. The Group controls an investee if it is exposed to, or has rights to, variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The financial statements of a subsidiary are included in the consolidated financial statements from the date on which control commences until the date when control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses (except for foreign currency transaction gains or losses) arising from intragroup transactions, are eliminated in preparing the consolidated financial statements. Unrealised losses are eliminated in the same way as unrealised gains, but to the extent that there is no evidence of impairment.

3 Significant accounting policies

3.1 New and revised IFRSs applied on the consolidated financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2021, have been adopted in these consolidated financial statements. The application of these revised IFRSs, except where stated, has not had any material impact on the amounts reported for the current and prior years.

Interest Rate Benchmark Reform Phase 2 – Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Effective date 1 January 2021) - In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one.

The Phase 2 amendments provide the following reliefs:

- When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement.
- The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded.

The application of this revised IFRS has not had any material impact on the amounts reported for the current and prior years.

New and revised IFRSs	Effective for annual periods beginning on or after
Narrow scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16	
Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.	
Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.	
Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.	

3 Significant accounting policies (continued)

3.2 New and revised IFRSs issued but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Narrow scope amendments to IFRS 3, IAS 16, IAS 37 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16	
Amendments to IFRS 3, 'Business combinations' update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.	1 January 2022
Amendments to IAS 16, 'Property, plant and equipment' prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognise such sales proceeds and related cost in profit or loss.	
Amendments to IAS 37, 'Provisions, contingent liabilities and contingent assets' specify which costs a company includes when assessing whether a contract will be loss-making.	
Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.	
Amendments to IAS 1, Presentation of financial statements on classification of liabilities These narrow-scope amendments to IAS 1, 'Presentation of financial Statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability.	Deferred until accounting periods starting not earlier than 1 January 2024
Amendment to IAS 12 – deferred tax related to assets and liabilities arising from a single transaction- These amendments require companies to recognise deferred tax on transactions that, on initial recognition gives rise to equal amounts of taxable and deductible temporary differences.	1 January 2023

3 Significant accounting policies (continued)

3.2 New and revised IFRSs issued but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendment to IFRS 16, 'Leases' – COVID-19 related rent concessions Extension of the practical expedient As a result of the coronavirus (COVID-19) pandemic, rent concessions have been granted to lessees. In May 2020, the IASB published an amendment to IFRS 16 that provided an optional practical expedient for lessees from assessing whether a rent concession related to COVID-19 is a lease modification. On 31 March 2021, the IASB published an additional amendment to extend the date of the practical expedient from 30 June 2021 to 30 June 2022. Lessees can elect to account for such rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concession as variable lease payments in the period(s) in which the event or condition that triggers the reduced payment occurs.	1 April 2021
Amendments to IAS 1, 'Presentation of financial statements', IFRS Practice statement 2 and IAS 8,' Accounting policies, changes in accounting estimates and errors' These amendments aim to improve accounting policy disclosures and to help users of the financial statements distinguish between change in accounting estimates and changes in accounting policies. The amendment also clarifies that accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. Further, the amendment to IAS 1 clarifies that immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting policy information. To support this amendment, the Board also amended IFRS Practice Statement 2, 'Making Materiality Judgements', to provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendment to IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.	1 January 2023

The Group is currently assessing the impact of these standards, interpretations and amendments on the future consolidated financial statements and intends to adopt these, where applicable, when they become effective. There are no other relevant applicable new standards and amendments to published standards or IFRIC interpretations that have been issued but are not effective for the first time for the Group's financial year beginning on 1 January 2022 that would be expected to have a material impact on the consolidated financial statements of the Group.

3 Significant accounting policies (continued)

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

3.3 Revenue recognition

Income mainly comprises net gain on currency exchange, commission on demand drafts, remittances, traveller's cheques, brokerage earned on sale / purchase of local securities on behalf of customers and other related services.

Net gain on currency exchange is recognised when the transaction is executed. Commission on demand drafts, remittances, traveller's cheques and other services is recognised when the related services are performed and instruments are issued / accepted. Commission expense is only recognised when the remittances are made.

Rental income from operating leases where the Group is a lessor is recognised in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as an expense over the lease term on the same basis as rental income. The respective assets are included in the statement of financial position as investment properties.

Annual rent received in advance from tenants is deferred and recognised over the period of the tenancy agreements.

3.4 Interest income / expense

Interest income and expense for all interest-bearing financial instruments are recognized in the statement of comprehensive income on an accrual basis using the effective interest rates of the financial assets or financial liabilities to which they relate.

The effective interest rate is the rate that discounts estimated future cash receipts and payments earned or paid on a financial asset or a liability through its expected life or, where appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. The effective interest rate is established on initial recognition of the financial asset and liability and is not revised subsequently.

When calculating effective interest rates, the Group estimates cash flows considering all contractual terms of the financial instruments excluding future credit losses. The calculation includes all amounts paid or received by the Group that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

3 Significant accounting policies (continued)

3.5 Property, equipment and intangibles

Property & equipment are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is charged to the statement of comprehensive income on a straight-line basis so as to write off cost of furniture & equipment over estimated useful lives as follows:

Class of assets	**Life (years)**
Building	50
Furniture	4
Fixtures	5
Office equipment	4
Computers (hardware and software)	4
Motor vehicles	3

Useful life, residual values and depreciation method are reassessed at each reporting date with the effect of any change in the estimate, accounted for on the prospective dates.

Software developed in-house by the Group is stated at cost less accumulated amortisation and impairment losses, if any. Cost of the software represents the costs incurred to develop and bring the specific software to use.

Amortisation is recognised in the statement of comprehensive income on a straight-line basis over the estimated useful life of the software, from the date it is available for use. The useful life of software is estimated to be four years.

(a) Subsequent costs

The cost of replacing part of an item of furniture and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property and equipment are recognized in the statement of comprehensive income as incurred.

3.6 Impairment of non-financial assets

Assets that are subject to depreciation or amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are measured at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

3 Significant accounting policies (continued)

3.7 Investment properties

Investment properties are properties held to earn rentals and/or for capital appreciation (including investment property under construction for such purposes). Investment properties are measured at cost, including related transaction costs, less accumulated depreciation and any accumulated impairment losses in accordance with the cost model of IAS 40: Investment property.

Depreciation is charged on a straight-line basis over the estimated useful lives as follows:

	Life (years)
Buildings	20 - 50

No depreciation is charged on land and capital work in progress.

The useful lives and depreciation method of investment properties are reviewed periodically to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these properties.

Management does not consider any residual value as it is deemed immaterial.

