

**“ECLOF” UNIVERSAL CREDIT  
ORGANIZATION LLC**

**FINANCIAL STATEMENTS**

**in Armenian Drams**

**31 DECEMBER 2010**



**BAKER TILLY  
ARMENIA**

**YEREVAN 2011**



# BAKER TILLY ARMENIA

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15.03.2011

N02111



**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, 2010, 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 those 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, 2010, and of its annual financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards.

M. Mkrtchyan

Auditor





## ***“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 N5).

The address of location and operation of the “ECLOF” Universal Credit Organization is RA Etchmiadzin, Baghranmyan Str., 2.

The lease agreement for the mentioned office space was signed on 11.01.2007 and registered with the RA State Register on 15.01.2007.

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 N47).

The Charter of the “ECLOF” Universal Credit Organization LLC was registered with the RA Central Bank on 17.10.2006 (reg. N 17) according to the RA CB’s Decision N 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.

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 N 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 N47) 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 N 284 as of 03.09.02 and CBA President Decision N 1/1641 U as of 09.11.10.

The Board members of the “ECLOF” Universal Credit Organization LLC are: Tigran Hovhannisyan, Ara Hamazaspyan (ground – the Decision 1/1241 A of the RA CB President as of 29.09.2009) and Karine Papujyan (ground – the Decision 1/232 A of the RA CB President as of 22.03.2010); Chairman of the Board - Tigran Hovhannisyan (ground – the “ECLOF” Universal Credit Organization LLC’s Board Minutes N 1 as of 30.09.2009).

Executive Director of the “ECLOF” UCO is Arthur Panosyan (ground – the Decision 1/968 A of the RA CB President as of 03.08.2009 on the basis of the Minutes N32 of the CBA Licensing and Control Commission as of 29.07.2009).

Chief Accountant of the “ECLOF” UCO is Vahan Yenokyan (ground – the Decision 1/702 A of the RA CB President as of 06.07.2010, based on the Minutes N 28 of the CBA Licensing and Control Commission as of 30.06.2010).

The name of the “Armenian Ecumenical Church Loan Fund” Foundation was changed to ECLOF Foundation as of August 21, 2009, and registered with the State Register on September 8, 2009.

The attached notes 1-39 are the integral part of these financial statements.

**Statement of Comprehensive Income**

For the year ended 31 December 2010

Description	Notes	<i>AMD ths.</i>	
		Reporting period 2010	Previous period 2009
Interest and similar income	3	169,761	132,446
Interest and similar expense	4	(55,990)	(55,133)
<b>Net interest income</b>		<b>113,771</b>	<b>77,313</b>
Income in the form of dividend		-	-
Commissions and other income		19,868	9,265
Commissions and other expense		(306)	(384)
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	(752)	(53,590)
Other operating income	8	21,558	8,414
<b>Operating income</b>		<b>154,139</b>	<b>41,018</b>
Losses from loans and other borrowings	9	(3,934)	(43,149)
General administrative expenses	10	(76,427)	(61,125)
Other operating expenses	11	(11,365)	(12,334)
<b>Profit before taxation</b>		<b>62,413</b>	<b>(75,590)</b>
Expense/refund as regards Profit Tax	12	(990)	-
<b>Profit for the year</b>		<b>61,423</b>	<b>(75,590)</b>
Basic earning per share		-	-
Diluted earning per share		-	-

