



ICB Islamic Bank Limited

**Financial Statements
for the Period ended 30 September 2022"
(Un-audited)**

ICB Islamic Bank Limited
Statement of Financial Position (Balance Sheet)
as at 30 September 2022 (Un-audited)

	<u>30-Sep-22</u>	<u>31-Dec-21</u>
	<u>Taka</u>	<u>Taka</u>
PROPERTY AND ASSETS		
Cash in hand		
Cash in hand (including foreign currencies)	216,829,089	242,535,652
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	521,976,807	680,455,022
	738,805,897	922,990,674
Balance with other banks and financial institutions		
In Bangladesh	19,190,785	16,944,499
Outside Bangladesh	12,108,214	15,748,000
	31,298,999	32,692,499
Placement with banks & other financial institutions	399,800,000	600,400,000
Investments in shares and securities		
Government	-	-
Others	110,569,450	110,569,450
	110,569,450	110,569,450
Investments		
General investments etc.	8,179,918,865	8,432,178,428
Bills purchased and discounted	2,932,465	2,932,465
	8,182,851,330	8,435,110,894
Fixed assets including premises	284,963,073	287,594,554
Other assets	460,598,891	443,398,504
Non - banking assets	750,276,130	750,276,130
Total assets	10,959,163,770	11,583,032,705
LIABILITIES AND CAPITAL		
Liabilities		
Borrowing from banks & other financial institutions	4,788,269,861	4,788,469,861
Deposits and other accounts		
Al-wade'ah current and other deposits accounts	641,290,186	636,702,353
Bills payable	151,182,938	166,996,482
Mudaraba savings deposits	1,501,904,560	1,537,749,154
Mudaraba term deposits	10,180,217,535	10,584,134,547
Bearer certificate of deposit		
Other mudaraba deposits		
	12,474,595,219	12,925,582,536
Other liabilities	5,824,364,929	5,923,049,996
Total liabilities	23,087,230,009	23,637,102,393
Capital / Shareholders' equity		
Paid up capital	6,647,023,000	6,647,023,000
Statutory reserve	78,810,975	78,810,975
Other reserve	456,341,806	456,341,806
Revaluation Gain on Investment in HTM Securities	-	-
Surplus in profit and loss account / Retained earnings	(19,310,242,021)	(19,236,245,469)
Total Shareholders' equity	(12,128,066,240)	(12,054,069,688)
Total liabilities and Shareholders' equity	10,959,163,770	11,583,032,705
Net Asset Value (NAV) Per Share	(18.25)	(18.13)

Net Asset Value (NAV) Per Share

(18.25)

(18.13)

Chief Financial Officer

Company Secretary

Managing Director

Director

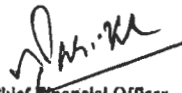
Chairman

October 20, 2022

Dhaka

ICD Islamic Bank Limited
Statement of Financial Position
as at 30 September 2022 (Un-audited)

	<u>30-Sep-22</u>	<u>31-Dec-21</u>
	<u>Taka</u>	<u>Taka</u>
OFF- BALANCE SHEET ITEMS		
Contingent liabilities		
Acceptances and endorsements	6,374,000	6,374,000
Letters of guarantee	142,477,093	126,956,700
Irrevocable letters of credit	41,924,514	137,593,045
Bills for collection	46,285,639	48,188,367
Other contingent liabilities	-	-
	237,061,247	319,112,113
Other commitments		
Documentary credits and short term trade -related transactions	-	-
Forward assets purchased and forward deposits placed	-	-
Undrawn note issuance and revolving underwriting facilities	-	-
Undrawn formal standby facilities, credit lines and other commitments	-	-
Liabilities against forward purchase and sale	-	-
Others	-	-
Total Off-Balance Sheet items including contingent liabilities	237,061,247	319,112,113


 Chief Financial Officer


 Company Secretary


 Managing Director


 Director


 Chairman

October 20, 2022.
 Dhaka

ICB Islamic Bank Limited
Statement of Profit or Loss and Comprehensive Income
for the period ended 30 September 2022 (Un-audited)

