

REGISTERED COMPANY NUMBER : 03038595 (England and Wales)
REGISTERED CHARITY NUMBER: 1156023

**Report of the Trustees and
Unaudited Financial Statements
for the Year Ended 31 March 2022
for**

**Ansar Finance Group Limited
(Limited by Guarantee)**

**Ansar Finance Group Limited
(Limited by Guarantee)**

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for the Year Ended 31 March 2022**

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**Ansar Finance Group Limited
(Limited by Guarantee)**

**Report of the Trustees
for the Year Ended 31 March 2022**

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2022. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

OBJECTIVES AND ACTIVITIES

Principal activities

The principal activities during the above mentioned year are as follows:

- . promoting ethical/Islamic way of finance.
- . educating the public about ethical financial affairs in line with the teachings of Islam.
- . providing interest free loans to any qualifying member of the public in accordance with its main objectives as laid down in the articles of association.
- . Collection of Zakat and distributing funds where necessary.
- . Collaboration with Universities and other UK charities and organisations to further promote Ansar's interest free cause.
- . Networking by attending national and International finance events and conferences to develop contacts and micro-finance products.

Ansar Finance Group Limited are the only provider of the true interest free loans. As a charity organisation we face huge challenges to raise funds under interest-free banner. Also, when assessing loan applications for approval and having to turn down certain applications knowing that the applicant is in desperate need for the money. A strict affordability criteria is applied like any other loan provider in the market to safeguard our donors' funds and for the purpose of preventing opportunist individuals as the Trustees are trusted with these funds.

Objectives and aims

The aim of the charity is to change the perception of how people view interest in general and provide help where members of the community are suffering with interest related debt problems. This also in turn affects their physical and mental health and causes family problems. Also to assist our community to realise that living within their means is possible with commitment.

As a charity, the loan application has been open to all permanent residents of the UK, in accordance with the rules and regulations in force at the time.

Public benefit

Ansar delivers immediate financial support to the members of community who are in need of urgent support in an emergency via our Zakat fund. This help is available to all permanent residents of the UK, subject to the rules and regulations in force at the time. This now directly benefits any person who is in financial difficulty or hardship. A loan may be offered when an individual has regular income to make loan repayments and can still maintain their lifestyle without causing them any financial difficulty.

Ansar can help at the time of need i.e. cash flow problems and interest related debt. As this is an interest free loan the person is genuinely being helped and not being burdened with more and ever-increasing debt on interest related transactions. Genuine relief is given, our loans are not an illusion of relief but a true reality. Our Zakat fund is for Muslims within our community who are struggling to meet their basic day to day needs.

POST PANDEMIC YEAR

Ansar Finance Group was very fortunate to sustain itself to provide the community with financial support where it was most needed through the pandemic and beyond. We have embraced our way of hybrid working and diligently do this to with the use of upgraded digital technology, virtual meetings. We have continued to maintain support to our donors and borrowers. Our loyal donor's continued support enabled us to continue to collect vital Zakat donations and offer emergency support to families nationally. We were able to continue to engage and update our donors via emails, social media posts and telephone conversations. We have engaged with the communities by attending events and meeting virtually and in person to gain more collaborative opportunities.

ACHIEVEMENT AND PERFORMANCE

Charitable activities

In the financial year ended 31 March 2022, Ansar awarded **44** (2020-21: 11 loans) interest free loans amounting to **£207,100** (2020-21: £50,000) in total. The loan figures for 2021/22 has been low due to pandemic resulting in the slow start to the year. We have to strengthen our loan approval process and performing additional checks on the potential borrower's ability to pay the loans back. Loans were given for debt consolidation, credit card arrears, weddings costs, emergency travel, house repairs, essential appliances and car purchase.

We offer interest free loans and charge an admin fee of £30 irrespective of the loan amount and term. Our policy is to give all applicants equal access to the loans.

Our Zakat fund allocated 7 payment in the financial year 2021-22, totalling to £1,400. Ansar Finance Group has delivered emergency support to families and individuals throughout the pandemic. We were fortunate enough to be in receipt of Zakat donations from our generous donors and wider community due to our promotion of this fund. We were able to signpost those in need to food banks and other support within their locality.

