

**“RURAL AREAS ECONOMIC DEVELOPMENT PROJECT
IMPLEMENTATION UNIT” STATE INSTITUTION
RURAL FINANCE FACILITY**

**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR’S REPORT**

for the year ended 31 December 2014

**Yerevan
May 2015**

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INDEPENDENT AUDITOR'S REPORT № 45

*On the financial statements of
"Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility
for the year ended 31 December 2014*

To the Management of the "Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility

We have audited the accompanying financial statements of "Rural Areas Economic Development Project Implementation Unit" State Institution Rural Finance Facility (hereafter: the RAED PIU) which comprise the statement of financial position as at 31 December 2014, the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to the founder and the statement of cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

The Management of the RAED PIU is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the RAED PIU's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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"SOS-AUDIT" LTD

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


Opinion

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the "Rural Areas Economic Development Project Implementation Unit" State Institution Rural Finance Facility as of 31 December 2014, and of its financial performance, its changes in net assets attributable to the founder and its cash flows for the year then ended in accordance with International Financial Reporting Standards.

08 May 2015
"SOS-Audit" LLC



Manvel Ghazaryan
Director


Gnel Khachatryan, FCCA
Auditor

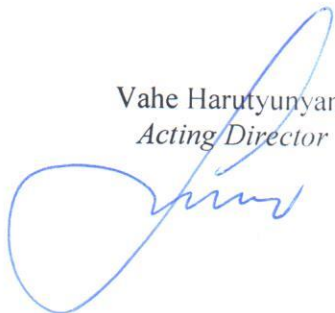
STATEMENT OF FINANCIAL POSITION

"Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility
As at 31 December 2014

		31.12.2014	31.12.2013
	Note	AMD'000	AMD'000
ASSETS			
Non-current assets			
Property and equipment	9	30,087	34,902
Intangible assets		1,287	1,599
		<u>31,374</u>	<u>36,501</u>
Current assets			
Inventory		1,217	1,218
Trade and other receivables	10	35,520	31,328
Cash and cash equivalents	11	621,196	211,890
		<u>657,933</u>	<u>244,436</u>
Total assets		<u>689,307</u>	<u>280,937</u>
LIABILITIES			
Non-current liabilities			
Grants related to assets		1,174	1,910
		<u>1,174</u>	<u>1,910</u>
Current liabilities			
Trade and other payables	12	21,213	17,347
		<u>21,213</u>	<u>17,347</u>
Net assets attributable to the founder	13		
Unallocated funds		531,639	57,703
Retained earnings		135,281	203,977
		<u>666,920</u>	<u>261,680</u>
Total liabilities and net assets attributable to the founder		<u>689,307</u>	<u>280,937</u>

The financial statements were approved by the Management of the "Rural Areas Economic Development Project Implementation Unit" State Institution Rural Finance Facility on 08 May 2015. The accompanying notes form an integral part of these financial statements.

Vahe Harutyunyan
 Acting Director




Ruzanna Sargsyan
 Chief Accountant



STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

"Rural Areas Economic Development Project Implementation Unit"

State Institution Rural Finance Facility

For the year ended 31 December 2014

		2014	2013
	Note	<i>AMD '000</i>	<i>AMD '000</i>
Income from program loans	5	421,734	397,948
Administrative expenses	6	(103,872)	(101,840)
Charges for the program funds	7	(51,946)	(50,119)
Subsidies provided	8	-	(36)
Income from government grants		736	861
Other operating income		297	590
Other operating expenses		(33)	(70)
Results from operating activities		266,916	247,334
Interest income from placements with banks		56	5,150
Foreign exchange gain/(loss)		59,967	26,854
Profit and total comprehensive income for the year		326,939	279,338

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE FOUNDER

"Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility
For the year ended 31 December 2014

	Unallocated funds		Retained earnings		Total
	Incremental	Revolving	To PFIs	Retained by RFF	
Balance at 1 January 2013	-	1,529,206	(133,754)	274,161	1,669,613
Total comprehensive income					
Profit and total comprehensive income for the year	-	-	-	279,338	279,338
Movement of funds					
Funds received	809,996	-	-	-	809,996
Loans provided to PFIs	-	(4,142,253)	(295,562)	-	(4,437,815)
Repayment of loans by PFIs	-	2,660,808	89,692	-	2,750,500
Subsidies provided (note 8)	(809,952)	-	-	-	(809,952)
Foreign exchange differences	-	9,898	-	(9,898)	-
Balance at 31 December 2013	44	57,659	(339,624)	543,601	261,680
Profit and total comprehensive income for the year	-	-	-	326,939	326,939
Movement of funds					
Funds received	872,479	-	-	-	872,479
Loans provided to PFIs	-	(2,686,721)	(171,992)	-	(2,858,713)
Repayment of loans by PFIs	-	2,755,554	181,501	-	2,937,055
Subsidies provided (note 8)	(872,520)	-	-	-	(872,520)
Foreign exchange differences	-	405,144	-	(405,144)	-
Balance at 31 December 2014	3	531,636	(330,115)	465,396	666,920

STATEMENT OF CASH FLOWS

"Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility
For the year ended 31 December 2014

