



# BAKER TILLY ARMENIA

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15 March 2013

№ 021303



**CONFIRMED BY:**

**P. GEVORGYAN**

**Managing Partner  
Baker Tilly Armenia CJSC**

License for auditing N054 awarded by Ministry of Finance  
and Economy of the Republic of Armenia

## **INDEPENDENT AUDITOR'S REPORT**

**To ECLOF Foundation, the only participant of the  
"ECLOF" Universal Credit Organization LLC**

We have audited the accompanying financial statements of the "ECLOF" Universal Credit Organization LLC as of December 31, 2012, which comprise the Statement of Financial Position, the Statement of Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow, as well as the summary of the accounting policies and other explanatory notes.

### *Management's responsibility for the financial statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards. This responsibility includes development, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements free from material misstatement due to fraud or error, selection and implementation of appropriate accounting policies, as well as preparation of reasonable accounting estimates relevant to present circumstances.

*Auditor's responsibility*

Our responsibility is to express an opinion of the given financial statements based on the conducted audit. We have carried out the audit according to the International Standards on Auditing. These standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free from material misstatements.

Audit includes performing procedures to obtain audit evidence about the amounts and disclosures presented in the financial statements. The choice of the procedures depends on the auditor's judgment, including the assessment of the risks arising from the misstatements in the financial statements whether due to fraud or an error. In making the risk assessment, the auditor considers the internal control of the "ECLOF" UCO LLC over the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the present circumstances, but not for the purpose of expression of an opinion regarding the effectiveness of the "ECLOF" UCO LLC's internal control. The audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of accounting estimates carried out by the management, as well as evaluation of the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate enough to provide a basis for our audit opinion.

**Auditor's Opinion on the Financial Statements**

In our opinion, the financial statements give a true and fair view of "ECLOF" UCO LLC's financial position as at 31 December, 2012, and of its annual financial performance and cash flows for the period then ended, in accordance with requirements of the RA law "On Accounting" and International Financial Reporting Standards.

K. Assilian *Kerovk Assilian*

Auditor

13.03.2013

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## ***"ECLOF" UCO LLC***

"ECLOF" Universal Credit Organization LLC (hereinafter, the Company) was founded by the "Armenian Ecumenical Church Loan Fund" Foundation on 30.08.2006, according to the decision of the meeting of Board of Trustees (Board meeting minutes № 5).

The address of location and operation of the "ECLOF" Universal Credit Organization is RA, Etchmiadzin, Baghranmyan Str., 2/1.

The lease agreement for the mentioned office space was signed on 06.12.2011.

The founder and only participant of the Universal Credit Organization is ECLOF Foundation.

The preliminary approval of the Board of the RA Central Bank as regards significant participation of the "Armenian Ecumenical Church Loan Fund" Foundation in the statutory fund of the Universal Credit Organization LLC was given by the Board of the RA CB on the basis of the "Licensing and Control" Commission's conclusion as of 12.10.2006 (Minutes № 47).

The Charter of the "ECLOF" Universal Credit Organization LLC was registered with the RA Central Bank on 17.10.2006 (reg. № 17) according to the RA CB's Decision № 617A.

A change in the Charter (item 1.9) was made as of 29.01.2007 according to the Decision 1/83 A of President of the RA Central Bank; the new version of the Charter and the change in the chartered capital were registered as of 29.07.2009 according to the decision 1/963 of President of the RA Central Bank.

According to the Decision 1/051 A of President of the RA Central Bank the updated Charter and the change in the chartered capital were registered as of 16.10.2012.

The activity and objectives of the Company are regulated by the RA law "On Credit Organizations" and fixed by the Company Charter.

"ECLOF" Universal Credit Organization LLC was provided with the license № 17 (17.10.2006) by the RA Central Bank to realize non-cash financial transactions and lending activity in Armenian Drams and foreign currency on the basis of the conclusion as of 12.10.2006 (Minutes № 47) of the CBA Licensing and Control Commission.

