

# Auditor Report

**Adel Ismael Hassan Al-Shaibi**  
**Chartered accountant & Auditor**  
**Member of the Iraqi certified accountant Associaion**

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**No:238/28/2024**

**Date:7/April/2024**

**To Messrs : Shareholders of Al-Ansari Islamic Bank for Investment and Finance (P.S.C)**

**Auditor's report**

**Opinion...**

We have audited the attached financial statements of Al Ansari Islamic Bank for Investment and Finance (a private joint stock company), which consist of the statement of financial position as of December 31, 2023, and the statements of income and other comprehensive income, cash flows, and changes in equity for the year ending on that date, and the clarifications. About the financial statements, including a summary of the most important accounting policies.

In our opinion, the attached financial statements present fairly, in all material respects, the financial position as of December 31, 2023, and its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards.

**Basis of Opinion**

The audit process was conducted in accordance with international auditing standards. Our responsibility under these standards is more detailed in the auditors' responsibilities regarding auditing the financial statements contained in this report. We are independent from the bank in accordance with the Code of Ethics for Professional Accountants issued by the International Ethical Standards Board for Accountants, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Key audit matters**

The key audit matters are those matters that, according to our professional judgment, were the most material during the audit of the financial statements for the year ending December 31, 2023. They were studied within the scope of the audit of the financial statements as a whole, in order to express our opinion on these statements, and we do not express a separate opinion on them. For each of these situations described below, details have been provided of how they were addressed in the audit process in that context.

We have fulfilled our responsibilities mentioned in the auditors' responsibilities section regarding auditing the financial statements contained in our report, in addition to all matters related thereto. Accordingly, our audit includes performing procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures to address the cases referred to below, provide the basis for our audit opinion on the accompanying financial statements.

**We have the following clarifications and observations:**

### **First: Applying international accounting standards**

Al Ansari Islamic Bank has implemented international accounting standards for the eighth year in a row.

1. As for Islamic financing instruments, the relevant controls have been applied, guided by the standards of the Accounting and Auditing Organization for Islamic Financial Institutions contained in the book of the Central Bank of Iraq 9/3/289 dated 1/8/2018.
2. The bank did not apply the International Accounting Standard IAS 36 (Impairment of Assets) during the year subject to the audit.

### **3. International Financial Reporting Standard IFRS 9:**

The bank applied International Financial Reporting Standard No. 9 IFRS, and the required allocations were calculated to meet the changes occurring in expected credit losses (for Islamic cash financing, investments, and pledged credit), guided by the directives of the Central Bank of Iraq contained in its letter 9/6/466 on 26/12/2018, and the results of the application were Compliant with the requirements of the aforementioned standard, and the result of the calculation was as shown in Note No. (4), Paragraph (A) of the notes attached to the financial statements.