A. Panosyan  
Executive Director



V. Yenokyan  
Chief Accountant



**Statement of Financial Position**

For the year ended 31 December 2010

*AMD ths.*

Description	Notes	Reporting period 2010	Previous period 2009
<b>1 ASSETS</b>			
1.1 Cash means and bank accounts	13	2,383	1,201
1.2 Financial investments kept for trade purposes	14	-	-
1.3 Placements with banks	15	495	50,881
1.4 Other placements with money-market	16	-	-
1.5 Loans and other advances provided to customers	17	1,209,804	725,552
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		3,165	4,208
1.12 Property, plant and equipment and intangible assets	22	22,130	28,353
1.13 Deferred tax assets		-	-
1.14 Interests receivable	23	89	760
1.15 Other assets	24	16,750	11,018
<b>Total Assets</b>		<b>1,254,816</b>	<b>821,973</b>
<b>2 LIABILITIES</b>			
2.1 Loans and borrowings received from banks	25	26,200	-
2.2 Other borrowings received from the money-market	26	-	-
2.3 Borrowings involved from customers	27	772,677	491,994
2.4 Amounts due to RA Government		-	-
2.5 Amounts payable as regards lease		-	-
2.6 Securities issued by the Credit Organization	28	-	-
2.7 Reserves		-	-
2.8 Amounts payable		-	-
2.9 Deferred tax liabilities		-	-
2.10 Interests payable	29	2,629	1,483
2.11 Other liabilities	30	139,530	76,139
<b>Total liabilities</b>		<b>941,036</b>	<b>569,616</b>
<b>3 Capital</b>			
3.1 Chartered capital	31	350,000	350,000
3.2 Reserves		-	-
3.2.1 Main reserve		-	-
3.2.2 Revaluation reserves	32	-	-
3.3 Accumulated profit		(36,220)	(97,643)
<b>Total capital</b>		<b>313,780</b>	<b>252,357</b>
<b>Total liabilities and capital</b>		<b>1,254,816</b>	<b>821,973</b>



A.Panosyan  
Executive Director

V. Yenokyan  
Chief Accountant

Approved by the Company's Management as of 15.01.2011

**Statement of Changes In Equity**

For the year ended 31 December 2010

**Previous period 2009**

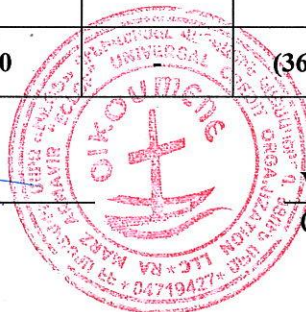
*AMD ths.*

Description	Chartered capital	Main reserve	Accumulat ed profit	Total
<b>Items</b>				
<b>Balance as of 31 December, 2008</b>	200,000	-	(22,053)	177,947
Overall results of changes in the accounting policy and adjustment of material errors.				
<b>Recalculated balance</b>	200,000	-	(22,053)	177,947
Total gains/losses directly recognized in equity				
Investments in chartered capital	150,000			150,000
Dividends				
Net profit/loss			(75,590)	(75,590)
Internal movement				
<b>Balance as of 31 December, 2009</b>	350,000	-	(97,643)	252,357

**Reporting period 2010**

Description	Chartered capital	Main reserve	Accumulat ed profit	Total
<b>Items</b>				
<b>Balance as of 31 December, 2009</b>	350,000	-	(97,643)	252,357
Overall results of changes in the accounting policy and adjustment of material errors.				
<b>Recalculated balance</b>	350,000	-	(97,643)	252,357
Overall results of changes in the accounting policy and adjustment of material errors.				
Total gains/losses directly recognized in equity				
Investments in chartered capital				
Dividends				
Net profit/loss			61,423	61,423
Internal movement				
<b>Balance as of 31 December, 2010</b>	350,000		(36,220)	313,780

A.Panosyan  
Executive Director



V. Yenokyan  
Chief Accountant



**STATEMENT OF CASH FLOW**

For the year ended 31 December 2010

AMD ths.