A renaming was made in 2010, that is the name of the Company was changed from "Ecumenical Church Loan Fund" Universal Credit Organization LLC to "ECLOF" Universal Credit Organization LLC, based on the CBA Board Decision № 284 as of 03.09.02 and CBA President Decision № 1/1641 U as of 09.11.10.

The Board members of the "ECLOF" Universal Credit Organization LLC are: Tigran Hovhannisyan (ground – the Decision 1/1241A of the RA CB President as of 29.09.2009 on the basis of the Minutes № 44 of the CBA Licensing and Control Commission as of 23.09.2009), Karine Papujyan (ground – the Decision 1/232A of the RA CB President as of 22.03.2010 on the basis of the Minutes № 10 of the CBA Licensing and Control Commission as of 17.03.2010), and Hayk Khemchian (ground – the Decision 1/184A of the RA CB President as of 13.03.2013; Chairman of the Board - Tigran Hovhannisyan (ground – the "ECLOF" Universal Credit Organization LLC's Board Minutes № 1 as of 30.09.2009).

Executive Director of the "ECLOF" Universal Credit Organization LLC is Armen Muradyan (ground – the Decision 1/1229A of the RA CB President as of 27.11.2012).

Chief Accountant of the "ECLOF" Universal Credit Organization LLC is Vahan Yenokyan (ground – the Decision 1/702 A of the RA CB President as of 06.07.2010, based on the Minutes № 28 of the CBA Licensing and Control Commission as of 30.06.2010).

**Statement of Comprehensive Income**

For the year ended 31 December 2012

Description	Notes	AMD ths.	
		Reporting period 2012	Previous period 2011
Interest and similar income	3	222,820	215,524
Interest and similar expense	4	(68,390)	(72,341)
<b>Net interest income</b>		<b>154,430</b>	<b>143,183</b>
Income in the form of a dividend		-	-
Commissions and other income		16,049	15,036
Commissions and other expense		(77)	(119)
Net profit/(loss) from investments kept for trade purposes	5	-	-
Net profit/(loss) from investments available for sale	6	-	-
Net profit/(loss) from held-to-maturity investments		-	-
Net profit/(loss) from foreign currency transactions	7	(559)	(7,121)
Other operating income	8	55,897	34,567
<b>Operating income</b>		<b>225,740</b>	<b>185,546</b>
Losses from loans and other borrowings	9	(110,182)	(99)
General administrative expenses	10	(79,528)	(90,437)
Other operating expenses	11	(6,975)	(9,419)
<b>Profit before taxation</b>		<b>29,055</b>	<b>85,591</b>
Expense/refund as regards Profit Tax	12	6,384	19,550
<b>Profit for the year</b>		<b>22,671</b>	<b>66,041</b>
Basic earning per share		-	-
Diluted earning per share		-	-

A. Muradyan  
Executive Director

V. Yenokyan  
Chief Accountant

Approval Date: 27.02.2013



**Statement of Financial Position**

For the year ended 31 December 2012

AMD ths.

Description	Notes	Reporting period 2012	Previous period 2011
<b>1 ASSETS</b>			
1.1 Cash means and bank accounts	13	7,006	17,337
1.2 Financial investments kept for trade purposes	14	-	-
1.3 Placements with banks	15	108,900	990
1.4 Other placements with money-market	16	-	-
1.5 Loans and other advances provided to customers	17	953,753	1,202,005
1.6 Investments available for sale	18	-	-
1.7 Receivables as regards other transactions	19	-	-
1.8 Held-to-maturity investments	20	-	-
1.9 Receivables as regards lease	21	-	-
1.10 Investments in other persons' chartered capital		-	-
1.11 Capital investments in property, plant and equipment and intangible assets		6,974	7,381
1.12 Property, plant and equipment and intangible assets	22	8,396	13,973
1.13 Deferred tax assets		-	-
1.14 Interests receivable	23	4,236	539
1.15 Other assets	24	20,349	15,052
<b>Total Assets</b>		<b>1,109,614</b>	<b>1,257,277</b>
<b>2 LIABILITIES</b>			
2.1 Loans and borrowings received from banks	25	-	50,000
2.2 Other borrowings received from the money-market	26	-	-
2.3 Borrowings involved from customers	27	486,434	681,584
2.4 Amounts due to RA Government		-	14,172
2.5 Amounts payable as regards lease		220	310
2.6 Securities issued by the Credit Organization	28	-	-
2.7 Reserves		-	-
2.8 Amounts payable	29	-	-
2.9 Deferred tax liabilities		-	-
2.10 Interests payable		9,226	2,122
2.11 Other liabilities	30	75,355	110,267
<b>Total liabilities</b>		<b>571,235</b>	<b>858,455</b>
<b>3 Capital</b>			
3.1 Chartered capital	31	515,707	369,000
3.2 Reserves		-	-
3.2.1 Main reserve		-	-
3.2.2 Revaluation reserves	32	-	-
3.3 Accumulated profit		22,672	29,822
<b>Total capital</b>		<b>538,379</b>	<b>398,822</b>
<b>Total liabilities and capital</b>		<b>1,109,614</b>	<b>1,257,277</b>