**Ansar Finance Group Limited
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**Report of the Trustees
for the Year Ended 31 March 2022**

Event	Date Attended
Faith & Finance Webinar	Apr-21
Collaboration meeting with YourB - MoU	May-21
Salford University - Collaboration for Internship Programme	Jun-21
Long-Term Donor Campaign - Home Loan	Aug-21
Gatehouse Collaboration Meeting - Referrals for Home Loan	Sep-21
MIC Collaboration - Potential Insurance for Cars & Building	Sep-21
Technical & Compliance Advisors Meeting	Sep-21
Salaam Charity Collaboration Meeting	Oct-21
Lancashire County Council - Refugee Support Collaboration	Oct-21
Money Laundering Training - Barclays Bank	Oct-21
Manchester Islamic Grammar School for Girls - Riba Awareness	Nov-21
Trafford Council - Access & Participation Community Event	Nov-21
MMU - ISOC Stall Riba Awareness	Dec-21
Xero Training for Trustees & Staff	Dec-21
Ummathi - Bradford Football Zakat Fund-Raising Event	Dec-21
Community Revival Training - Staff CPD	Jan-22
MMU - Mental Health Awareness Session	Feb-22
MMU - ISOC Ethical Finance Seminar	Mar-22

A Milestone Achievement:

Ansar also reached a milestone of giving out £4,500,000 in loans in its 28th year of operation, this was a big achievement for a community charity. Ansar aims to continue learning from its experience and find innovative solutions to provide interest free finance solutions to its communities in the many decades to come.

Ansar requires further promotion nationally and internationally to increase funds and offer a much-needed resource such as Home Loan scheme that is often asked about when we are networking. It has been acknowledged that we lack in certain areas such as marketing and communications due to the lack of resources in terms of human capital and financial terms. There is a need to develop a comprehensive market strategy with sufficient allocation of funds to ensure we acquire our market share when competing with other charities.

**Ansar Finance Group Limited
(Limited by Guarantee)**

**Report of the Trustees
for the Year Ended 31 March 2022**

FINANCIAL REVIEW

Investment Policy

In accordance with the Memorandum and Articles of Association, the Trustees have the power to make and hold investments using the general funds of the charity. The policy of the charity is to invest in low risk, short to medium term investments. There is a need to develop an investment strategy to ensure our funds are diversified.

The annexed accounts show the state of the finances of the Charity at 31 March 2022, which the Trustees consider to be satisfactory.

Reserves Policy

The charity's unrestricted funds for the financial year have remained in surplus. It is the normal policy of the charity to maintain funds at a level sufficient to cover unforeseen and major expenditure and shortfalls in income.

FUTURE PLANS

Ansar will continue to work with its communities and partners to raise awareness about the prohibition of Riba/interest. Currently the financial climate is very uncertain across the whole finance industry Ansar will continue to work hard to increase its donor base and invest some of its surplus funds to ensure that the income is diversified. Collaborating with likeminded organisations to spread our message and design new products to help our communities, easing their financial difficulties in the many years to come. To further collaborate with other charities to reach more of the UK population.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted by a Memorandum and Articles of Association dated 5 March 2014, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006. It is registered with the Charity Commission under the charity number 1156023. The management of the charity is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust Deed. The Trustees have the power to appoint further trustees by a simple majority voting system.

**Ansar Finance Group Limited
(Limited by Guarantee)**

**Report of the Trustees
for the Year Ended 31 March 2022**

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Charity number

1156023

Registered office

59 Kingsway
Manchester
England
M19 2LL

Trustees

Ali Akbar Mohammed
Anjum Zulfiqar
Mohammad Rafiq
Abid Ahmed Satwilkar
Naseer Nazar

Accountant

The Accountants & Management Consultants Ltd
6 Frome Drive
Crumpsall
Manchester
M8 0GA

Independent examiner

Adnan Aslam Sahi
93 Crumpsall Street
Bolton
BL1 8 ET

SMALL COMPANY EXEMPTION

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

Approved by order of the board of trustees on **17 December 2022** and signed on its behalf by:



Anjum Zulfiqar
Trustee (Chairman)



Ali Akbar Mohammed
Trustee

**Accountant's Report to the Trustees of
Ansar Finance Group Limited
(Limited by Guarantee)**

**Accountant's report to the trustees of Ansar Finance Group (Limited by Guarantee) for the year ended 31 March 2022.
('the Company')**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of ANSAR FINANCE GROUP LIMITED for the year ended 31 March 2022 which comprise of the Profit and Loss Account, the Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Chartered Institute of Management Accountants, we are subject to its ethical and other professional requirements which are detailed at <http://www.cimaglobal.com>.