Description	Previous period 2009	Reporting period 2010
<b>1. Cash flows from operating activities</b>	<b>(81,588)</b>	<b>(88,900)</b>
<i>Net cash flows before changes of operating assets and liabilities</i>	<i>46,602</i>	<i>89,279</i>
Interest received	131,466	169,761
Interest paid	(53,650)	(51,779)
Recovery of losses	-	-
Dividends received	-	-
Net commissions received	8,881	37,573
Salaries and other equivalent payments	(31,155)	(45,989)
Taxes paid	(8,940)	(20,287)
<b>Cash flows from changes in operating assets and liabilities</b>	<b>(128,190)</b>	<b>(178,179)</b>
Decrease/(increase) in distributed funds	(131,447)	(433,587)
Decrease/(increase) in loans involved	26,532	280,683
Decrease/(increase) in securities kept for trade purposes and held to maturity	-	-
Decrease/(increase) in receivables as regards financial lease	-	-
<b>Net cash flows from other operating activities</b>	<b>(23,275)</b>	<b>(25,275)</b>
<b>2. Cash flows from investing activities</b>	<b>(18,527)</b>	<b>12,070</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	(18,527)	(882)
Acquisition of property, plant and equipment and intangible assets	-	(2,848)
Disposal of property, plant and equipment and intangible assets	-	15,800
Net cash flows from other investing activities	-	-
<b>3. Cash flows from financing activities</b>	<b>150,000</b>	<b>26,200</b>
Dividends paid	-	-
Increase/(decrease) in loans received from banks	-	26,200
Increase/(decrease) in other borrowings received	-	-
Increase/(decrease) in securities issued by credit organizations	-	-
Shareholders' investments in Chartered Capital	150,000	-
Increase/(decrease) in amounts payable as regards financial lease	-	-
Net cash flows from other financing activities	-	-
Currency conversion effect on cash and cash equivalents	(51,424)	51,824
<b>Net cash flows</b>	<b>(1,539)</b>	<b>1,194</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>2,752</b>	<b>1,001.3</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>1,213</b>	<b>2,407</b>

A. Panosyan  
Executive Director



V. Yenokyan  
Chief Accountant



## **NOTES ATTACHED TO THE ANNUAL FINANCIAL STATEMENTS**

### **“ECLOF” Universal Credit Organization LLC**

Etchmiadzin, Baghramyan Str., 2

**31 December, 2010**

#### **Note 1. Legal Framework and Corporate Governance**

“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 N5).

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

In 2010 there was a change in the name of the company, 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 N 284 as of 03.09.02 and CBA President Decision N 1/1641 U as of 09.11.10.

The address of location and operation of the “ECLOF” UCO LLC is RA, Etchmiadzin, Baghramyan Str., 2.

Of the non-cash financial transactions allowed by the RA Central Bank license N 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 32.

#### **Note 2. Accounting Policy**

Financial income received from the 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 last 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.

#### *Preparation of financial statements*

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.

## ***“ECLOF” UCO LLC***

### *Financial assets and financial liabilities*

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.

### *Foreign Currency Transactions*

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

### *Fixed Assets*

At initial recognition, fixed assets are measured at cost. 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:

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)	within the terms of the lease contract.

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

### *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*

Cost of inventory is determined according to the FIFO method.

### *Staff*

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.

### *Grants*

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

### *Taxes*

Taxes are calculated according to the accruals method.

**Note 3. Interest and similar income**

AMD ths.			
N	Description	Reporting period	Previous period
1	Interest income from bank accounts and deposits	3,128	6,128
2	Interest income from investments in the money market	-	-
3	Interest income from loans and other lending	166,244	118,978
4	Interest income from investments	-	-
5	Other interest income	389	7,340

**Note 4. Interest and similar expenses**

AMD ths.			
N	Description	Reporting period	Previous period
1	Interest expenses for the money market borrowings	746	-
2	Interest expenses for the borrowings received from the clients	51,786	55,003
3	Other interest expenses	3,458	130

**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	(427)	(2,166)
2	Net profit/(loss) from foreign currency revaluation	(325)	(51,424)



**Note 8. Other operating income**

		AMD ths.	
N	Description	Reporting period	Previous period
1	Income from fines and penalties received	17,705	7,673
2	Income received from factoring	-	-
3	Extraordinary income	-	-
4	Other income	3,853	741

