A guide to interpreting the five-year financial model

Akkad Islamic Digital Bank

Explanatory note directed to management and the regulatory reviewer to understand the model structure, assumptions, calculations, and control logic for each worksheet of the Excel financial model.

item	the details
Model name	Akkad_Islamic_Digital_Bank_5Y_Financial_Model_Aug2026_CBI_BusinessPlan_Enhanced_Index.xlsx
Purpose	Interpreting the final financial model and supporting its review within the submission package for an Islamic digital bank to the Central Bank of Iraq.
Range	Five-year, no-branch digital bank model, with a main administrative office, digital channels, call center, and cash support via ATM, partners or agents after certification.
Release date	2026-06-14
Document status	English edition prepared for regulatory and management review.

1. Purpose of the guide

This guide aims to enable the CBI auditor or the internal management team to understand the financial model before getting into the details of the cells and equations. This guide does not replace the model itself, but it explains the logic of construction, the worksheet structure, the method of reading, and the relationship of each worksheet to the licensing and oversight requirements of the Islamic digital bank.

The model is designed on the basis of a digital bank with no public branches, with a main administrative office, digital channels, a call center, cash support via ATMs or partners or agents after approval, with tiered technical and supervisory controls.

2. How to read the model

- Start at the Cover worksheet, and use the clickable index to get to the main worksheets.
- Review the Sources worksheet and the Assumptions worksheet before reading the financial outputs, as they explain the data sources and underlying assumptions.
- Read the Market Calibration worksheet and the Monthly Model worksheet to understand how market assumptions translate to monthly and then yearly growth.
- Use the annual summary and dashboards as a management summary, then move on to the detailed financial statements.
- Review the Central Bank of Iraq, expected credit loss (ECL) and Regulatory Reports pages to understand the impact of regulatory requirements, accounting and Sharia standards.
- Read worksheets covering competitors, customer segments, products, governorates, underserved segments, and agents; Because it explains the business plan layer and not just the financial numbers.

3. Index of financial model worksheets

No.	English worksheet name	Excel tab name
1	Cover	Cover
2	Sources and references	Sources
3	Basic assumptions	Assumptions
4	Market calibration	Market_Calibration
5	Monthly model	Monthly_Model
6	Annual summary	Annual_Summary
7	Dashboard	Dashboard
8	Scenarios	Scenarios
9	Model checks	Checks
10	Regulatory framework	Reg_Framework
11	Basel and the Central Bank of Iraq	Basel_III_CBI

No.	English worksheet name	Excel tab name
12	Sharia and accounting standards for Iraq	AAOIFI_IFRS_Iraq
13	Regulatory stress tests	Reg_Stress_Checks
14	Enhanced Dashboard	Enhanced_Dashboard
15	Income statement	FS_Income_Statement
16	Balance sheet	FS_Balance_Sheet
17	Cash flows	FS_Cash_Flows
18	Statement of Changes in Shareholders' Equity	FS_Shareholders_Equity
19	Financial statement checks	FS_Checks
20	Credit loss assumptions	ECL_Assumptions
21	Expected Credit Loss (ECL) Module	ECL_Module
22	ECL Sensitivity	ECL_Sensitivity
23	ECL Accounting Map	ECL_Accounting_Map
24	CBI Provisioning Checklist	CBI_Provision_Checklist
25	Central Bank of Iraq readiness costs	CBI_Readiness_Costs
26	Central Bank of Iraq standards map	CBI_Standards_Mapping
27	Deposit Cap Check	Deposit_Cap_Check
28	Quarterly and supervisory reports	Quarterly_Reg_Report
29	Competitor analysis	Competitor_Analysis
30	Customer segmentation	Customer_Segmentation
31	Product and pricing map	Product_Roadmap_Pricing
32	Governorate and channel strategy	Governorate_Channel_GTM
33	Underserved segments	Underserved_Segments
34	Agent and cash support	Digital_Agents_Cash_Model

