



ICB Islamic Bank Limited

Financial Statements
for the Period ended 30 September 2023"
(Un-audited)


ICB Islamic Bank Limited
Statement of Financial Position (Balance Sheet)
as at 30 September 2023 (Un-audited)


	<u>30-Sep-23</u>	<u>31-Dec-22</u>
	<u>Taka</u>	<u>Taka</u>
PROPERTY AND ASSETS		
Cash in hand		
Cash In hand (including foreign currencies)	193,716,730	183,697,580
Balance with Bangladesh Bank and its agent banks (including foreign currencies)	152,512,485	229,320,865
	346,229,214	413,018,445
Balance with other banks and financial institutions		
In Bangladesh	17,965,212	11,341,530
Outside Bangladesh	7,491,871	4,280,968
	25,457,084	15,622,498
Placement with banks & other financial institutions		
Investments in shares and securities	516,694,999	516,694,999
Government	-	-
Others	10,569,450	10,569,450
	10,569,450	10,569,450
Investments		
General Investments etc.	7,908,585,184	8,132,348,255
Bills purchased and discounted	2,935,465	2,935,465
	7,911,520,649	8,135,283,721
Fixed assets including premises	222,065,520	224,376,423
Other assets	328,662,497	339,527,398
Non - banking assets	750,276,130	750,276,130
Total assets	10,111,475,542	10,405,369,063
LIABILITIES AND CAPITAL		
Liabilities		
Borrowing from banks & other financial institutions	4,787,969,861	4,788,269,861
Deposits and other accounts		
Al-wadeeah current and other deposits accounts	728,910,690	659,310,706
Bills payable	135,649,529	152,086,640
Mudaraba savings deposits	1,383,582,007	1,402,091,199
Mudaraba term deposits	10,085,893,735	9,908,426,596
Bearer certificate of deposit	-	-
Other mudaraba deposits	-	-
	12,334,035,961	12,121,915,140
Other liabilities	5,670,961,820	5,801,666,553
Total liabilities	22,792,967,643	22,711,851,555
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	(19,863,667,882)	(19,488,658,273)
Total Shareholders' equity	(12,681,492,101)	(12,306,482,492)
Total liabilities and Shareholders' equity	10,111,475,542	10,405,369,063

Net Asset Value (NAV) Per Share

(19.08)

(18.51)


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

October 19, 2023

Dhaka

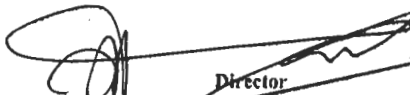
ICB Islamic Bank Limited
Statement of Financial Position
as at 30 September 2023 (Un-audited)

	<u>30-Sep-23</u>	<u>31-Dec-22</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	149,616,533	145,587,600
Irrevocable letters of credit	46,118,906	22,920,592
Bills for collection	45,447,754	44,822,344
Other contingent liabilities	-	-
	247,557,193	219,704,536
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	-	-
	247,557,193	219,704,536
Total Off-Balance Sheet Items including contingent liabilities	247,557,193	219,704,536


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

October 19, 2023
 Dhaka

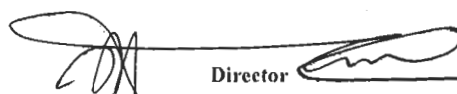
ICB Islamic Bank Limited
Statement of Profit or Loss and Comprehensive Income
for the period ended 30 September 2023 (Un-audited)