	1st January 2022 to 30 September 2022	1st January 2021 to 30 September 2021	1st July 2022 to 30th September 2022	1st July 2021 to 30th September 2021
	Taka(YTD)	Taka(YTD)	Taka	Taka
Investment Income	207,431,182	220,152,680	62,911,279	81,821,311
Profit paid on deposits	(298,327,355)	(329,799,995)	(98,152,896)	(110,329,819)
Net investment income	(90,896,172)	(109,647,315)	(35,241,617)	(28,508,508)
Income from investments in shares and securities	2,177,953	4,479,912	150,000	1,050,000
Commission, Exchange and Brokerage	21,148,743	4,612,502	14,991,247	2,001,540
Other operating income	261,071,632	59,162,770	15,919,077	23,109,470
Total operating income (A)	193,502,155	(41,392,131)	(4,181,293)	(2,347,497)
Less: Operating Expenditure				
Salaries and Allowances	144,678,610	126,420,514	52,675,851	41,492,915
Rent, Taxes, Insurance and Electricity	84,125,134	86,291,439	28,744,297	30,099,218
Legal expenses	4,479,583	779,380	1,709,006	105,000
Postage, Stamp and Telecommunication	4,467,385	4,628,107	635,328	1,765,577
Stationery, Printing and Advertisements	2,819,268	1,780,226	718,812	620,701
Managing Director's salary and fees	11,533,950	11,154,227	3,224,622	4,098,150
Directors' fees & expenses	5,685,537	2,377,675	2,717,527	268,750
Shariah Supervisory Committee's fees & expenses	72,000	48,000	24,000	24,000
Auditors' fees	450,000	425,000	150,000	150,000
Depreciation and repair of Bank's assets	18,023,146	23,947,712	4,600,060	4,172,131
Other expenses	28,213,116	40,745,881	6,411,781	13,343,513
Total operating expenses (B)	304,547,730	298,598,161	101,611,284	96,139,954
Profit / (loss) before provision (C=A-B)	(111,045,575)	(339,990,292)	(105,792,578)	(98,487,451)
Provision for investments				
Specific provision	(40,000,000)	(30,000,000)	(20,000,000)	-
General provision	-	-	-	-
Provision for off-balance sheet items	-	-	-	-
	(40,000,000)	(30,000,000)	(20,000,000)	-
Provision for diminution in value of investments	-	-	-	-
Provision for contingency	-	-	-	-
Other provisions	-	-	-	-
Total provision (D)	(40,000,000)	(30,000,000)	(20,000,000)	-
Total profit / (loss) before taxes (C-D)	(71,045,575)	(309,990,292)	(85,792,578)	(98,487,451)
Less: Provision for taxation				
Current tax	2,950,977	1,730,447	563,830	647,894
Deferred tax	-	-	-	-
	2,950,977	1,730,447	563,830	647,894
Net profit/(loss) after taxation	(73,996,552)	(311,720,739)	(86,356,407)	(99,135,345)
Appropriations				
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
	-	-	-	-
Retained earnings carried forward	(73,996,552)	(311,720,739)	(86,356,407)	(99,135,345)
Earnings per share (EPS)	(0.11)	(0.47)	(0.13)	(0.15)

Chief Financial Officer

Managing Director

October 20, 2022
Dhaka

Director

Company Secretary

Chairman

ICB Islamic Bank Limited
Statement of Changes in Equity
for the period ended 30 September 2022 (Un-audited)

Particulars	Paid-up capital	Statutory reserve	Share premium	General/ Other reserves	Assets revaluation reserve	Revaluation surplus on Investment	Retained earnings	Total
Balance as at 1 January 2022	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,236,245,469)	(12,054,069,688)
Prior year Adjustment	-	-	-	-	-	-	-	-
Balance as at 1 January 2021	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,236,245,469)	(12,054,069,688)
Surplus / (deficit) on account of revaluation of properties	-	-	-	-	-	-	-	-
Surplus / (deficit) on account of revaluation of investments	-	-	-	-	-	-	-	-
Currency translation differences	-	-	-	-	-	-	-	-
Net gains and losses not recognized in the income statement	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	(73,996,552)	(73,996,552)
Dividends (Bonus shares)	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Appropriation made during the period	-	-	-	-	-	-	-	-
Balance as at 30 September 2022	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,310,242,021)	(12,128,066,240)
Balance as at 30 September 2021	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,153,149,401)	(11,970,973,620)


Chief Financial Officer


Company Secretary


Director


Chairman

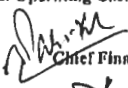
Managing Director

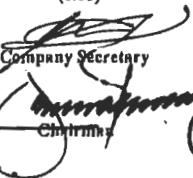
October 20, 2022
Dhaka

ICB Islamic Bank Limited
Statement of Cash Flows
for the period ended 30 September 2022 (Un-audited)