A. Muradyan  
Executive Director

V. Yenokyan  
Chief Accountant



**Statement of Changes In Equity**

For the year ended 31 December 2012

Previous period 2011

AMD ths.

Description	Chartered capital	Main reserve	Accumulated profit	Total
<b>Items</b>				
Balance as of 31 December, 2010	350,000	-	(36,220)	313,780
Overall results of changes in the accounting policy and adjustment of material errors.	-	-	-	-
<b>Recalculated balance</b>	<b>350,000</b>	<b>-</b>	<b>(36,220)</b>	<b>313,780</b>
Total gains/losses directly recognized in equity				
Investments in chartered capital	19,000	-	-	19,000
Dividends	-	-	-	-
Net profit/loss	-	-	66,042	66,042
Internal movement	-	-	-	-
<b>Balance as of 31 December, 2011</b>	<b>369,000</b>	<b>-</b>	<b>29,823</b>	<b>398,823</b>

Reporting period 2012

AMD ths.

Description	Chartered capital	Main reserve	Accumulated profit	Total
<b>Items</b>				
Balance as of 31 December, 2011	369,000	-	29,823	398,823
Overall results of changes in the accounting policy and adjustment of material errors.				
<b>Recalculated balance</b>				
Total gains/losses directly recognized in equity				
Investments in chartered capital	146,707			146,707
Dividends			(29,823)	(29,823)
Net profit/loss			22,672	22,672
Internal movement				
<b>Balance as of 31 December, 2012</b>	<b>515,707</b>		<b>22,672</b>	<b>538,379</b>