4. Interpreting pages and linking them to the model

No.	Worksheet	Excel tab	Purpose and method of reading	Linking to the model and the Central Bank of Iraq
1	Cover	Cover	Displays the form title, scope, and clickable page index. It first reads to check the model copy, then uses the index to navigate to the pages	It links all pages of the form into a single entry point for the supervisory auditor or management
2	Sources and references	Sources	Records data sources and regulatory documents used. Reviews to verify the source of each assumption or control standard	Supports auditability and proves that the model is based on stated references
3	Basic assumptions	Assumptions	Combines capital, growth, expense, infrastructure, and operating assumptions. Reads as a central input page; Any change in it is reflected in the outputs	It represents the core assumption engine for financial statements and forecasts
4	Market calibration	Market_Calibration	Links market size and opportunity to growth assumptions. Used to understand the logic of customer estimates, deposits and activity	It represents a market bridge between market estimation methodology and financial model
5	Monthly model	Monthly_Model	Shows the evolution of the model monthly during the construction and operation period. Read to track launch timing, customer growth, revenue, and monthly costs	Supports interim analysis before converting results into an annual summary
6	Annual summary	Annual_Summary	Summarizes the main annual results for the five years. It reads as the first management page after the cover to see the general trend	It feeds dashboards, financial statements, and capital and liquidity indicators
7	Dashboard	Dashboard	Displays brief management indicators. Read to find out the most important numbers and trends quickly	Supports the executive decision and summarizes the model outputs

No.	Worksheet	Excel tab	Purpose and method of reading	Linking to the model and the Central Bank of Iraq
8	Scenarios	Scenarios	Displays the base scenario and alternative sensitivities or cases. Compares situations to understand the impact of a change in growth, cost or risk	Supports management and oversight discussion about plan flexibility
9	Model checks	Checks	Includes internal consistency and linking tests. Read to ensure that there are no gaps or internal linkage errors	It represents an internal control layer on the model
10	Regulatory framework	Reg_Framework	Clarifies general regulatory requirements with financial impact. Reviews to link financial plan to licensing and compliance requirements	The model links to the Central Bank of Iraq framework
11	Basel and the Central Bank of Iraq	Basel_III_CBI	Displays capital and liquidity indicators linked to the requirements of the Central Bank of Iraq. Read to monitor capital adequacy, liquidity coverage and stable financing	Supports the readiness of supervisory reports
12	Sharia and accounting standards for Iraq	AAOIFI_IFRS_Iraq	The model links Sharia and accounting standards applicable in Iraq. Read to understand the treatment of Islamic finance and financial reporting	Supports the consistency of the model with the nature of the digital Islamic bank
13	Regulatory stress tests	Reg_Stress_Checks	Presents key stress tests on capital, liquidity and growth. Read to find out the model's ability to withstand negative scenarios	Supports risk discussion before the CBI and management
14	Enhanced Dashboard	Enhanced_Dashboard	Displays additional indicators and summary alerts. Read past the follow-up panel for a broader view	Links operational and control indicators into an executive view
15	Income statement	FS_Income_Statement	Displays revenues, expenses and annual results. Read to evaluate profitability, break-even point, and expense compression	It represents one of the basic financial outputs
16	Balance sheet	FS_Balance_Sheet	Displays assets, liabilities and equity. Read to understand deposits, cash, financing, and capital	Links operational growth to financial position
17	Cash flows	FS_Cash_Flows	Displays cash movement by operation, investment and financing. Read to assess funding and liquidity requirements	Supports capital and financing adequacy assessment
18	Statement of Changes in Shareholders' Equity	FS_Shareholders_Equity	It displays the movement of capital and accumulated profits or losses. Read to understand the impact of equity tranches and gains or losses	Supports solvency and financing analysis
19	Financial statement checks	FS_Checks	Verifies the relevance and consistency of financial statements. Reads to ensure that lists do not contain linking differences	It represents a quality test of financial outputs
20	Credit loss assumptions	ECL_Assumptions	Displays credit risk assumptions and provisions. Read before ECL module to understand the measurement approach	Supports the credit loss standard and provisioning requirements
21	Expected Credit Loss (ECL) Module	ECL_Module	Calculates expected credit losses (ECL). Read to find out the impact of staged financing on allocations	It links Islamic finance to credit risk
22	ECL Sensitivity	ECL_Sensitivity	Shows the impact of changing credit loss assumptions. Reads to evaluate the sensitivity of profitability and capital to risk	Supports credit stress test
23	ECL Accounting Map	ECL_Accounting_Map	Links provisions to accounting treatment. Read to understand how expected credit losses are reflected (ECL) in income and financial position	Supports consistency between accounting and risk
24	CBI Provisioning Checklist	CBI_Provision_Checklist	Compares the allocation approach with the requirements of the Central Bank of Iraq. Reads like a regulatory checklist	Supports the readiness of the regulatory file
25	Central Bank of Iraq readiness costs	CBI_Readiness_Costs	It presents additional costs for systems, compliance, cybersecurity, and oversight. Read to understand why capital and operating expenditures increase after reversing observations	Links CBI observations to direct financial impact
26	Central Bank of Iraq standards map	CBI_Standards_Mapping	Each control requirement is linked to where it is reflected in the model. It reads as an audit trail of the location of each treatment within the workbook	Represents an internal compliance map for the auditor.