Expenditure incurred to replace a component of an item of investment properties that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written-off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of investment properties. All other expenditure is recognised in the statement of comprehensive income as the expense is incurred.

Investment properties are derecognised upon disposal or when the investment properties are permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property is included in the statement comprehensive income in the period in which the property is derecognised.

3.8 Capital work in progress (CWIP)

Capital work in progress represents expenditure incurred in respect of renovation and setting up of new branches are stated at cost less impairment loss, if any.

3.9 Financial instruments

(i) Classification and measurement

A financial instrument is any contract that gives rise to a financial asset / liability for the Group and a financial asset / liability or equity instrument of another party. The Group classifies its financial assets into the following measurement categories:

i. those to be measured at fair value; and
ii. those to be measured at amortised cost.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(i) Classification and measurement (continued)

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset.

The classification depends on the Group's business model for managing financial assets and the contractual terms of the financial assets' cash flows.

The Group classifies its financial liabilities at amortised cost unless it has designated liabilities at fair value through profit or loss or is required to measure liabilities at fair value through profit or loss such as derivative liabilities.

Financial assets measured at fair value through profit or loss

Financial instruments held at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the income statement as incurred. Subsequently, they are measured at fair value and any gains or losses are recognised in the income statement as they arise.

Financial instruments designated as measured at fair value through profit or loss

Upon initial recognition, financial instruments may be designated as measured at fair value through profit or loss. A financial asset may only be designated at fair value through profit or loss if doing so eliminates or significantly reduces measurement or recognition inconsistencies (i.e. eliminates an accounting mismatch) that would otherwise arise from measuring financial assets or liabilities on a different basis.

A financial liability may be designated at fair value through profit or loss if it eliminates or significantly reduces an accounting mismatch or:

- if a host contract contains one or more embedded derivatives; or
- if financial assets and liabilities are both managed, and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Where a financial liability is designated at fair value through profit or loss, the movement in fair value attributable to changes in the Group's own credit quality is presented separately in other comprehensive income.

Financial assets of the Group consist of cash and cash equivalents, investment securities at fair value through profit or loss, accounts receivables, due from related parties and other receivables. The financial assets are initially recognised at fair value and measured subsequently at amortised cost using the effective interest method.

Financial liabilities of the Group consists of due to related parties, trade and other payables. Financial liabilities are recognised initially at fair value net of transaction costs incurred and subsequently stated at amortised cost, using the effective interest rate method.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(ii) Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset when contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired.

(iii) Impairment of financial assets

The Group applies measures expected credit losses for the following categories of financial assets that are measured at amortised cost:

- Cash in hand and in transit
- Due from banks
- Due from exchange houses and agents
- Due from related parties
- Other financial receivables

The Group assesses on a forward-looking basis the expected credit losses associated with its financial assets measured at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. To assess whether there is a significant increase in credit risk the Group considers available reasonable and supportive forwarding-looking information.

At each reporting date, the Group shall measure the loss allowance on financial assets measured at amortised cost at an amount equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition. If, at the reporting date, the credit risk has not increased significantly since initial recognition, the Group shall measure the loss allowance at an amount equal to 12-month expected credit losses. Significant financial difficulties of the counterparty, probability that the counterparty will enter bankruptcy or financial reorganisation, and default in payments are all considered indicators that a loss allowance may be required. If the credit risk increases to the point that it is considered to be credit impaired, an impairment loss measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the asset's original effective interest rate is recognised as lifetime ECL.

A significant increase in credit risk is defined by management as any contractual payment which is more than 30 days past due. Any contractual payment which is more than 90 days past due is considered credit impaired. If the contractual payment is due from a related party, management does not believe there is a significant increase in credit risk.

(iii) Impairment of financial assets (continued)

All financial assets, except for those disclosed in the consolidated financial statements as impaired, were considered fully performing and none were assessed to have had a significant increase in credit risk and as such a 12-month expected credit loss would be required. Management has performed a calculation and has determined that the impairment provision against such financial assets is not material.

3 Significant accounting policies (continued)

3.9 Financial instruments (continued)

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Derivative financial instruments

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative.

Forward contracts which are valued based on the difference between the contractual forward rate and forward rate determined on the reporting date.

(vi) Fair value measurement principles

The fair value of the financial assets and liabilities of the Group are not materially different from their carrying values, as majority of them are going to be received/settled in short term (i.e. less than 1 year).

3.10 Cash and cash equivalents

For the purpose of the statement of cash flow, cash and cash equivalents comprise cash in hand; cash in transit from branches to the Head Office, amounts due from and due to foreign correspondents, banks and fixed deposits which have a maturity of less than three months less amounts held as blocked deposits. Blocked deposits are funds placed by the Group in accordance with the correspondence arrangements with various corresponding banks. These funds are not available to the Group for its day-to-day operations.

3.11 Other receivables

Other receivables include deposit with tax authorities related to taxes other than income tax is recognised as an asset in the statement of financial position and is measured at amortised cost. The deposit is a right to obtain future economic benefits, either by receiving a refund or by utilising the deposit to settle a tax liability.

3.12 Foreign currencies

Transactions denominated in foreign currencies are translated to AED at the foreign exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated to AED at exchange rates prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to AED at the foreign exchange rates prevailing at the date of the transaction. Non-monetary items that are measured based on historical cost in a foreign currency are not translated.

Foreign exchange differences arising on translation are recognised in the statement of comprehensive income.

3 Significant accounting policies (continued)

3.13 Employees' end of service benefits

A provision is made in accordance with the provisions of IAS 19 "Employee Benefits" for the end of service benefits due to employees in accordance with the Labour Law, for their period of service up to the statement of financial position date. This amount is charged to the statement of comprehensive income.

3.14 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if the amount of the receivable can be measured reliably.

3.15 Operating lease

The group leases various branches. Rental contracts are typically made for fixed periods of 12 months to 5 years, but may have extension options. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Until the 2018 financial year, leases of branches were classified as operating leases. Payments made under operating leases (net of interest received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

3.16 Earning per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

3.17 Related party transactions

Related party transactions are transfers of resources, services or obligations between the Group and a related party, regardless of whether a price is charged. They include commitments to do something if a particular event occurs (or does not occur) in the future and executory contracts (recognised or unrecognised). All of the related party information required by IAS 24 that is relevant to the Group has been presented in note 11.

3 Significant accounting policies (continued)

3.18 Value Added Tax (VAT)

The Group recorded a VAT payable net of payments in the accompanying consolidated financial statements at the applicable rate of 5%. Sales revenue represents the invoiced value of services, net of VAT. All of the VAT returns of the Group have been and remain subject to examination by the tax authorities for five years from the date of filing.