A. Muradyan  
Executive Director

V. Yenokyan  
Chief Accountant



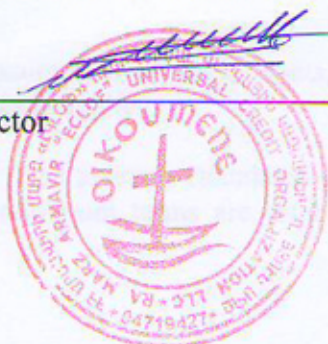
**STATEMENT OF CASH FLOWS**

For the year ended 31 December 2012

*AMD ths.*

Description	Reporting period 2012	Previous period 2011
<b>1. Cash flows from operating activities</b>	<b>32,484</b>	<b>16,522</b>
<i>Net cash flows before changes in operating assets and liabilities</i>	<i>209,033</i>	<i>156,319</i>
Interest received	218,584	215,524
Interest paid	(59,164)	(70,219)
Recovery of losses	45,345	43,812
Dividends received	-	-
Net commissions received	71,946	44,863
Salaries and other equivalent payments	(38,713)	(59,645)
Taxes paid	(28,965)	(18,016)
<b>Cash flows from changes in operating assets and liabilities</b>	<b>(176,549)</b>	<b>(139,797)</b>
Decrease/(increase) in distributed funds	(157,081)	(17,203)
Increase (decrease) of the loans drawn	(144,468)	(91,091)
Decrease/(increase) in securities kept for trade purposes and held to maturity	-	-
Decrease/(increase) in receivables as regards financial lease	-	-
Net cash flows from other operating activities	125,000	(31,503)
<b>2. Cash flows from investing activities</b>	<b>(654)</b>	<b>(90)</b>
Decrease/(increase) in held-to-maturity securities	-	-
Decrease/(increase) of investments in other persons' chartered capital	-	-
Decrease/(increase) of capital investments in property, plant and equipment and intangible assets	(123)	-
Acquisition of property, plant and equipment and intangible assets	(531)	(90)
Disposal of property, plant and equipment and intangible assets	-	-
Net cash flows from other investing activities	-	-
<b>3. Cash flows from financing activities</b>	<b>(29,823)</b>	<b>19,000</b>
Dividends paid	(29,823)	-
Increase/(decrease) in loans received from banks	-	-
Increase/(decrease) in other borrowings received	-	-
Increase/(decrease) in securities issued by credit organizations	-	-
Shareholders' investments in Chartered Capital	-	19,000
Increase/(decrease) in amounts payable as regards financial lease	-	-
Net cash flows from other financing activities	-	-
Currency conversion effect on cash and cash equivalents	(12,442)	(20,327)
<b>Net cash flows</b>	<b>(10,435)</b>	<b>15,105</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>17,512</b>	<b>2,407</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>7,077</b>	<b>17,512</b>

A. Muradyan  
Executive Director



V. Yenokyan  
Chief Accountant



**NOTES ATTACHED TO THE ANNUAL FINANCIAL STATEMENTS**

**For the year ended 31 December 2012**

**"ECLOF" Universal Credit Organization LLC**

Etchmiadzin, Baghramyan Str., 2

**1. Legal Framework**

"ECLOF" UCO LLC was founded by the "Armenian Ecumenical Church Loan Fund" Foundation on 30.08.2006, according to the decision of the Board of Trustees meeting (Board meeting minutes № 5).

"ECLOF" UCO LLC started its financial activity from 17.10.2006, date of registration of the Charter (Reg. № 17), according to the CB RA Board decision № 617A.

The Company has been registered at the address RA, Etchmiadzin, Baghramyan Str., 2/1, and it carries on its activities at the address RA, Etchmiadzin, Baghramyan Str., 2/1.

Of the non-cash financial transactions allowed by the RA Central Bank license № 17, "ECLOF" Universal Credit Organization LLC at present realizes provision of loans in Armenian Drams and US Dollars at fixed rates.

"ECLOF" UCO LLC cannot draw loans through public offers.

As of the end of the reporting period, the number of the "ECLOF" UCO LLC's employees was 20.

**2. Accounting Policy**

Financial income received from loans and lending provided and expenses from the borrowings involved are acknowledged daily and calculated according to the contracted annual interests, providing that there are 365 days in the year and that the financial income and expenses attributed to the non-working days are acknowledged in the following working day.

A reserve for possible losses as regards loans and accounts receivable (assets) is created taking into account the internal regulation relating to reserves for receivables, developed in accordance with the requirements of the regulation "On Classification of the loans and accounts receivable as well as formation of possible losses reserves of the banks operating within the territory of the Republic of Armenia" jointly established by the order 63 of the CBA Board as of 27.04.1999 and the order 214-A of the Ministry of Finance and Economy as of 04.06.1999.

The effect of adjustment of material errors and changes in the accounting policy is reflected in the profit or loss of the reporting year.

The Company acknowledges a financial asset or financial liability in its balance sheet when it becomes a contractual party to the financial instrument.

After the initial acknowledgement, financial assets and liabilities are measured at their fair value.

All exchange rate differences are acknowledged as an income or expense in the period of their appearance.

For further measurement of fixed assets, the approach of cost less accumulated depreciation and impairment losses is applied.

Depreciation of fixed assets is calculated during their useful life according to the straight-line method. The following minimum terms are established for calculation of the fixed assets depreciation per groups:

## **"ECLOF" UCO LLC**

Buildings and constructions	20 years,
Computers and telecommunication means	3 years,
Transportation means	5 years,
Property and other fixed assets	5 years,
Fixed assets below AMD 50,000	1 year,
Capital expenses as regards leased fixed assets (operating lease)	20 years

An approach of measuring at cost (less accumulated amortization and impairment) is used for further measurement of intangible assets.