No.	Worksheet	Excel tab	Purpose and method of reading	Linking to the model and the Central Bank of Iraq
27	Deposit Cap Check	Deposit_Cap_Check	Examines the limits of individual and institutional deposits according to the assumptions of the Central Bank of Iraq. Read to see if the average deposit is within planning limits	Supports the control of deposit limits and the protection of depositors
28	Quarterly and supervisory reports	Quarterly_Reg_Report	Displays the required quarterly and monthly reporting indicators. Read to know periodic capital and liquidity indicators and alerts	Supports ongoing reporting readiness after licensing
29	Competitor analysis	Competitor_Analysis	Compares Akkad Bank with selected Iraqi reference banks and identifies opportunities for excellence. Read to understand the rationale for digital positioning and strategy	Supports business plan requirements and market analysis
30	Customer segmentation	Customer_Segmentation	It presents the target segments, their needs and risks. Reads to evaluate product and channel compatibility with customers	Connects the market to products and forecast assumptions
31	Product and pricing map	Product_Roadmap_Pricing	Displays gradual product launches and indicative pricing logic. Read to understand what will be launched, when, and how it is priced	Links future revenue to products, Sharia and regulatory approvals
32	Governorate and channel strategy	Governorate_Channel_GTM	It displays the expansion plan by governorate and channel, with no public-facing branches. Read to understand launch priorities and channel risks	Links geographic growth to a no-branch digital banking model
33	Underserved segments	Underserved_Segments	Explains underserved segments and the justifications for financial inclusion. Read to understand why Islamic digital banking is needed	Supports market justifications and financial inclusion
34	Agent and cash support	Digital_Agents_Cash_Model	Displays the digital bank agent model and cash deposits and withdrawals. Read to understand no-branch digital cash support and bank liability	Connects channel strategy to agent controls, settlement and compliance

5. Pages that require special attention

The following pages have been added or enhanced to address business plan and organizational readiness notes. Therefore, the reviewer should read them carefully before judging the consistency of the model with the requirements of the Central Bank of Iraq.

5.1 Competitor analysis

Excel tab:

Competitor_Analysis

- The page proves that the business plan does not assume growth in a vacuum, but rather compares Akkad Digital Bank with reference Iraqi banks in terms of strength, gaps, and opportunities.
- The page is read from two angles: the strength of the current competitor, and the gap that an Islamic digital bank with no public-facing branches can target through ease of registration and speed of service.
- The page supports the rationale for the strategy and growth gradient, but needs to be updated as actual price and market share data becomes available.

5.2 Product and pricing map

Excel tab:

Product_Roadmap_Pricing

- The page explains that revenues arise from a phased launch starting with digital account, cards, and payments, then SME services, and then Islamic finance after readiness is complete.
- The pricing provided is schematic and not final, and is subject to the approval of management, the Sharia Board, disclosure rules, and the requirements of the Central Bank of Iraq.
- The page links to revenues, technical expenses, expected credit losses (ECL), and capital; Because each stage adds different costs and risks.