3.19 Lease Liabilities and Right-of-use assets

The Group's leasing activities and how these are accounted for

The Group leases mainly offices. Rental contracts are typically made for fixed periods of 1 year to 5 years but may have extension options as described below. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

Contracts may contain both lease and non-lease components.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the 2018 financial year, all leases across all categories were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or losses on a straight-line basis over the period.

3.19 Lease Liabilities and Right-of-use assets (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- i. fixed payments (including in-substance fixed payments), less any lease incentives receivable
- ii. variable lease payment that are based on an index or a rate
- iii. amounts expected to be payable by the lessee under residual value guarantees
- iv. the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- v. payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted based on the incremental borrowing rate determined by the Group, being the rate that the lessee would have to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Future cash outflows to which the Group is potentially exposed to and that are not reflected in the measurement of lease liabilities includes the following:

- i. variable lease payments;
- ii. extension options and termination options;
- iii. leases not yet commenced to which the lessee is committed;

3 Significant accounting policies (continued)

3.19 Lease Liabilities and Right-of-use assets (continued)

Right-of-use assets are measured at cost comprising the following:

i. the amount of the initial measurement of lease liability

ii. as applicable, any lease payments made at or before the commencement date less any lease incentives received, and

iii. as applicable, any initial direct costs.

Leases of low value assets mainly comprise office equipment (scanner and printer machines).

Variable lease payments

Impact of leases containing variable payment terms that are linked to sales generated or any other type of variable aspects are found to be immaterial with the Exchange.

Extension and termination options

Extension and termination options are included in a number of leases. These terms are used to maximise operational flexibility in terms of managing the assets used in the Exchange's operations. Some extension and termination options held are exercisable by the Exchange, others require both the lessee and the lessor to mutually agree so that an option to extend or early terminate is exercised. Approximately, AED 5.09 million (2020: AED 7.84 million) of the total lease payments included in the calculation of the lease liability in 2021 were optional.

Critical judgments in determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). Potential future cash outflows of AED 27.83 million (2020: AED 28.95) million have not been included in the lease liability because Exchange is not reasonably certain that the lessees will be extended. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Exchange.

3.20 Impact of COVID-19

Since early January 2020, the COVID-19 outbreak has spread across the globe and is causing ongoing disruption to business and economic activity, resulting in substantial government and central bank relief actions and support measures in many countries to protect the economy. There has not been any material impact on the Group's business performance as of 31 December 2021. However, the Group will continue to monitor the situation as it evolves in order to assess any potential financial impact.

4 Significant accounting estimates and judgments

The preparation of consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are described below.

4 Significant accounting estimates and judgments (continued)

(i) Expected Credit Loss (ECL) on financial assets

Financial assets accounted for at amortised cost are evaluated for impairment on a basis described in Note 3.9. The Group reviews its financial assets to assess impairment on a regular basis. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Group makes judgments as to whether there is any observable data indicating that there is a measurable decrease in the contractual future cash flows from an asset or group of assets. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss.

(ii) Useful lives of property and equipment

The cost of property and equipment is depreciated over its estimated useful lives. Depreciation is based on expected usage of the asset and expected physical wear and tear, which depends on operational factors. The management has not considered any residual value as it is deemed immaterial. The estimated useful life is monitored and adjustments are made in future periods, if future factors indicate that such adjustments are appropriate.

(iii) Impairment of investment properties

The Group assesses whether there are any indicators of impairment for investment properties at each reporting date. The investment properties are tested for impairment when there are indicators that the carrying amounts are higher than their fair values.

As at 31 December 2021, the Group's management has performed an internal assessment of the market value of its investment properties. For more details refer Note 8.

(iv) Useful lives of investment properties

The costs of completed investment properties are depreciated over the estimated useful lives of the assets. The estimated useful lives are based on the expected usage of the assets and expected physical wear and tear, which depend on operational factors.

Depreciation of completed investment properties begins when it is available for use. That is when the asset is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The management periodically reviews estimated useful lives and the depreciation method to ensure that the method and period of depreciation are consistent with the expected pattern of economic benefits from these assets.

(v) Classification and measurement of financial assets

The classification and measurement of financial assets depend on the management's business model for managing its financial assets and on the contractual cash flow characteristics of the financial asset assessed. Management is satisfied that the Group's investments in securities are appropriately classified and measured.

4 Significant accounting estimates and judgments (continued)

(vi) Lease term and practical expedients applied

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the Group.

(vii) Residual value of investment properties

The management has conducted an internal assessment and deemed the residual value of investment properties to be immaterial.

5 Right of use assets

	2021 AED'000	**2020** AED'000
Properties	**49,524**	**47,988**

The movement of right of use assets - properties is provided below:

	2021 AED'000	**2020** AED'000
At 1 January 2021	47,988	66,361
Additions – new leases	44,609	35,709
Termination of leases	-	(13,009)
Depreciation expenses (note 23)	(43,073)	(41,073)
At 31 December 2021	**49,524**	**47,988**

6 Property, equipment and intangibles

	Building	Furniture and fixtures	Computers, software, and office equipment	Motor vehicles	Total
	AED'000	AED'000	AED'000	AED'000	AED'000
Cost					
At 1 January 2020	23,665	81,780	57,594	10,544	173,583
Additions	-	1,114	9,380	803	11,297
Transfer from capital work in progress (note 7)	-	3,804	-	-	3,804
Disposals and write-offs	-	(1,969)	(716)	(647)	(3,332)
At 31 December 2020	23,665	84,729	66,258	10,700	185,352
Additions	-	2,238	8,687	2,428	13,353
Transfer from capital work in progress (note 7)	-	14,136	-	-	14,136
Disposals and write offs	-	(1,291)	(233)	(4,285)	(5,809)
At 31 December 2021	**23,665**	**99,812**	**74,712**	**8,843**	**207,032**
Accumulated depreciation and amortisation					
At 1 January 2020	3,983	65,898	46,557	8,449	124,887
Charge for the year	474	6,715	5,575	1,249	14,013
Disposals and write-offs	-	(1,241)	(716)	(561)	(2,518)
Provision for impairment	-	732	-	-	732
At 31 December 2020	4,457	72,104	51,416	9,137	137,114
Charge for the year	474	7,225	6,866	915	15,480
Disposals and write-offs	-	(861)	(233)	(4,285)	(5,379)
Provision for impairment	-	1,762	-	-	1,762
At 31 December 2021	**4,931**	**80,230**	**58,049**	**5,767**	**148,977**
Net book amount					
As at 31 December 2021	**18,734**	**19,582**	**16,663**	**3,076**	**58,055**
As at 31 December 2020	19,208	12,625	14,842	1,563	48,238

Building represents property with dual use, i.e., partially occupied by the Group for use as corporate headquarter, with the rest held for rental income.