Amortization of the intangible assets is calculated during their useful life according to the straight line method. The minimum time period of 10 years is established for calculation of the intangible assets depreciation.

Inventory is measured on the basis of its actual cost. The Cost of inventory is determined according to the FIFO method.

The expected expenditures as regards accumulated paid absences, in particular the annual paid leaves are acknowledged during the employees' employment, irrespective of actual use of the right of taking leaves.

For the measurement of inventory cost actual cost accounting system is applied.

Grants relating to assets are acknowledged as income proportionally to the depreciation expense during the period of using the asset.

Taxes are calculated according to the accruals method.

### **2.1 Accounting Standards**

The financial statements of the "ECLOF" UCO LLC have been prepared in accordance with the requirements of the IFRS, regulations and other normative acts established by the CBA Board for credit organizations operating within the territory of the RA, and the accounting policy.

#### **Note 3. Interest and similar income**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Interest income from bank accounts and deposits	6,814	1,476
2	Interest income from investments in the money market	-	-
3	Interest income from loans and other lending	215,443	212,953
4	Interest income from investments	-	-
5	Other interest income	563	1,095

#### **Note 4. Interest and similar expenses**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Interest expenses for the money market borrowings	-	-
2	Interest expenses for the borrowings received from the clients	65,315	69,906
3	Other interest expenses	3,075	2,435

**Note 5. Net profit/(loss) from investments held for trade purposes**

AMD ths.

N	Description	Reporting period	Previous period
1	Net profit/(loss) from sale of investments kept for trade purposes	-	-
2	Net profit/(loss) from revaluation of investments kept for trade purposes	-	-

**Note 6. Net profit/(loss) from investments available for sale**

AMD ths.

N	Description	Reporting period	Previous period
1	Net profit/(loss) from sale of investments provided for sale	-	-
2	Net profit/(loss) from revaluation of investments provided for sale	-	-

**Note 7. Net profit/(loss) from foreign currency transactions**

AMD ths.

N	Description	Reporting period	Previous period
1	Net profit/(loss) from sale of foreign currency	(55)	(194)
2	Net profit/(loss) from foreign currency revaluation	(504)	(6,927)

**Note 8. Other operating income**

AMD ths.

N	Description	Reporting period	Previous period
1	Income from fines and penalties received	55,897	29,354
2	Income received from factoring	-	-
3	Extraordinary income	-	4,741
4	Other income	16,049	472

**Note 9. Losses from loans and other borrowings /Reporting period/**

AMD ths.

N	Description	Allocations to reserves	Use of reserves
1	As regards allocated bank accounts and deposits	(3,550)	2,564
2	As regards allocated loans	(214,412)	111,383
3	As regards investments held to maturity	-	-
4	As regards receivables and other assets	(14,212)	8,045
5	Assets' total allocations as regards off-balance-sheet items	-	-
6	Total allocations	(232,174)	121,992

The closing balance of the loans written off through subjective classification (9 loans in total) as of 31.12.2012 amounts to AMD 50,869.3 ths. The total amount of the loans written off and accounted for in the off-balance-sheet as of 31.12.2012 is AMD 103,899.2.0 ths. During the reporting period, a prolongation of loans (maturity date revision) was made in the amount of AMD 99,130.0 ths as of 31.12.2012.

**Note 10. General Administrative Expenses**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Expenses as regards staff	( 51,364)	( 59,750)
2	Management expenses	(28,164 )	(30,687 )

**Note 11. Other operating expenses**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Fines and penalties paid		
2	Advertising and entertainment expenses	219	323
3	Factoring expenses	-	-
4	Fixed and intangible assets amortization expenses	6,756	8,826
5	Extraordinary expenses	0	0
6	Other expenses	0	207

**Note 12. Profit tax expenses**

Profit tax expense for the reporting year amounted to AMD 6,384 ths.