Our work has been undertaken in accordance with the requirements of the Chartered Institute of Management Accountants as detailed at <http://www.cimaglobal.com>.

The Accountants & MC Ltd.

The Accountants & Management Consultants Ltd
Chartered Management Accountants
6 Frome Drive
Crumpsall
Manchester
M8 0GA

Date: 17 December 2022

**Independent Examiner's Report to the Trustees of
Ansar Finance Group Limited
(Limited by Guarantee)**

Independent examiner's report to the trustees of Ansar Finance Group (Limited by Guarantee) ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 March 2022.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under Section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of the Company as required by section 396 of the 2006 Act; or
2. the accounts do not accords with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a true and fair view which is not a matter considered as part of independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should drawn in this report in order to enable a proper understanding of the accounts to be reached.



Adnan Aslam Sahi ACCA
93 Crumpsall Street
Bolton
BL1 8ET

Date: 17 December 2022

**Ansar Finance Group Limited
(Limited by Guarantee)**

**Statement of Financial Activities
for the Year Ended 31 March 2022**

		2022	2021
		Unrestricted	Unrestricted
		fund	fund
	Notes	£	£
INCOME AND ENDOWMENTS FROM			
Donations and legacies	3	105,119	79,047
Other trading activities	4	1,251	469
TOTAL		106,370	79,516
EXPENDITURE ON			
Charitable activities	5	51,539	49,385
NET INCOME		54,831	30,131
RECONCILIATION OF FUNDS			
Total funds brought forward	12	1,026,045	995,914
TOTAL FUNDS CARRIED FORWARD		1,080,876	1,026,045

Ansar Finance Group Limited
(Limited by Guarantee)

Balance Sheet
At 31 March 2022

	Notes	2022 Unrestricted fund £	2021 Unrestricted fund £
FIXED ASSETS			
Tangible assets	8	10,411	11,568
Investments	9	8	8
		<u>10,419</u>	<u>11,576</u>
CURRENT ASSETS			
Debtors	10	539,024	465,168
Cash at bank and in hand		<u>542,241</u>	<u>558,889</u>
		<u>1,081,265</u>	<u>1,024,057</u>
CREDITORS			
Amounts falling due within one year	11	<u>(10,808)</u>	<u>(9,588)</u>
NET CURRENT ASSETS		1,070,457	1,014,469
NET ASSETS		<u>1,080,876</u>	<u>1,026,045</u>
FUNDS			
Unrestricted funds	12	1,080,876	1,026,045
TOTAL FUNDS		<u>1,080,876</u>	<u>1,026,045</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

(a) ensuring that the charitable company keeps accounting records that comply with Section 386 and 387 of the Companies Act 2006 and

(b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees on **17 December 2022** and were signed on its behalf by:



Anjum Zulfikar
Trustee (Chairman)



Ali Akbar Mohammed
Trustee

**Ansar Finance Group Limited
(Limited by Guarantee)**

**Notes to the Financial Statements
for the Year Ended 31 March 2022**

1 Accounting policies

Basis of preparation of financial statements

The financial statements of the charity, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

Preparation of consolidated financial statements

The financial statements contain information about Ansar Finance Group Limited as an individual charity and do not contain consolidated financial information as the parent of the group. The company is exempt under Section 399 (2A) of the Companies Act 2006 from the requirements to prepare consolidated financial statements.

Related Party Exemption

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Income

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Governance costs

Governance costs comprises costs for the running of the charity.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life:

Improvements to property	10% reducing balance
Fixtures and fittings	15% reducing balance
Computer equipment	25% reducing balance

Investment in subsidiaries

Investment in subsidiaries undertakings are recognised at cost.

Taxation

The charity is exempt from tax on its charitable activities.

**Ansar Finance Group Limited
(Limited by Guarantee)**

**Notes to the Financial Statements - continued
for the Year Ended 31 March 2022**

1 ACCOUNTING POLICIES - continued

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Going concern

The charity's financial statements for the year ended 31 March 2022 have been prepared on a going concern basis as, after making appropriate enquiries, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future.