The total cost of the building amounting to AED 67.6 million has been apportioned based on the net leasable area, used by the Group amounting to AED 23.66 million, and the remainder portion of AED 43.94 million classified under investment properties accordingly.

7 Capital work in progress

	2021	2020
	AED'000	AED'000
At 1 January	2,077	1,515
Additions	14,657	4,366
Transfer to property, equipment and intangibles (note 6)	(14,136)	(3,804)
At 31 December	**2,598**	**2,077**

Capital work in progress includes expenditure made in respect of setting up and renovation of new and existing branches.

8 Investment properties

Investment properties represent properties held at cost less accumulated depreciation and any impairment losses under the cost model in accordance with IFRS. They are held for the purpose of rental generation and capital appreciation.

Movement during the year is as follows:

	Land	Buildings	Capital work in progress	Total
	AED'000	AED'000	AED'000	AED'000
Cost				
At 1 January 2020	86,800	75,234	94,130	256,164
Additions	-	-	14,702	14,702
Transfers	-	107,592	(107,592)	-
As at 31 December 2020	86,800	182,826	1,240	270,866
Additions	-	-	91	91
As at 31 December 2021	**86,800**	**182,826**	**1,331**	**270,957**
Accumulated depreciation				
At 1 January 2020	-	(21,064)	-	(21,064)
Charge for the year	-	(4,291)	-	(4,291)
At 31 December 2020	-	(25,355)	-	(25,355)
Charge for the year	-	(4,739)	-	(4,739)
At 31 December 2021	**-**	**(30,094)**	**-**	**(30,094)**
Net book value				
At 31 December 2021	**86,800**	**152,732**	**1,331**	**240,863**
At 31 December 2020	86,800	157,471	1,240	245,511

a) The Group entered into an agreement with Panorama Real Estate to construct and co-own a building in Dubai Land. The building is under construction stage. The Group has 84.84% share in the property. Proportionate share of costs incurred for construction AED 1.33 million (2020: AED 1.24 million).

b) Cost of land includes two plots of land amounting to AED 53.932 million (2020: AED 53.932 million) co-owned by the Group with third parties.

c) Cost of buildings include AED 7.276 million (2020: AED 7.276 million) being the cost of warehouses registered in the name of a related party, constructed on a plot of land leased from Government of Dubai.

8 Investment properties (continued)

d) The Group entered into an agreement with joint operation partners to construct and co-own Noor Tower building. The Group has an ownership allocation of 75%, while the remaining 25% is owned by the joint operation partners. Proportionate share of costs incurred for construction of Noor Tower building is AED 107.592 million (2020: AED 107.592 million).

e) Buildings represents property with dual use (note 6) and has been apportioned based on leasable area with the cost of AED 43.94 million classified under investment properties as at 31 December 2021.

As at 31 December 2021, the management of the Group conducted an internal assessment of the investment properties, whereby fair value was not materially different from the net book value of AED 240.86 million (2020: AED 245.51 million).

9 Cash in hand and in transit, due from banks, exchange houses and agents

	2021 AED'000	**2020** AED'000 (restated)
Cash in hand and in transit		
Cash in hand	1,054,175	933,307
Cash in transit	23,960	28,312
Total amount of cash in hand and in transit	**1,078,135**	**961,619**
Due from banks		
Balances with banks in UAE		
- Current accounts	901,875	703,190
- Fixed deposits (note 9.1)	5,000	245,000
- Blocked deposits (note 9.2)	51,579	50,577
- Advances to banks against credit card collections	4,553	4,835
- FAWARI receivables (credit card receivables)	13,439	8,196
	976,446	**1,011,798**
Balances with banks outside UAE		
- Current accounts	692,092	705,178
- Blocked deposits (note 9.2)	10,068	8,232
Balances with banks outside UAE	702,160	713,410
Less: Provision for expected credit losses (note 9.3)	(4,000)	-
	698,160	**713,410**
Total amount due from banks	**1,674,606**	**1,725,208**
Due from exchange houses and agents		
Balances with exchange houses and agents inside UAE	69	45
Balances with exchange houses and agents outside UAE	114,342	45,065
Total amount due from exchange houses and agents (note 9.6)	**114,411**	**45,110**
Total balance of cash in hand and in transit, due from banks, exchange houses and agents	**2,867,152**	**2,731,937**

9 Cash in hand and in transit, due from banks, exchange houses and agents (continued)

9.1 Fixed deposits, at commercial market interest rates, are held with the Banks / Financial Institutions in the UAE with a tenure of 12 months to 15 months.

9.2 Blocked deposits, at commercial market interest rates, are held as margins with correspondent banks against financing and remittance arrangements obtained.

9.3 Cash in hand and in transit, due from banks, exchange houses and agents were assessed for impairment requirements of IFRS 9. The provision for expected credit losses was estimated to be AED 4 million as at 31 December 2021 (2020: NIL).

9.4 Currency wise composition of cash in hand and in transit, balance due from banks, exchange houses and agents:

	2021	**2020**
	AED'000	AED'000
Local currency	1,349,220	1,182,770
Foreign currency	1,517,932	1,549,167
	2,867,152	**2,731,937**

9.5 Concentration of balance of cash in hand and in transit, due from banks, exchange houses and agents by geographical area:

	2021	**2020**
	AED'000	AED'000
UAE	976,516	1,011,842
Europe	23,298	11,633
Middle East	222,179	216,227
USA	18,161	33,246
India	166,573	84,324
Philippines	137,664	132,093
Bangladesh	18,981	25,081
Other locations	225,645	255,872
	1,789,017	**1,770,318**
Cash in hand and in transit – UAE	1,078,135	961,619
	2,867,152	**2,731,937**

The geographical information shown above has been classified by location of cash in hand and cash in transit, the respective branches of the banks, exchange houses and agents.

9.6 Due to the nature of the Group's business, the ageing analysis of due from banks and due from exchange houses is within 30 days.