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

		AMD ths.			
N	Description	Opening balance	Allocations to reserves	Use of reserves	Closing balance
1	As regards allocated bank accounts and deposits	526	3,759	(4,256)	29
2	As regards allocated loans	27,414	97,547	(97,317)	27,644
3	As regards investments held to maturity	-	-	-	-
4	As regards receivables and other assets	13	222	(221)	14
5	Assets' total allocations as regards off-balance-sheet items	-	-	-	-
6	Total allocations	27,953	101,528	(101,794)	27,687

The closing balance of the loans written off through subjective classification (17 loans in total) as of 31.12.2010 amounts to AMD 3,728.0 ths. The final balance of the loans classified and written off according to the court decisions (49 loans in total) as of 31.12.2010 amounts to AMD 30,405.0 ths. The total amount of the loans written off and accounted for in the off-balance-sheet as of 31.12.2010 is AMD 34,133.0 ths.

**Note. 10 General Administrative expenses**

		AMD ths.	
N	Description	Reporting period	Previous period
1	Expenses as regards staff	( 46,640)	(37,671)
2	Management expenses	(29,787 )	(23,454)

**Note 11. Other operating expenses**

		AMD ths.	
N	Description	Reporting period	Previous period
1	Fines and penalties paid	200	53
2	Advertising and entertainment expenses	236	282
3	<b>Expenses as regards factoring</b>	-	-
4	<b>Depreciation expenses of fixed and intangible assets</b>	10,823	8.452
5	Extraordinary expenses	-	-
6	Other expenses	106	3,547

**Note 12. Profit tax expenses**

Profit tax expense for the reporting year amounted to AMD 990 ths.

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

AMD ths.

N	Description	Reporting period	Previous period
1	Cash means and equivalent payment documents	-	-
2	Bank accounts	2,407	1,213
3	Reserve as regards allocated bank accounts and other deposits	(24)	(12)

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

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	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**

AMD ths.

N	Description	Reporting period	Previous period
1	Deposits in banks	500	51,395
2	Loans and other lending provided to the banks	-	-
3	Reserve for covering possible losses from loans (Note 9)	(5)	(14)

**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 for 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	1,237,448	752,966
2	Provision as regards allocated loans (Note 9)	(27,644)	(27,414)



**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**

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 impairment of held-to-maturity investments (Note 9)	–	–



**Note 22. Property, plant and equipment and intangible assets / Reporting period /**

AMD ths.

Assets in operation	Land, building and property	Computer equipment	Transportation means	Other PPE and intangible assets	Total
<b>Carrying amount</b>	-----	-----	-----	-----	-----
Previous year's last data	2,786	3,415	33,838	2,777	42,816
Addition	1,202	1,161	485	-	2,848
Disposal	-	(110)	-	(45)	(155)
Current year's last data	3,988	4,466	34,323	2,732	45,509
<b>Depreciation</b>	-----	-----	-----	-----	-----
Opening balance	1,276	2,651	9,424	1,112	14,463
Accumulated depreciation	673	994	7,025	409	9,103
Use of accumulated amortization	-	(110)	(26)	(49)	(185)
Closing balance	1,949	3,535	16,423	1,472	23,381
<b>Net carrying amount</b>	-----	-----	-----	-----	-----
End of previous year	<b>1,510</b>	<b>764</b>	<b>24,414</b>	<b>1,665</b>	<b>28,353</b>
End of current year	<b>2,039</b>	<b>931</b>	<b>17,900</b>	<b>1,260</b>	<b>22,130</b>
<b>Assets out of operation</b>	-----	-----	-----	-----	-----

**Note 23. Interests receivable**

AMD ths.

N	Description	Reporting period	Previous period
1	Accrued interests	988	979
2	Interest income not acknowledged	(899)	(219)

**Note 24. Other Assets**

AMD ths.

N	Description	Reporting period	Previous period
1	Receivables and prepayments	1,442	4,011
2	Provision as regards receivables and other assets (Note 9)	(14)	(13)
3	Supplies	41	144
4	Securities sold under Repo Agreement	-	-
5	Other assets	15,281	6,876

**Note 25. Loans and borrowings received from banks**

AMD ths.