	1st January 2023 to 30 September 2023	1st January 2022 to 30 September 2022	1st July 2023 to 30th September 2023	1st July 2022 to 30th September 2022
	Taka(YTD)	Taka(YTD)	Taka	Taka
Investment Income	148,606,652	207,431,182	54,886,216	62,911,279
Profit paid on deposits	(297,378,132)	(298,327,355)	(104,793,908)	(98,152,896)
Net investment income	(148,771,481)	(90,896,172)	(49,907,692)	(35,241,617)
Income from investments in shares and securities	2,827,941	2,177,953	-	150,000
Commission, Exchange and Brokerage	13,268,900	21,148,743	3,091,088	14,991,247
Other operating income	47,039,386	261,071,632	22,884,985	15,919,077
Total operating income (A)	(85,635,253)	193,502,155	(23,931,618)	(4,181,293)
Less: Operating Expenditure				
Salaries and Allowances	179,876,882	144,678,610	58,693,104	52,675,851
Rent, Taxes, Insurance and Electricity	84,428,003	84,125,134	29,175,110	28,744,297
Legal expenses	2,319,191	4,479,583	1,146,691	1,709,006
Postage, Stamp and Telecommunication	2,932,378	4,467,385	994,613	635,328
Stationery, Printing and Advertisements	2,467,999	2,819,268	687,969	718,812
Managing Director's salary and fees	12,508,520	11,533,950	3,633,000	3,224,622
Directors' fees & expenses	3,372,000	5,685,537	840,500	2,717,527
Shariah Supervisory Committee's fees & expenses	96,000	72,000	-	24,000
Auditors' fees	350,000	450,000	150,000	150,000
Depreciation and repair of Bank's assets	11,958,816	18,023,146	4,287,477	4,600,060
Other expenses	37,794,110	28,213,116	19,726,460	6,411,781
Total operating expenses (B)	338,103,899	304,547,730	119,334,925	101,611,284
Profit / (loss) before provision (C=A-B)	(423,739,152)	(111,045,575)	(143,266,543)	(105,792,578)
Provision for investments				
Specific provision	(50,000,000)	(40,000,000)	(30,000,000)	(20,000,000)
General provision	-	-	-	-
Provision for off-balance sheet items	-	-	-	-
	(50,000,000)	(40,000,000)	(30,000,000)	(20,000,000)
Provision for diminution in value of investments	-	-	-	-
Provision for contingency	-	-	-	-
Other provisions	-	-	-	-
Total provision (D)	(50,000,000)	(40,000,000)	(30,000,000)	(20,000,000)
Total profit / (loss) before taxes (C-D)	(373,739,152)	(71,045,575)	(113,266,543)	(85,792,578)
Less: Provision for taxation				
Current tax	1,270,457	2,950,977	485,174	563,830
Deferred tax	-	-	-	-
	1,270,457	2,950,977	485,174	563,830
Net profit/(loss) after taxation	(375,009,609)	(73,996,552)	(113,751,717)	(86,356,407)
Appropriations				
Statutory reserve	-	-	-	-
General reserve	-	-	-	-
	-	-	-	-
Retained earnings carried forward	(375,009,609)	(73,996,552)	(113,751,717)	(86,356,407)
Earnings per share (EPS)	(0.56)	(0.11)	(0.17)	(0.13)


Chief Financial Officer


Managing Director

October 19, 2023
Dhaka


Director


Company Secretary

ICB Islamic Bank Limited

Statement of Changes in Equity

for the period ended 30 September 2023 (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 2023	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,488,658,273)	(12,306,482,492)
Prior year Adjustment	-	-	-	-	-	-	-	-
Balance as at 1 January 2023	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,488,658,273)	(12,306,482,492)
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	-	-	-	-	-	-	(375,009,609)	-
Dividends (Bonus shares)	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Appropriation made during the period	-	-	-	-	-	-	-	-
Balance as at 30 September 2023	6,647,023,000	78,810,975	-	1,065,676	455,276,130	-	(19,863,667,882)	(12,681,492,101)
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)


Chief Financial Officer


Director

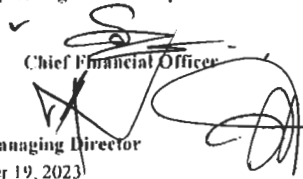

Company Secretary


Chairman

October 19, 2023
Dhaka

ICB Islamic Bank Limited
Statement of Cash Flows
for the period ended 30 September 2023 (Un-audited)

Particulars	<u>30-Sep-23</u>	<u>30-Sep-22</u>
	<u>Taka</u>	<u>Taka</u>
A) Cash flows from operating activities		
Investment income receipts in cash	144,214,357	180,248,338
Profit paid on deposits	(293,762,488)	(286,570,428)
Dividend receipts	1,427,953	1,427,953
Fees and commission receipts in cash	13,268,900	21,148,743
Recoveries of Investments previously written off	6,170,222	227,407,113
Cash payments to employees	(192,385,402)	(156,212,560)
Cash payments to suppliers	(1,412,659)	(1,689,751)
Income taxes paid	(610,374)	(762,421)
Receipts from other operating activities	43,697,105	35,842,472
Payments for other operating activities	(145,368,497)	(146,360,328)
Cash generated from operating activities before changes in operating assets and liabilities	(424,760,884)	(125,520,869)
Increase / (decrease) in operating assets and liabilities		
Statutory deposits	-	-
(Purchase)/Maturity of trading securities (Treasury bills)	-	-
Investments to other banks	-	-
Investments to customers	223,763,071	252,259,563
Placement from banks & other financial institutions	(300,000)	(200,000)
Other assets	10,864,901	(17,200,387)
Deposits from other banks / borrowings	-	-
Deposits received from customers	137,045,686	(450,987,317)
Other liabilities account of customers	-	-
Trading liabilities	-	-
Other liabilities	(50,704,733)	(59,807,206)
	<u>320,668,926</u>	<u>(275,935,347)</u>
Net cash used in operating activities	(104,091,958)	(401,456,215)
B) Cash flows from investing activities		
Debtentures	-	-
Proceeds from sale of securities	-	-
Payments for purchases of securities	-	-
Purchase of property, plant and equipment	(2,291,397)	(2,078,618)
Payment against lease obligation	-	-
Proceeds from sale of property, plant & equipment and Non-banking assets	-	1,500
Net cash used in investing activities	(2,291,397)	(2,077,118)
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)	(106,383,355)	(403,533,333)
E) Effects of exchange rate changes on cash and cash equivalents	11,498,238	17,355,057
F) Cash and cash equivalents at beginning of the period (1st Jan 2023)	983,266,414	1,556,083,173
G) Cash and cash equivalents at end of the period (D+E+F)	888,381,297	1,169,904,896
Cash and cash equivalents at end of the period		
Cash in hand (including foreign currencies)	193,716,730	216,829,089
Balance with Bangladesh Bank and its agent bank (s)(including foreign currencies)	152,512,485	521,976,807
Balance with other banks and financial institutions	25,457,084	31,298,999
Placement with banks & other financial institutions	516,694,999	399,800,000
Reverse repo	-	-
Prize bonds	-	-
	<u>888,381,297</u>	<u>1,169,904,896</u>
Net Operating Cash Flow per share- NOCFPS (Taka)	(0.16)	(0.60)