5.3 Unserved segments

Excel tab:

Underserved_Segments

- The page explains the rationale for financial inclusion through segments that are difficult to serve efficiently through traditional branches, such as youth, women and families, small business owners, and areas outside city centers.

- The page reads as evidence that growth is built on expanding the banking market through digital channels and cash agents where needed, not just transferring existing clients from other banks.
- The page explains the need to invest in customer experience, digital customer verification, contact center and compliance costs in the early years.

5.4 Agent and cash support model

Excel tab:

Digital_Agents_Cash_Model

- The page explains how cash deposits and withdrawals can be supported through authorized cash agents or partners, without operating public-facing branches.
- The page confirms that the final responsibility remains with the bank in selecting the agent, training, monitoring, settling its operations, handling complaints, and adhering to AML and counter-terrorism financing requirements.
- The page links to regulatory readiness costs, governorate and channel strategy, and deposit growth.

5.5 Deposit Cap Check

Excel tab:

Deposit_Cap_Check

- The page addresses a sensitive regulatory requirement relating to customer deposit limits, and provides a schematic examination of average deposits for individuals and institutions.
- The page reads as an initial financial examination and not as a final regulatory system; Real supervision must be applied at the customer level within the core banking system.
- The page is related to balance sheet, deposits, liquidity, and depositor protection.

6. General regulatory and financial logic

- The model does not assume the existence of public branches, and any geographical expansion takes place through digital channels, call centers, cash partners or agents in accordance with regulatory approval.
- CBI readiness costs are reflected in a separate layer that includes systems, cybersecurity, AML and counter-terrorism financing, payments, reporting, governance, and agent oversight.
- Financial statements are affected by the timing of product launches, the number of active customers, deposits, technical and regulatory expenses, and the maturity of the Islamic finance portfolio.
- The expected credit losses (ECL), Provisions, and Accounting and Sharia Standards pages do not provide a final accounting opinion, but rather provide a planning framework that must subsequently be approved by the financial department, the external auditor, and the Sharia Board.
- The Deposit Limits Check page provides a schematic check, and should subsequently be supplemented by systemic controls at the client level within the core banking and operational system.

7. Model limitations and review notes

- The model is a financial planning model and not an operational AML system. Therefore, customer limit controls, monitoring, and credit bureau linking must be implemented within operational systems and not just within an Excel file
- Analysis of competitors, segments, and prices is qualitative and schematic, and should be updated when market data, actual pricing, or field studies are available.
- The numbers are subject to update when final approvals or additional instructions are issued by the Central Bank of Iraq, or when supplier contracts and systems are approved
- This guide should be used in conjunction with the financial model and not alone, because final judgment requires review of equations, assumptions, and references

8. References used

Ref	file name	Use within the guide and model
Digital Bank Licensing Instructions System issued by the Central Bank of Iraq	Regulations for Licensing Digital Banks_v12_AR.pdf	Licensing requirements, capital, deposit limits, governance, channels and general controls.

Ref	file name	Use within the guide and model
Detailed assessment guide for digital banking standards for 2026	Quarterly standard.pdf	Assessment criteria, technology readiness, reporting, compliance, liquidity, governance, and operational controls.
The final indexed financial model	Akkad_Islamic_Digital_Bank_5Y_Financial_Model_Aug2026_CBI_BusinessPlan_Enhanced_Index.xlsx	The source of the page names and final structure explained by this guide.

9. Executive summary for references

The final financial model reflects a complete structure for an Islamic digital bank in Iraq, combining financial projections, capital and liquidity requirements, regulatory readiness costs, deposit controls, agent and cash support model, and a detailed business plan that includes competitors, segments, products, and portfolios. Thus, the model becomes a suitable interpretive and planning tool for the initial review, while the need remains to complete operational manuals, supplier contracts, approved policies, and approvals from the competent authorities before actual operation.