10 Cash and cash equivalents

	31 December 2021	2020
	AED'000	AED'000 (restated)
Cash in hand and in transit	1,078,135	961,619
Due from banks - gross	1,678,606	1,725,208
Due to banks	(8,836)	(20,861)
	2,747,905	**2,665,966**
Less:		
Fixed deposits with an original maturity longer than three months	(5,000)	(245,000)
Blocked deposits with banks inside UAE	(51,579)	(50,577)
Blocked deposits with banks outside UAE	(10,068)	(8,232)
	(66,647)	**(303,809)**
	2,681,258	**2,362,157**

11 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. In the case of the Group, related parties, as defined in the International Accounting Standard No. 24, includes shareholders, directors and officers of the Group and entities of whom they are principal owners and key management personnel. These transactions are entered into in the normal course of business and mainly include remittance arrangements. Transactions are entered into with related parties on agreed terms and conditions approved by the shareholder. Other than the transaction disclosed in Note 27, the significant transactions included in the consolidated financial statements are as follows:

	2021	2020
	AED'000	AED'000
Transactions with related parties		
Commission income earned	**370**	**230**
Interest paid	**675**	**1,306**

11.1 Due from / to related parties

	2021	2020
	AED'000	AED'000
Due from other related parties	**15,857**	**5,975**
Due to other related parties	**109,406**	**161,077**

11 Related parties (continued)

11.2 Key management personnel

The total amount of compensation paid to key management personnel during the year is as follows:

	2021	2020
	AED'000	AED'000
Salaries and other benefits	**849**	**849**

12 Prepayments and other receivables

	2021	2020
	AED'000	AED'000
Prepaid expenses	8,865	11,263
Bills receivables	2,679	1,341
Deposit with tax authorities (12.1)	12,801	10,400
Security deposits and other receivables	51,843	54,223
Margin receivables from customers	19,966	15,322
Due from securities markets – DFM & ADX	3,087	-
Commission income receivable in relation to WPS	194	172
Positive value of overnight foreign currency forwards (note 24)	17,295	14,529
	116,730	**107,250**

12.1 Deposit with tax authorities

Voluntary disclosures filed for tax periods from January 2018 to January 2019 – AED 0.97 million

On 29 March 2019, the Group had filed voluntary disclosures as a result of applying incorrect apportionment formula for allocating input tax into taxable and exempt supplies for the tax period from January 2018 to January 2019. The Federal Tax Authority (FTA) accepted the voluntary disclosures, however, levied a penalty of AED 0.97 million, on the tax shortfall of AED 1.88 million, originated as a result of using inappropriate treatment of apportionment.

The Group has challenged the levy of these penalties based on the contention that the Group has a refundable tax position during the tax period January 2018 to December 2018 and therefore, any tax shortfall should have been adjusted with the excess refundable position.

Subsequent to the year end on 30 August 2022, the Federal Court of First Instance has decided the matter against the Group. The Group filed an appeal against the decision on 29 September 2022 which is currently pending with the Federal Court of Appeal.

12 Prepayments and other receivables (continued)

Tax assessment for tax periods from January 2018 to January 2019 – AED 6.53 million

During the year 2020, The FTA had assessed that the share of income received from sending agents relating to inward remittances is subject to standard rate of tax. Accordingly, FTA had assessed short payment of VAT by the Group and related penalties amounting to AED 9.43 million based on the view that the recipient of the service resides in UAE. In 2021, the FTA reduced its original assessment to AED 6.53 million. The Group is of the view that receipt of such income should be zero rated in accordance with VAT regulations due to the fact that the services are provided to the sending agent who is a non-resident person at the time of providing such services and filed an appeal with the Federal Court of First Instance.

Subsequent to the year end on 8 February 2022, the Federal Court of First Instance decided the matter in favour of the Group. However, the FTA has challenged the decision of the Federal Court of First Instance and the matter is currently pending with the Federal Court of Appeal.

Voluntary disclosures filed for tax periods from February 2019 to October 2020 – AED 5.30 million

Further, as a result of above-mentioned tax assessment and to avoid further penalties, the Group has filed voluntary disclosures in 2021 for tax periods from February 2019 to October 2020 and additionally paid AED 5.30 million (VAT and related penalties). The Group reserves the right to get a refund from FTA if the matter is decided by the Court in the Group's favour.

13 Lease liabilities

	2021 AED'000	**2020** AED'000
Non-current	18,115	17,956
Current	26,059	22,960
	44,174	**40,916**

The maturity of leased liabilities based on contractual payments is explained in note 24.1.

The movement of lease liabilities is provided below:

	2021 AED'000	**2020** AED'000
As at 1 January 2021	40,916	64,834
Additions	44,609	35,709
Termination of leases	-	(13,009)
Payments	(41,351)	(46,618)
As at 31 December 2021	**44,174**	**40,916**

14 Provision for employees' end of service benefits

	2021 AED'000	**2020** AED'000
As at 1 January	37,307	34,321
Charge for the year	4,876	5,677
Payments during the year	(2,802)	(2,691)
As at 31 December	**39,381**	**37,307**

15 Trade and other payables

	2021 AED'000	2020 AED'000 (restated)
Trade payables and accrued expenses	161,251	145,683
Bills and travel card payables	208,685	156,475
Payable balances in relation to Wage Protection system	114,020	105,457
Cash Express remittances payable	57,345	75,353
Payable to Western Union in lieu of remittance funding	13,213	7,893
Other payables	32,528	40,596
	587,042	**531,457**

16 Due to banks, exchange houses and agents

	2021 AED'000	2020 AED'000
Due to banks		
Balances with local banks	4,332	2,589
Balances with foreign banks	4,504	18,272
Total amount due to banks	**8,836**	**20,861**
Due to exchange houses and agents		
Balances with local exchange houses and agents	397	219
Balances with foreign exchange houses and agents	39,685	26,859
Total amount due to exchange houses and agents	**40,082**	**27,078**
Total balance due to banks, exchange houses and agents	**48,918**	**47,939**

16.1 Currency wise composition of balance due to banks, exchange houses and agents:

	2021 AED'000	2020 AED'000
Local currency	25,572	29,083
Foreign currency	23,346	18,856
	48,918	**47,939**

17 Contingencies and commitments

	2021 AED'000	2020 AED'000
Contingent liabilities		
Guarantees issued by banks in favour of		
Central Bank of the UAE ("CBUAE")	75,000	75,000
Dubai Financial Market	30,000	30,000
Abu Dhabi Securities Exchange	27,000	27,000
Financial institutions for correspondent relationships (note 17.1)	6,896	17,032
Total guarantees arranged and issued	**138,896**	**149,032**

17.1 The Group has arranged guarantees from local commercial banks / financial institutions, drawn in favor of certain correspondent banks as required under terms of the respective corresponding arrangements.