Chief Financial Officer

Managing Director
October 19, 2023
Dhaka

Director

Company Secretary

Selective Notes to the Financial Statements as on September 30, 2023.

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 2023.

02 Net Asset Value (NAV) Per Share	Sep-23	Dec-22
Total Assets	10,111,475,542	10,405,369,063
Total Liabilities	22,792,967,643	22,711,851,555
Net Assets	(12,681,492,100)	(12,306,482,493)
Ordinary Share outstanding	664,702,300	664,702,300
Net Asset Value (NAV) Per S	(19.08)	(18.51)
03 Earning per Share (EPS)	Sep-23	Sep-22
Net profit after Tax	(375,009,609)	(73,996,552)
Ordinary Share outstanding	664,702,300	664,702,300
Basic Earning per Share (EPS)	(0.56)	(0.11)
04 Net Operating Cash Flows per Share (NOCFPS)	Sep-23	Sep-22
Net cash used in operating activities	(104,091,958)	(401,456,215)
Ordinary Share outstanding	664,702,300	664,702,300
Net Operating Cash Flows per Share (NOCFPS)	(0.16)	(0.60)
Reconciliation of net profit with cash flows from operating activities	Sep-23	Sep-22
Net profit after taxation	(375,009,609)	(73,996,552)
Adjustment of non cash and non operating items:		
Depreciation	4,607,900	5,973,149
Provision for Tax	1,270,457	2,950,977
Provision for Investments and Others	(50,000,000)	(40,000,000)
	(419,131,253)	(105,072,425)
Changes in operating assets and liabilities:		
Changes in Investments to customers	223,763,071	252,259,563
Changes in deposits and other accounts	212,120,821	(450,987,317)
Changes in Borrowing	(300,000)	(200,000)
Changes in other assets	(10,864,901)	(17,200,387)
Changes in other liabilities	(109,679,697)	(80,255,649)
Net cash flows from operating activities	(104,091,958)	(401,456,215)
Net Operating Cash Flows per Share (Taka)	(0.16)	(0.60)

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

Net Operating Cash Flow per share- NOCFPS were (0.16) on 30 September 2023 but it were (0.60) on 30 September 2022 mainly due to increase of cash inflows from deposits.

06 Taxation

Current Tax

The bank was not required to provide income tax as it has previous 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.

	<u>Sep-23</u>	<u>Sep-22</u>
Gross receipt		
Investment Income	148,606,652	207,431,182
Income from investments in shares and securities	2,827,941	2,177,953
Commission, Exchange and Brokerage	13,268,900	21,148,743
Other operating income	47,039,386	261,071,632
Total Receipt	<u>211,742,879</u>	<u>491,829,510</u>
Minimum Tax @ 0.60%	<u>1,270,457</u>	<u>2,950,977</u>

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

	<u>Sep-23</u>	<u>Sep-22</u>
Provision held as on 1 January	3,591,000,779	3,631,316,907
Add: Net charge to profit and loss account	(50,000,000)	(40,000,000)
Add: Provision transfer from Others Provision	-	-
Crossing balance of provision	<u>3,541,000,779</u>	<u>3,591,316,907</u>
Provision required as per Bangladesh Bank's guidelines	<u>3,529,331,008</u>	<u>3,538,609,858</u>
Provision Excess/ (Short)	<u>11,669,771</u>	<u>52,707,049</u>


Chief Financial Officer


Company Secretary


Managing Director


Director


Chairman

Dhaka
October 19, 2023