	<u>30-Sep-22</u>	<u>30-Sep-21</u>
	<u>Taka</u>	<u>Taka</u>
Particulars		
A) Cash flows from operating activities		
Investment income receipts in cash	180,248,338	204,137,458
Profit paid on deposits	(286,570,428)	(303,503,716)
Dividend receipts	1,427,953	856,772
Fees and commission receipts in cash	21,148,743	3,327,711
Recoveries of investments previously written off	227,407,113	28,668,187
Cash payments to employees	(156,212,560)	(137,574,741)
Cash payments to suppliers	(1,689,751)	(1,585,936)
Income taxes paid	762,421	(467,929)
Receipts from other operating activities	35,842,472	63,642,682
Payments for other operating activities	(147,885,170)	(150,797,607)
Cash generated from operating activities before changes in operating assets and liabilities	(125,520,869)	(293,297,118)
Increase / (decrease) in operating assets and liabilities		
Statutory deposits	-	-
(Purchase)/Maturity of trading securities (Treasury bills)	-	-
Investments to other banks	-	-
Investments to customers	252,259,563	77,828,108
Placement from banks & other financial institutions	(200,000)	500,000
Other assets	(17,200,387)	(2,851,705)
Deposits from other banks / borrowings	-	-
Deposits received from customers	(450,987,317)	209,467,297
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities	(59,807,206)	(89,654,491)
	(275,935,347)	195,289,210
Net cash used in operating activities	(401,456,216)	(98,007,908)
B) Cash flows from investing activities		
Debentures	-	-
Proceeds from sale of securities	-	200,000,000
Payments for purchases of securities	-	-
Purchase of property, plant and equipment	(2,078,618)	(513,743)
Payment against lease obligation	-	-
Proceeds from sale of property, plant & equipment and Non-banking assets	1,500	551,643
Net cash used in investing activities	(2,077,118)	200,037,900
C) Cash flows from financing activities		
Increase in paid-up capital	-	-
Dividend paid	-	-
Net Cash from financing activities	-	-
D) Net increase / (decrease) in cash and cash equivalents (A + B + C)	(403,533,334)	102,029,991
E) Effects of exchange rate changes on cash and cash equivalents	17,355,057	1,345,774
F) Cash and cash equivalents at beginning of the period (1st Jan 2022)	1,556,083,173	1,264,236,877
G) Cash and cash equivalents at end of the period (D+E+F)	1,169,904,896	1,367,612,642
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies)	216,829,089	211,522,494
Balance with Bangladesh Bank and its agent bank (s) (including foreign currencies)	521,976,807	728,030,448
Balance with other banks and financial institutions	31,298,999	27,359,700
Placement with banks & other financial institutions	399,800,000	400,700,000
Reverse repo	-	-
Prize bonds	-	-
	1,169,904,896	1,367,612,642
Net Operating Cash Flow per share- NOCFPS (Taka)	(0.60)	(0.15)

Net Operating Cash Flow per share- NOCFPS (Taka)

 **Chief Financial Officer**
 **Managing Director**
October 20, 2022
Dhaka

 **Director**
 **Company Secretary**
 **Chairman**

Selective Notes to the Financial Statements as on September 30, 2022.

01 The financial statements of the Bank has been prepared in accordance with International Financial Reporting Standards (IFRSs) and the requirements of the Banking Companies Act 1991, the rules and regulations issued by Bangladesh Bank, the Companies Act 1994, the Securities and Exchange Rules 1987. In case any requirement of the Banking Companies Act 1991, and provisions and circulars issued by Bangladesh Bank differ with those of IFRS, the requirements of the Banking Companies Act 1991, and provisions and circulars issued by Bangladesh Bank shall prevail. Material departures from the requirements of IFRS are as follows:

i) Investment in shares and securities

IFRS: As per requirements of IFRS 9, financial assets generally fall either under at amortized cost, or at fair value through profit and loss account, fair value through other comprehensive income where any change in the fair value at the year-end is taken to profit and loss account or other comprehensive income respectively.

ii) Revaluation gains/ losses on Government securities

IFRS: As per requirement of IFRS 9, an entity shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis both of the following criteria:

a). the entity's business model for managing the financial assets and

Bangladesh Bank: HFT securities are revalued on the basis of marked to market and at year end any gains on revaluation of securities which have not matured as at the balance sheet date are recognised in other reserves as a part of equity and any losses on revaluation of securities which have not matured as at the balance sheet date are charged in the profit and loss account. Interest on HFT securities including amortisation of discount are recognised in the profit and loss account. HTM securities which have not matured as at the balance sheet date are amortised at the year end and gains or losses on amortisation are recognised in other reserve as a part of equity.

iii) Provision on investments

IFRS: as per IFRS 9 an entity shall recognize a loss allowance for expected credit losses on a financial asset through amortised cost or fair value through other comprehensive income to which impairment requirements apply.