17 Contingencies and commitments (continued)

Capital commitments:

The commitments in respect of capital expenditure on branches as at 31 December 2021 amounts to AED 2.196 million (2020: AED 2.803 million).

18 Share capital

At 31 December 2021, the authorised issued and fully paid share capital of the Company comprised 50,000,000 ordinary shares of AED 1 each (2020: 50,000,000 ordinary shares of AED 1 each).

19 Earnings per share

Basic and diluted earnings per share are calculated by dividing the profit for the year attributable to the shareholders of Al Ansari Holding L.L.C. by the weighted average number of shares outstanding during the year as follows:

	2021	**2020**
Profit for the year attributable to shareholders of al Ansari Holding LLC (AED'000)	491,150	374,643
Weighted average number of shares outstanding during the year ('000)	50,000	50,000
Basic and diluted earnings per share (AED per share)	9.82	7.49

As of the reporting date, the diluted earnings per share is equal to the basic earnings per share as the Company has not issued any additional shares that should be taken into consideration when the diluted earnings per share is calculated.

20 Net commission income

	2021 AED'000	**2020** AED'000
Commission income		
Commission on remittances	434,840	394,200
Commission on collections	69,168	64,977
Other commission	18,194	10,865
	522,202	**470,042**
Commission expense and discount	(6,250)	(5,228)
Net commission income	**515,952**	**464,814**

21 Salaries and benefits

	2021 AED'000	2020 AED'000
Salaries and wages	260,633	237,000
Employees' end of service benefits	4,876	5,677
Other benefits	89,830	75,571
	355,339	**318,248**

Other benefits include annual bonus and performance incentives amounting to AED 28.02 million (2020: AED 24.06 million).

22 General and administrative expenses

	2021 AED'000	2020 AED'000
Administrative expenses	58,261	49,733
Rent and premises expenses	9,599	9,970
License fees	4,642	5,673
Others expenses	11,482	27,430
	83,983	**92,806**

23 Depreciation, amortisation and impairment

	2021 AED'000	2020 AED'000
Depreciation and amortisation on:		
- Right of use assets (note 5)	43,073	41,073
- Property, equipment and intangibles (note 6)	15,480	14,013
- Investment properties (note 8)	4,739	4,291
Impairment of Property, equipment and intangibles (note 6)	1,762	732
	65,054	**60,109**

24 Financial risk management

The Group has exposure to the following risks from its use of financial instruments and operations:

- Credit risk
- Market risk
- Liquidity risk
- Operational risk management

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, risk management frameworks, policies and processes for measuring and managing risk, and the management of the Group's capital.

24 Financial risk management (continued)

24.1 Risk management framework

The management provides principles for overall financial risk management. Periodic reviews are undertaken to ensure that Group's policy guidelines are complied with. There has been no change to the Group's exposure to these financial risks or the manner in which it manages and measures risk.

(a) Credit risk

Credit risk is the risk that a counter party to a financial asset fails to meet its contractual obligation and causes the Group to incur a financial loss. The Group is exposed to credit risk through its placements with banks, exchange houses and agents, receivable balances from other counterparties and cash in transit. The Group is not involved in extending any credit facility to its customers.

Credit risk is managed by the Group by dealing with reputable counter parties approved after a thorough due diligence by the management of the Group and monitoring exposure with each counterparty and average balances held with banks and intermediaries on a daily basis.

The Group's bank balances are placed with various international and local banks. Accordingly, the Group has no significant concentration of credit risk.

(a) Credit risk (continued)

Maximum exposure to credit risk

Credit risk exposure is limited to the carrying amount of the Group's financial assets as follows:

	2021	**2020**
	AED'000	AED'000
		(restated)
Due from banks	1,674,606	1,725,208
Investment securities at fair value through profit or loss	4,612	3,756
Due from exchange houses and agents	114,411	45,110
Due from related parties	15,857	5,975
Cash in transit (note 9)	23,960	28,312
Other receivables	107,865	95,987
	1,941,311	**1,904,348**

The credit quality analysis of total amount in respect of balance due from banks, exchange houses and agents, due from related parties, cash in transit and other receivables is as follows:

	2021	**2020**
	AED'000	AED'000
		(restated)
Financial assets – gross	1,945,311	1,901,694
Less: Provision for expected credit losses (note 9.3)	(4,000)	-
Financial assets – net	**1,941,311**	**1,901,694**

24 Financial risk management (continued)

24.1 Risk management framework (continued)

The geographical distribution of other receivables is as follows:

	2021 AED'000	**2020** AED'000
Inside the UAE	90,570	81,457
Outside the UAE	17,295	14,530
	107,865	**95,987**

Geographical distribution of due from banks, exchange houses and cash in transit is provided in note 9.5.

(b) Market risk

The Group recognises market risk as the exposure created by potential changes in market prices and rates. The Group is exposed to market risk arising principally from customer driven transactions including foreign exchange positions. The objective of the Group's market risk policies and processes is to obtain the best balance of risk and return while meeting its customers' requirements.

(i) Interest rate risk

The Group is exposed to the risk that changes in interest rates would have an adverse effect on the value of its financial assets and liabilities.

To mitigate this risk, the Group manages its exposure to interest rate risk through managing the duration of its interest-bearing portfolio. The substantial portion of the Group's assets and liabilities are repriced within one year.

(ii) Interest rate sensitivity of assets and liabilities

Interest rate risk is also assessed by measuring the impact of reasonable possible change in interest rate movements. A movement in interest rates of 100 basis points will have the following impact on the net profit for the year and net assets at that date:

	Net profit for the year AED'000	**Equity** AED'000
2021		
Fluctuation in yield by 100 bps	±666	±666
2020		
Fluctuation in yield by 100 bps	±3,038	±3,038

The interest rate sensitivities set out above are illustrative only and employ simplified scenarios. They are based on AED 66.647 million interest bearing assets (2020: AED 303.809 million) and interest-bearing liabilities of NIL as at 31 December 2021 (2020: NIL).

The sensitivity does not incorporate actions that could be taken by management to mitigate the effect of interest rate movements.