**Note 13. Cash means and bank accounts**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Cash means and equivalent payment documents	-	-
2	Bank accounts	7077	17,512
3	Reserve as regards allocated bank accounts and other deposits	(71)	(175)

**Note 14. Financial investments held for trade purposes**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Government securities of the Republic of Armenia	-	-
2	Government securities of other countries	-	-
3	Non-government securities of the Republic of Armenia	-	-
4	Non-government securities of other countries	-	-
5	Derivative instruments	-	-
6	Amounts receivable as regards factoring transactions	-	-
7	Reserve for accounts receivable and other assets (Note 9)	-	-

**Note 15. Resources allocated in banks**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Deposits in banks	110,000	1000
2	Loans and other lending provided to the banks	-	-
3	Reserve for covering possible losses from loans (Note 9)	(1,100)	(10)

**Note 16. Other allocations in the money market**

AMD ths.			
N	Description	Reporting period	Previous period
1	Deposits in financial institutions	-	-
2	Loans and other lending provided to financial institutions	-	-
3	Provision as regards allocated loans (Note 9)	-	-

**Note 17. Loans and other lending provided to clients**

AMD ths.			
N	Description	Reporting period	Previous period
1	Loans and other lending provided	1,015,040	1,220,245
2	Provision as regards allocated loans (Note 9)	(61,287)	(18,240)

**Note 18. Investments available for sale**

AMD ths.			
N	Description	Reporting period	Previous period
1	Government securities of the Republic of Armenia	-	-
2	Government securities of other countries	-	-
3	Non-government securities of the Republic of Armenia	-	-
4	Non-government securities of other countries	-	-
5	Amounts receivable as regards factoring transactions	-	-
6	Provision for accounts receivable and other assets (Note 9)	-	-

**Note 19. Amounts receivable from other operations**

AMD ths.			
N	Description	Reporting period	Previous period
1	Dividends receivable	-	-
2	Amounts receivable as regards trust management transactions	-	-
3	Guarantees	-	-
4	Derivative hedging instruments	-	-
5	Other receivables	-	-
6	Provision for accounts receivable and other assets (Note 9)	-	-

**Note 20. Amounts receivable as regards leasing**

AMD ths.			
N	Description	Reporting period	Previous period
1	Amounts receivable as regards leasing	-	-
2	Interest income not acknowledged	-	-

**Note 21. Held-to-maturity Investments**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Government securities of the Republic of Armenia	-	-
2	Government securities of other countries	-	-
3	Non-government securities of the Republic of Armenia	-	-
4	Non-government securities of other countries	-	-
5	Amounts receivable as regards factoring transactions	-	-
6	Provision for impairment of held-to-maturity investments (Note 9)	-	-

**Note 22. Property, plant and equipment, intangible assets and capital investments in rented PPE**  
/Reporting period /

Assets in operation	Land, building and property	Computer equipment	Transportation means	Other PPE and intangible assets	AMD ths.	
					Total	Capital investment in rented PPE
<b>Carrying amount</b>	-----	-----	-----	-----	-----	-----
Previous year's last data	4,078	4,466	34,377	2,732	45,653	10,379
Addition	85	91	108	367	651	123
Disposal	-	-	-	-	-	-
Current year's last data	4,163	4,557	34,485	3,099	46,304	10,502
<b>Depreciation</b>	-----	-----	-----	-----	-----	-----
Opening balance	3,002	3,949	22,932	1,797	31,680	2,998
Accumulated depreciation	496	736	4,914	389	6,535	530
Use of accumulated amortization	-	(307)	-	-	(307)	-
Closing balance	3,498	4,378	27,846	2,186	37,908	3,528
<b>Net carrying amount</b>	-----	-----	-----	-----	-----	-----
End of previous year	1,076	517	11,445	935	13,973	7,381
End of current year	665	179	6,639	913	8,396	6,974
<b>Assets out of operation</b>	-----	-----	-----	-----	-----	-----

Adjustments have been made during the year in relation to computer equipment's depreciation in the amount of AMD 307.0ths., which is presented in the table above in the line item "Use of accumulated amortization".