Bangladesh Bank: As per BRPD circular No.14 (23 September 2012), BRPD circular No. 19 (27 December 2012) and BRPD circular No. 05 (29 May 2013) a general provision @ 0.25% to 5% under different categories of unclassified investments (good and special mentioned accounts) has to be maintained regardless of objective evidence of impairment. Also provision for sub-standard loans, doubtful loans and bad losses has to be provided at 20%, 50% and 100% respectively for loans and advances depending on the duration of overdue. Again as per BRPD circular no. 10 dated 18 September 2007 and BRPD circular no. 14 dated 23 September 2012, a general provision at 1% is required to be provided for all off-balance sheet exposures. Such provision policies are not specifically in line with those prescribed by IFRS 9.

iv) Recognition of profit in suspense

Bangladesh Bank: As per BRPD circular no. 14 dated 23 September 2012, once an investment is classified, profit on such investments is not allowed to be recognised as income, rather the corresponding amount needs to be credited to an interest in suspense account, which is presented as liability in the balance sheet.

v) Other comprehensive income

IFRS: As per IAS 1 Other Comprehensive Income (OCI) is a component of financial statements or the elements of OCI are to be included in a single Other Comprehensive Income statement.

Bangladesh Bank: Bangladesh Bank has issued templates for financial statements through BRPD Circular no.14 dated 25 June 2003 which will strictly be followed by all banks. The templates of financial statements issued by Bangladesh Bank do not include Other Comprehensive Income nor are the elements of Other Comprehensive Income allowed to be included in a single Other Comprehensive Income (OCI) Statement. As such the Bank does not prepare the other comprehensive income statement. However, elements of OCI, if any, are shown in the statements of changes in equity.

vi) Financial instruments – presentation and disclosure

In several cases Bangladesh Bank guidelines categorise, recognise, measure and present financial instruments differently from those prescribed in IFRS 9. As such full disclosure and presentation requirements of IFRS 7 cannot be made in the financial statements.

vii) Financial guarantees

IFRS: Financial guarantees are contracts that require an entity to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of a debt instrument. Financial guarantee liabilities are recognised initially at their fair value minus the cost that are directly attributable to issue of the financial guarantee. After initial recognition, an issuer of such a guarantee shall subsequently measure it at higher of:

- i. the amount of the loss allowance and
- ii. the amount initially recognised less, when appropriate, the cumulative amount of the income recognised.

Bangladesh Bank: As per BRPD 14, dated 23 September 2012 financial guarantees such as letter of credit, letter of guarantees will be treated as off-balance sheet items. No liability is recognised for the guarantees except the cash margin.

viii) Cash and cash equivalent

IFRS: Cash and cash equivalent items should be reported as cash item as per IAS 7.

Bangladesh Bank: Some cash and cash equivalent items such as 'money at call and on short notice', treasury bills, Bangladesh Bank bills and prize bonds are not shown as cash and cash equivalents. Money at call and on short notice presented on the face of the balance sheet, and treasury bills, prize bonds are shown in investments.

ix) Non-banking asset

IFRS: No indication of Non-banking asset is found in any IFRS.

Bangladesh Bank: As per BRPD 14, dated 25 June 2003 there must exist a face item named Non-banking asset.

x) Statement of Cash Flows

Statement of Cash Flows has been prepared in accordance with IAS-7, "Statement of Cash Flows" and under the guidelines of Bangladesh Bank BRPD Circular No.14 dated June 25, 2003. The cash flow statement shows the structure of changes in cash and cash equivalents during the financial year. It is segregated into operating activities, investing activities and financial activities.

xi) Balance with Bangladesh Bank: (Cash Reserve Requirement)

IFRS: Balance with Bangladesh Bank should be treated as other asset as it is not available for use in day to day operations as per IAS 7.

Bangladesh Bank: Balance with Bangladesh Bank is treated as cash and cash equivalents.

xii) Presentation of intangible asset

IFRS: An intangible asset must be identified and recognised, and the disclosure must be given as per IAS 38.

Bangladesh Bank: There is no regulation for intangible assets in BRPD 14.

xiii Off-balance sheet items

IFRS: There is no concept of off-balance sheet items in any IFRS; hence there is no requirement for disclosure of off-balance sheet items on the face of the balance sheet.

Bangladesh Bank: As per BRPD 14, off balance sheet items (e.g. Letter of credit, Letter of guarantee, etc.) must be disclosed separately on the face of the balance sheet.

xiv Investments net of provision

IFRS: Investments should be presented net off provision.