24 Financial risk management (continued)

24.1 Risk management framework (continued)

(b) Market risk (continued)

(iii) Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group manages its currency risk by monitoring its daily foreign currency exposure. As the AED is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

The Group had the following significant net exposures denominated in foreign currencies:

	Long/(short) 2021 AED'000	**Long/(short) 2020** AED'000 (restated)
United States Dollar	1,006,494	1,111,138
Saudi Riyal	77,221	69,004
Philippines Peso	43,987	65,922
Pakistani Rupee	41,039	31,166
Omani Riyal	33,292	23,603
Egyptian Pound	22,113	17,828
Bangladesh Taka	7,463	13,874
Indian Rupee	47,360	336
Others	80,458	63,245
	1,359,427	**1,396,116**

The table below calculates the effect of a reasonably possible movement of the AED currency rate against the various currencies, with all other variables held constant, on the statement of comprehensive income (due to the fair value of currency sensitive monetary assets and liabilities).

Sensitivity	***Saudi Riyal***	***Philippines Peso***	***Pakistani Rupee***	***Omani Riyal***	***Egyptian Pound***	***Bangladesh Taka***	***Indian Rupee***	***Others***	***Profit impact***
Percentage	1%	1%	1%	1%	1%	1%	1%	1%	1%
2021 AED'000									
±	772	440	410	333	221	75	474	805	3,530
2020 AED'000									
±	690	659	312	236	178	139	3	632	2,849

24 Financial risk management (continued)

24.1 Risk management framework (continued)

(b) Market risk (continued)

(iii) Currency risk (continued)

Foreign currency forwards – overnight

	2021 AED'000	**2020** AED'000
Notional amount (short position)	**205,256**	198,831
Positive fair value of overnight forwards	**17,259**	14,529

(iv) Price risk

Price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk), whether caused by factors specific to an individual investment or its issuer or factors affecting all instruments traded in the market. The Group is not exposed to any significant price risk.

(c) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

To guard against this risk, management has diversified funding sources and assets are managed with liquidity in mind, maintaining sufficient balance of cash and cash equivalents to meet its obligation. Daily cash flow statements are prepared on the basis of projected purchases and sales of currencies, the maturity profile and interest flows from bank deposits. These are used by the Group to monitor and manage the liquidity structure of its assets and liabilities to ensure that an appropriate balance of cash and cash equivalents is maintained to meet liquidity requirements. Most of the Group's transactions are made on a back-to-back basis and its bank accounts are adequately managed and funded to meet commitments.

24 Financial risk management (continued)

24.1 Risk management framework (continued)

(c) Liquidity risk (continued)

Treasury and Finance departments work in close coordination in order to avoid any liquidity issues that can impact the operations of the Group.

The table below summarises the maturities of the Group's undiscounted financial liabilities at 31 December 2021, based on contractual payment dates and current market interest rates.

	On demand	**Less than 1 year**	**Between 2 to 3 years**	**Over 3 years**
	AED'000	AED'000	AED'000	AED'000
31 December 2021				
Lease liabilities	-	27,086	12,722	6,484
Amount due to related parties	109,406	-	-	-
Due to banks	8,836	-	-	-
Due to exchange houses and agents	40,082	-	-	-
Trade and other payables	587,042	-	-	-
Total	**745,366**	**27,086**	**12,722**	**6,484**
31 December 2020 (restated)				
Lease liabilities	-	24,555	16,134	2,646
Amount due to related parties	161,077	-	-	-
Due to banks	20,861	-	-	-
Due to exchange houses and agents	27,078	-	-	-
Other payables and accruals	531,457	-	-	-
Total	**740,473**	**24,555**	**16,134**	**2,646**

(d) Operational risk management

Operational risk is the risk of a direct or indirect loss being incurred due to an event or action arising from the failure of technology, processes, infrastructure, personnel and other risks having operational risk impact.

Management of the Group closely monitors the operations. A formal budgeting process is in place in order to monitor the performance of the Group.

Monthly branch wise profit and loss is prepared by the Finance department for the Management's review.

IT Disaster recovery procedures, risk and compliance audits and internal audits also form an integral part of the operational risk management process.

24 Financial risk management (continued)

24.2 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize the Group's value.

The Group manages its capital structure and makes adjustments to it, in light of changes in the economic conditions and in compliance with regulatory capital requirements. No changes were made to the objectives, policies or processes during the year ended 31 December 2021. As at 31 December 2021, capital is AED 2,512 million (2020: AED 2,360 million) and comprises paid up capital, reserves and retained earnings.

25 Segment Reporting

For management purposes, the Group is organised into business units based on relevant business activities and has three main reportable segments, as follows:

• **Money Exchange and Remittances**: The Group primarily provides cross-border and domestic remittances, purchase and sale of foreign currencies, processing salaries, bill collections and sale of prepaid travel cards. The Group provides these services to its customers through a wide range of branch networks, digital channels and smart counters.
• **Lease of real estate properties**: The Group owns real estate properties and leases it to individuals and businesses for residential and commercial purposes.
• **Securities brokerage**: The Group provides brokerage services in local securities traded on Dubai Financial Market (DFM) & Abu Dhabi Stock Exchange (ADX).

The Senior Management Committee is the Chief Operating Decision Maker (CODM) and monitors the segment results for the purposes of making decisions in relation to resource allocation and performance assessment.

25 Segment Reporting (continued)

For the year 31 December 2021

	Money exchange & remittances	Lease of real estate properties	Securities brokerage	Un-allocated Others	Segment Total	Inter-Group Elimination	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	974,167	16,372	5,758	8,493	1,004,790	(2,342)	1,002,448
Expenses							
Salaries and benefits, general, administrative and other expenses	493,404	11,038	5,463	3,670	513,575	(2,342)	511,233
Segment profit for the year	**480,763**	**5,334**	**295**	**4,823**	**491,215**	**-**	**491,215**
Segment assets	**2,708,738**	**292,824**	**67,718**	**286,111**	**3,355,391**	**-**	**3,355,391**
Segment liabilities	**706,871**	**25,680**	**1,750**	**94,620**	**828,921**	**-**	**828,921**

25 Segment Reporting (continued)
For the year 31 December 2021

For the year 31 December 2020

	Money exchange & remittances	Lease of real estate properties	Securities brokerage	Un-allocated Others	Segment Total	Inter-Group Elimination	Total
	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000	AED'000
Revenue	823,252	12,278	4,460	11,012	851,002	(2,424)	848,578
Expenses							
Salaries and benefits, general, administrative and other expenses	457,784	10,411	4,212	3,897	476,304	(2,424)	473,880
Segment profit for the year	**365,468**	**1,867**	**248**	**7,115**	**374,698**	**-**	**374,698**
Segment assets	**2,340,416**	**309,310**	**68,808**	**474,197**	**3,192,731**	**-**	**3,192,731**
Segment liabilities	**643,383**	**47,500**	**3,136**	**124,677**	**818,696**	**-**	**818,696**

The entire revenue of the Group is generated from its operations inside the UAE.