Pensions costs and other post-retirement benefits

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

2 Employees	2022	2021
The average number of employees during the year	2	3
3 DONATIONS AND LEGACIES	2022	2021
	£	£
Donations	96,619	70,699
Gift Aid	8,500	8,348
	105,119	79,047
4 OTHER TRADING ACTIVITIES	2022	2021
	£	£
Application & other fee	1,251	469
	1,251	469
5 CHARITABLE ACTIVITIES	2022	2021
	£	£
Support costs	51,539	49,385
	51,539	49,385

Ansar Finance Group Limited
(Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

6 COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted fund £
INCOME AND ENDOWMENTS FROM	
Donations and legacies	79,047
Other trading activities	469
TOTAL	79,516
EXPENDITURE ON	
Charitable activities	49,385
NET INCOME	30,131
RECONCILIATION OF FUNDS	
Total funds brought forward	995,914
TOTAL FUNDS CARRIED FORWARD	1,026,045

7 TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 March 2022 nor for the year ended 31 March 2021.

Trustees' expenses

There were no trustees' expenses paid for the year 31 March 2022 nor for the year ended 31 March 2021.

8 TANGIBLE FIXED ASSETS

	Improvements to property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 April 2021	10,012	25,291	19,503	54,806
Additions	-	-	-	-
Disposals	-	-	-	-
At 31 March 2022	10,012	25,291	19,503	54,806
DEPRECIATION				
At 1 April 2021	2,722	21,631	18,885	43,238
Charge for the year	729	366	62	1,157
Elimination on disposal	-	-	-	-
At 31 March 2022	3,451	21,997	18,947	44,395
NET BOOK VALUE				
At 31 March 2022	6,561	3,294	556	10,411
At 31 March 2021	7,290	3,660	618	11,568

Ansar Finance Group Limited
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Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

9 FIXED ASSET INVESTMENTS

Shares in group undertakings

	2022 £	2021 £
COST		
At 1 April 2020	8	8
NET BOOK VALUE		
At 31 March 2021	<u>8</u>	<u>8</u>

10 DEBTORS

	2022 £	2021 £
Trade debtors	214,317	147,643
Amounts owed by group undertakings	311,857	312,107
Other debtors	12,850	5,418
	<u>539,024</u>	<u>465,168</u>

11 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade creditors	294	430
Other taxes and social security costs	289	284
Other creditors	10,225	8,874
	<u>10,808</u>	<u>9,588</u>

12 MOVEMENT IN FUNDS

	At 1.4.21 £	Net movement in funds £	At 31.3.22 £
Unrestricted funds			
General fund	1,026,045	54,831	1,080,876
TOTAL FUNDS	<u>1,026,045</u>	<u>54,831</u>	<u>1,080,876</u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	106,370	(51,539)	54,831
TOTAL FUNDS	<u>106,370</u>	<u>(51,539)</u>	<u>54,831</u>

Comparatives for movement in funds

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	995,914	30,131	1,026,045
TOTAL FUNDS	<u>995,914</u>	<u>30,131</u>	<u>1,026,045</u>

Ansar Finance Group Limited
(Limited by Guarantee)

Notes to the Financial Statements - continued
for the Year Ended 31 March 2022

12 MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	79,516	(49,385)	30,131
TOTAL FUNDS	79,516	(49,385)	30,131

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.4.20 £	Net movement in funds £	At 31.3.21 £
Unrestricted funds			
General fund	995,914	84,962	1,080,876
TOTAL FUNDS	995,914	84,962	1,080,876

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Movement in funds £
Unrestricted funds			
General fund	185,886	(100,924)	84,962
TOTAL FUNDS	185,886	(100,924)	84,962

Ansar Finance Group Limited
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Detailed Statement of Financial Activities
for the Year Ended 31 March 2022

	2022	2021
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	96,619	70,699
Gift aid	8,500	8,348
Total donations and legacies	105,119	79,047
Other trading activities		
Application fee	950	210
Other income	301	259
	1,251	469
Total income resources	106,370	79,516
EXPENDITURE		
Support costs		
Salaries	26,790	32,108
Pensions	112	394
Rates and water	2,861	2,253
Light, heat and power	583	1,307
Repairs and maintenance	4,742	1,334
Telephone, fax and internet	1,217	1,303
Stationery, printing and postage	1,010	99
Subscriptions	348	365
Hire of equipment	-	63
Computer costs	1,649	2,787
Advertising and marketing	604	893
Insurance	936	611
Staff travelling and welfare	43	94
Sundry expenses	1,073	263
Accountancy fees	1,000	750
Legal and professional	7,414	3,126
Depreciation	1,157	1,635
Total resources expended	51,539	49,385
Net income	54,831	30,131