**Note 23. Interest receivable**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Accrued interest	4,236	1,398
2	Interest income not acknowledged	-	(859)

**Note 24. Other Assets**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Receivables and prepayments	11,189	3,240
2	Provision as regards receivables and other assets (Note 9)	(6,271)	(33)
3	Supplies	214	73
4	Securities sold under Repo Agreement	-	-
5	Other assets	15,217	11,772

**Note 25. Loans and borrowing from banks**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Borrowing drawn from banks	-	-
2	Loans and other borrowing received from banks	-	50.000

**Note 26. Other borrowings received from money market**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Borrowing drawn from financial institutions	-	-
2	Loans and other borrowing received from financial institutions	-	-

**Note 27. Borrowing drawn from clients**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Poste restante borrowing drawn	-	-
2	Time loans drawn	486,434	681,584
3	Repo agreements with clients	-	-

**Note 28. Securities issued by the UCO**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Interest free securities	-	-
2	Interest-bearing securities	-	-
3	Other securities issued	-	-

**Note 29. Amounts payable**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Dividends payable	-	-
2	Amounts payable as regards trust management agreements	-	-
3	Other amounts payable (interests)	9,226	2,122

**Note 30. Other liabilities**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Future period's income	66,782	102,343
2	Accounts payable	3,964	4,618
3	Other liabilities	4,609	3,306

**Note 31. Statutory capital**

Statutory capital totals AMD 515,707,0 ths. As of 31.12.2012. In September of 2012 the statutory capital increased by 146,707,0.

**Note 32. Revaluation reserves**

N	Description	AMD ths.	
		Reporting period	Previous period
1	Unrealized gain/loss from revaluation of investments available for sale	-	-
2	Fixed assets' revaluation reserve	-	-
3	Other reserves	-	-

**Note 33. Analysis of assets and liabilities maturity terms**

Assets	AMD ths.					
	Less than one month	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years	Total
Loan investment	38,624	42,692	401,431	506,466	--	989,213
Deposits	-	-	110,000	-	-	110,000

Liabilities	AMD ths.					
	Less than one month	From 1 to 3 months	From 3 months to 1 year	From 1 to 5 years	Over 5 years	Total
Amounts due to legal persons and institutions	-	22,739	-	53,071	396,773	472,583
Amounts due to the RA Government	114	-	-	-	-	114
Other liabilities	-	29,712	-	-	-	29,712

**Note 34. Centralization of assets, liabilities and off-balance sheet items**

The company does not have centralization of assets, liabilities and off-balance sheet items.

**34.1 Loans allocated according to the branches of economy**

N	Description	AMD ths.
		Reporting Period
1	Process Industry	48,268
2	Construction	43,054
3	Agriculture	581,478
4	Trade	233,696
5	Catering	39,247
6	Other	3,898
7	Consumption	32,506
8	Hypothech	7,066
		<b>989,213</b>



34.2 Loans allocated according to the RA marzes

		AMD ths.
N	Description	Reporting Period
1	Yerevan	10,866
2	Gegharkunik	147,503
3	Vayots Dzor	138,514
4	Kotayk	43,542
5	Armavir	402,752
6	Aragatsotn	44,108
7	Lori	64,695
8	Ararat	137,233
		989,213

Note 35 Related Parties

The Company is related to ECLOF Foundation, which is the sole shareholder of the Company and is also related to ECLOF International. The Company has borrowings from ECLOF Foundation and ECLOF International.

Հ/Հ	Description	Balance 01.01.2012	Involved	Paid	Balance 31.12.2012
1	Borrowing involved ECLOF Foundation	654,643	42,140	(620,972)	75,811
1a	Calculated and paid interest for the involved borrowing ECLOF Foundation	2,045	55,411	(57,133)	323
2	Borrowing involved ECLOF International	0	380,220	0	380,220
2a	Calculated and paid interest for the involved borrowing ECLOF International	0	8,823	0	8,823

Executive Director

A. Muradyan

Chief Accountant

V. Yenokyan