26 Acquisition reserve

On 1 January 2018, the Company had entered into an equity acquisition arrangement with its shareholders whereby all the shareholders transferred their individual equity interest in the Group entities to the Company.

The fair value of the net assets acquired at the effective date of control were treated as "Acquisition reserve" as there was no consideration paid to shareholders.

27 Shareholders' current account

On 5 March 2019 the Company received AED 184.8 million from the shareholders. This balance represents interest free shareholders' account with no fixed maturity and the repayments are at the discretion of the Group. During 2022, the Group settled the balance in full.

28 Dividends

During the year, the Group has distributed total dividends amounting to AED 175.928 million (2020: AED 336.594 million).

29 Comparative figures

29.1 The Group maintains separate bank accounts for money received from its customers ("client money") amounting to AED 75.16 million (2020: 56.92 million). The client money is not available to the Group and is only used to settle transactions executed in the trading accounts of the customers. The Group has no control over the balances and does not obtain economic benefits from these assets. As such, in the current year, the Group has reviewed the presentation of these balances and has determined that they do not meet the definition of an asset or a liability for the Group under the conceptual framework of IFRS and should not be recognised in the consolidated statement of financial position.

The correction of this prior period error has been made by restating each of the affected financial statement line items for the prior period as follows:

Statement of financial position as at 31 December 2020:

	As previously reported AED'000	Decrease due to restatement AED'000	As restated AED'000
Due from banks	1,782,129	(56,921)	1,725,208
Total current assets	**2,905,839**	**(56,921)**	**2,848,918**
Total assets	**3,249,653**	**(56,921)**	**3,192,732**
Trade and other payables	588,378	(56,921)	531,457
Total current liabilities	**820,354**	**(56,921)**	**763,433**
Total liabilities	**875,617**	**(56,921)**	**818,696**
Total liabilities and equity	**3,249,653**	**(56,921)**	**3,192,732**

29 Comparative figures (continued)

Statement of financial position as at 31 December 2019/1 January 2020:

	As previously reported AED'000	Increase/ (decrease) due to restatement AED'000	As restated AED'000
Due from banks	1,615,135	(34,659)	1,580,476
Total current assets	**2,669,418**	**(34,659)**	**2,634,759**
Total assets	**3,021,090**	**(34,659)**	**2,986,431**
Trade and other payables	483,708	(34,659)	449,049
Total current liabilities	**765,300**	**(34,659)**	**730,641**
Total liabilities	**827,086**	**(34,659)**	**792,427**
Total liabilities and equity	**3,021,090**	**(34,659)**	**2,986,431**

29.2 During the year, the Group revised its assessment in respect of presentation in the cash flow statement and concluded that:

- "Due from / (to) exchange houses and agents" does not meet the criteria of classifying as a component of cash and cash equivalents and accordingly balances of AED 45,110 thousand for 2020 (2019: AED 34,745 thousand) are shown separately in the consolidated statement of cash flows under cash flow from operating activities.

- "Change in fixed deposits" should be considered as part of investing activities instead of operating activities, in view of the requirements of IAS 7. Accordingly, change in fixed deposit of AED 203,000 thousand (increase) for 2020 and AED 220,000 (decrease) for 2019 are shown in the consolidated statement of cash flows as operating activities.

29 Comparative figures (continued)

The correction of this prior period error has been made by restating each of the affected financial statement line items for the prior period as follows:

Statement of cash flows for the year ended 31 December 2020

	As previously reported	Increase/ (decrease) due to restatement	As restated
	AED'000	**AED'000**	**AED'000**
Changes in working capital:			
Due from exchange houses and agents	-	(10,365)	(10,365)
Trade and other payables	104,670	(22,262)	82,408
Fixed deposits	(203,000)	203,000	-
Due to exchange houses and agents	-	(18,861)	(18,861)
Net cash generated from operating activities	**460,436**	**151,512**	**611,948**
Change in fixed deposits	-	(203,000)	(203,000)
Net cash used in investing activities	**(30,794)**	**(203,000)**	**(233,794)**
Net change in cash and cash equivalents	188,358	(51,488)	136,870
Cash and cash equivalents at the beginning of the year	2,248,752	(23,465)	2,225,287
Cash and cash equivalents at the end of the year	**2,437,110**	**(74,953)**	**2,362,157**

Statement of cash flows for the year ended 31 December 2019 / 1 January 2020:

	As previously reported	Increase/ (decrease) due to restatement	As restated
	AED'000		**AED'000**
Due from exchange houses	-	6,125	6,125
Other payables and accruals	37,929	6,783	44,712
Fixed deposits	220,000	(220,000)	-
Due to exchange houses	-	(68,793)	(68,793)
Net cash generated from operating activities	**642,667**	**(275,885)**	**366,782**
Change in fixed deposits	-	220,000	220,000
Net cash generated from / (used in) investing activities	**(59,962)**	**220,000**	**160,038**
Net change in cash and cash equivalents	**390,579**	**(55,885)**	**334,694**
Cash and cash equivalents at the beginning of the year	1,858,173	32,420	1,890,593
Cash and cash equivalents at the end of the year	**2,248,752**	**(23,465)**	**2,225,287**

The restatements did not have any impact on the profit reported in the consolidated statement of comprehensive income for the year ended 31 December 2020.

On reissuance of the financial statements, certain disclosures were enhanced in respect of financial instruments, revenue and related parties. In addition, disclosures relating to segment reporting and earnings per share were included.

30 Litigation

The Group is subject to litigation in the normal course of its business. The Group expects that the outcome of these legal cases will not have a material impact on the Group's condensed consolidated interim financial performance or condensed consolidated interim financial position.

31 Subsequent events

There have been no events subsequent to the statement of financial position date that would significantly affect the amounts reported in the consolidated financial statements as at and for the year ended 31 December 2021 except for the following:

- On 9 May 2022, the Group has paid a cash dividend of AED 327.85 million
- On 1 September 2022, the Group decided to offer a certain percentage of shares (percentage is yet to be decided) to the public through Initial Public Offering (IPO).
- On 30 September 2022, the Board has resolved to carry out an internal restructuring of the Group whereby the Company shall sell the entirety of the shares owned in Al Ansari Real Estate LLC and Al Ansari Financial Services ("Disposal Group") to the existing shareholders of the Company (by setting up a new HoldCo.)
- On 21 October 2022, the shareholders changed the name of the Company from "Al Ansari Holding LLC" to "Al Ansari Financial Services LLC" by amending the memorandum of association.