Bangladesh Bank: As per BRPD 14, provision on investments is presented separately as a liability and can not be netted off against loans and advances.

Investments have been shown under two broad categories viz Government Securities and Other Investments.

Investments have been considered as follows:

Particulars	Valuation Method
Government Securities:	
Government Treasury Bills	Market Value
Other Investments:	
Shares of CDBL	Cost Price
Bangladesh Commerce Bank Limited	Cost Price

The company has no reportable operating segments as per IFRS-8, Disclosure of Interests in Other Entities as per IFRS-12 and Revenue from Contracts with Customers-as per IFRS-15.

There are no events to report which had an influence on the balance sheet or the profit and loss account for the period ended 30 September 2022.

02 Net Asset Value (NAV) Per Share

	<u>Sep-22</u>	<u>Dec-21</u>
Total Assets	10,959,163,770	11,583,032,705
Total Liabilities	23,087,230,009	23,637,102,393
Net Assets	(12,128,066,239)	(12,054,069,689)
Ordinary Share outstanding	664,702,300	664,702,300
Net Asset Value (NAV) Per S	(18.25)	(18.13)

03 Earning per Share (EPS)

	<u>Sep-22</u>	<u>Sep-21</u>
Net profit after Tax	(73,996,552)	(311,720,739)
Ordinary Share outstanding	664,702,300	664,702,300
Basic Earning per Share (EPS)	(0.11)	(0.47)

04 Net Operating Cash Flows per Share (NOCFPS)

	<u>Sep-22</u>	<u>Sep-21</u>
Net cash used in operating activities	(401,456,216)	(98,007,908)
Ordinary Share outstanding	664,702,300	664,702,300
Net Operating Cash Flows per Share (NOCFPS)	(0.60)	(0.15)

	<u>Sep-22</u>	<u>Sep-21</u>
Reconciliation of net profit with cash flows from operating activities		
Net profit after taxation	(73,996,552)	(311,720,739)
Adjustment of non cash and non operating items:		
Depreciation	5,973,149	6,697,093
Provision for Tax	2,950,977	1,730,447
Provision for Investments and Others	(40,000,000)	(30,000,000)
	(105,072,425)	(333,293,199)
Changes in operating assets and liabilities:		
Changes in Investments to customers	252,259,563	77,820,108
Changes in deposits and other accounts	(450,987,317)	209,467,297
Changes in Borrowing	(200,000)	(5,200,000)
Changes in other assets	(17,200,387)	(2,851,705)
Changes in other liabilities	(80,255,649)	(43,950,410)
Net cash flows from operating activities	(401,456,215)	(98,007,908)
Net Operating Cash Flows per Share (Taka)	(0.60)	(0.15)

05 Significant deviation in Net Operating Cash Flow per Share (NOCFPS)

Net Operating Cash Flow per share- NOCFPS were (0.60) on 30 September 2022 but it were (0.15) on 30 September 2021 mainly due to increase of cash outflows from deposits.

06 Taxation

Current Tax

The bank was not required to provide income tax as it has pervious assessed loss which will offset the taxable income. But as per requirement of Income Tax Ordinance 1984, minimum tax @ 0.60% of gross receipts has been provided in accounts.

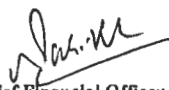
	Sep-22	Sep-21
Gross receipt		
Investment Income	207,431,182	220,152,680
Income from investments in shares and securities	2,177,953	4,479,912
Commission, Exchange and Brokerage	21,148,743	4,612,502
Other operating income	261,071,632	59,162,770
Total Receipt	491,829,510	288,407,864
Minimum Tax @ 0.60%	2,950,977	1,730,447

Deferred Tax

The Bank did not recognise any deferred tax during the year as there would have arisen deferred tax income if deferred tax was recognised due to huge loss of the Bank at balance sheet the date which is adjustable against future profits.

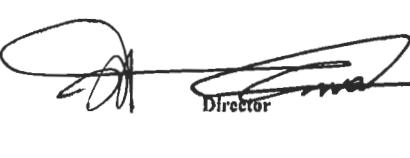
07 Provision for Investments

	Sep-22	Sep-21
Provision held as on 1 January	3,631,316,907	3,672,494,299
Add: Net charge to profit and loss account	(40,000,000)	(30,000,000)
Add: Provision transfer from Others Provision	-	-
Crossing balance of provision	3,591,316,907	3,642,494,299
Provision required as per Bangladesh Bank's guidelines	3,538,609,858	3,611,447,554
Provision Excess/ (Short)	52,707,049	31,046,745


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

Dhaka
October 20, 2022