N	Description	Reporting period	Previous period
1	Borrowings drawn from banks	-	-
2	Loans and other borrowings received from banks	26,200	-

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

AMD ths.

N	Description	Reporting period	Previous period
1	Borrowings drawn from financial institutions	–	–
2	Loans and other borrowings received from financial institutions	–	–

**Note 27. Borrowings drawn from clients**

AMD ths.

N	Description	Reporting period	Previous period
1	Poste restante lending drawn	–	–
2	Time loans drawn	772,677	491,994
3	Repo agreements with clients	–	–

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

AMD ths.

N	Description	Reporting period	Previous period
1	Interest free securities	–	–
2	Interest-bearing securities	–	–
3	Other securities issued	–	–

**Note 29. Amounts payable**

AMD ths.

N	Description	Reporting period	Previous period
1	Dividends payable	–	–
2	Amounts payable as regards trust management agreements	–	–
3	Other amounts payable (interests)	2,629	1,483

**Note 30. Other liabilities**

AMD ths.

N	Description	Reporting period	Previous period
1	Future period's income	130,368	70,245
2	Accounts payable	4,758	3,503
3	Other liabilities	4,404	2,391

**Note 31. Statutory capital**

Statutory capital totals AMD 350,000 ths., which represents 35 shares.

**Note 32. Revaluation reserves**

AMD ths.

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

**“ECLOF” UCO LLC**

**Note 33. Analysis of assets and liabilities maturity terms / Reporting period /**

AMD ths.

Assets	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		35,351	356,092	844,473	1,532	1,237,448
Deposits			500			500

Liabilities	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	26,200	772,677	-	-	-	798,877
Amounts due to the RA Government	1,801	-	-	-	-	1,801
Other liabilities	2,354	2,010	2,957	-	-	7,321

**Note 34. Foreign currency basket /Reporting period/**

AMD ths.

	Drams	Foreign currency freely convertible	Foreign currency limited convertible	Total
Assets	1,144,966	106,341		1,251,307
Liabilities	637,037	303,999		941,036
<b>Net foreign currency position</b>	507,929	(197,658)		310,271

**Note 35. Interest rate risk /reporting period/**

	Less than one month		1-3 months		From 3 months to 1 year		Over one year	
	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year
<b>Means involved</b>								
Armenian Drams	0	0	0	0	0	0		0
Foreign currency	0	0	0	0	0	0		
<b>Means allocated</b>								
Armenian Drams								
Foreign currency	0		0		0		0	

**Note 36. Contingencies and potential liabilities**

The “ECLOF” UCO LLC does not have potential liabilities.



**“ECLOF” UCO LLC****Note 37. Concentration of assets, liabilities and off-balance-sheet items**

The “ECLOF” UCO LLC does not have concentration of assets, liabilities and off-balance-sheet items.

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

N	Description	AMD ths.
		Reporting Period
1	Industry, including	93,412
1.1	Food production	87,474
1.2	Building materials production	354
1.3	Other branches of industry	5,624
2	Agriculture	706,019
3	Trade	287,145
4	Catering, other services	79,090
5	Other	71,782
6	Consumption	-
7	Hypothech	-
		<b>1,237,448</b>

**37.2 Loans allocated according to the RA marzes**

N	Description	AMD ths.
		Reporting Period
1	Yerevan	54,476
2	Gegharkunik	107,278
3	Syunik	51,267
4	Vayots Dzor	109,945
5	Kotayk	58,075
6	Armavir	421,057
7	Aragatsotn	156,558
8	Lori	56,314
9	Ararat	222,478
		<b>1,237,448</b>

**Note 38 Pledged assets**

There are no pledged assets in the “ECLOF” UCO LLC.

**Note 39 Related Parties**

The Company draws term borrowings from its only founder - ECLOF Foundation.

Executive Director

A. Panosyan

Chief Accountant

V. Yenokyan