	2014 <i>AMD '000</i>	2013 <i>AMD '000</i>
Cash flows from operating activities		
Profit for the year	326,939	279,338
<i>Adjustments for:</i>		
Depreciation and amortization	6,626	4,914
Loss on disposal of property and equipment	-	70
Income from government grants	(736)	(861)
Foreign exchange loss/(gain)	(59,967)	(26,854)
Interest income	(56)	(5,150)
	272,806	251,457
Change in placements with banks	-	1,075,199
Change in inventories	1	(592)
Change in trade and other receivables	(3,229)	(15,809)
Change in trade and other payables	3,866	(4,347)
Interest received	56	6,486
	273,500	1,312,394
Net cash flow from operating activities		
Cash flows from investing activities		
Acquisition of non-current assets	(1,499)	(24,216)
	(1,499)	(24,216)
Net cash flow from investing activities		
Cash flows from financing activities		
Funds received	872,479	809,996
Loans provided to PFIs	(2,858,713)	(4,437,815)
Repayment of loans by PFIs	2,937,055	2,750,500
Subsidies provided	(872,520)	(809,952)
	78,301	(1,687,271)
Net cash flow from financing activities		
Net increase/(decrease) in cash and cash equivalents	350,302	(399,093)
Foreign exchange gain/(loss) on cash and cash equivalents	59,004	(1,268)
Cash and cash equivalents at the beginning of the year	211,890	612,251
Cash and cash equivalents at the end of the year	621,196	211,890

NOTES TO THE FINANCIAL STATEMENTS

"Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility
For the year ended 31 December 2014

1. Background

(a) *Reporting entity*

"Rural Areas Economic Development Project Implementation Unit" State Institution Rural Finance Facility (RAED PIU) was established by the Republic of Armenia Government resolution dated 15 December 2011. Based on the decision dated 7 August 2014 all functions, assets and liabilities of the "Rural Finance Facility – Project Implementation Unit" State Institution (RFF) have been transferred to the RAED PIU. The RAED PIU is the legal successor of the RFF.

Consequently of the above mentioned transition the RAED PIU has continued the operational and financial activities of the RFF without any interruption. Therefore, for the purpose of preparing of the financial statements the transition is considered as renaming of the organization.

The founder of the RAED PIU is the Republic of Armenia (hereinafter – RA) represented by the Government of the RA.

The RAED PIU has no status of legal entity. It does not have income tax liability.

The legal address of the RAED PIU is: 4 Tigran Mets Avenue, Yerevan, Republic of Armenia.

(b) *Projects implementation*

During years 2005-2008 the RA has signed loan agreements (the "Loan Agreements") with the International Fund for Agricultural Development (the "IFAD") and the International Development Association (the "IDA") and received loans under the "Rural Areas Economic Development Programme" (the "RAEDP"), "Rural Enterprise and Small-scale Agricultural Development Project" (the "RESCAD") and "Farmer Market Access Programme" (the "FMAP").

For the purpose of these projects implementation in compliance with the Loan Agreements the RA must provide part of the loans received to the Participating Financial Institutions (the "PFI"s) in order to finance sub-loans provided by PFIs to qualifying beneficiaries.

The RAED PIU is responsible for managing and administering the above mentioned programs and the program fund activities are performed through the bank accounts of the RAED PIU. For the purpose of the programs, the RAED PIU has established incremental and revolving accounts. The incremental account accumulates the initial funds transferred to the RAED PIU for the realization of the programs, whereas the revolving account accumulates the funds repaid back to the RAED PIU by the PFIs. For the loans received the PFIs pay interest to the RAED PIU in accordance with the Loan Agreements (see note 5).

The RAED PIU pays part of the interest received from PFIs to the Ministry of Finance of the RA based on the Loan Agreements and the rules established by the Ministry of Finance of the RA (see note 7). Received interest by the RAED PIU is intended to finance RAED PIU expenses and increase the financing to the PFIs.

(c) Business environment

The RAED PIU's operations are located in the Republic of Armenia. Consequently, the RAED PIU is exposed to the economic and financial markets of the Republic of Armenia which display characteristics of an emerging market. The legal, tax and regulatory frameworks continue development, but are subject to varying interpretations and frequent changes which together with other legal and fiscal impediments contribute to the challenges faced by entities operating in Armenia. The financial statements reflect management's assessment of the impact of the Armenian business environment on the operations and the financial position of the RAED PIU. The future business environment may differ from management's assessment.

2. Basis of accounting

(a) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

(b) Basis of measurement

The financial statements are prepared on the historical cost basis.

(c) Going concern

The financial statements are prepared on a going concern basis.

3. Functional and presentation currency

The national currency of the Republic of Armenia is the Armenian Dram ("AMD"), which is the RAED PIU's functional currency and the currency in which these financial statements are presented. All financial information presented in AMD has been rounded to the nearest thousands, except when otherwise indicated.

4. Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about estimates and judgments in applying accounting policies that have significant effect on amounts in the financial statements is included in note 5.

Measurement of fair values

A number of the RAED PIU's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Further information about the assumptions made in measuring fair values disclosed in the notes specific to that asset or liability.

When measuring the fair value of an asset or a liability, the RAED PIU uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the hierarchy as the lowest level input that is significant to the entire measurement of the fair value.

The RAED PIU recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5. Program loans provided to PFIs

The loans disbursed to the PFIs by the Ministry of Finance of the RA (see note 13) are not recognized as assets of the RAED PIU as for the purposes of these financial statements. The RAED PIU is considered as an agent between the Ministry of Finance of the RA and the PFIs managing the realization of the programs.

The income from program loans represents interest payable by the PFIs against the loans provided to PFIs.

The RAED PIU does not recognize future interest receivable on the loans provided to the PFIs as financial asset as according to the Loan Agreements signed between the RA Government, PFIs and the RAED PIU the PFIs have the right of early repayment of these loans.

6. Administrative expenses

	AMD'000	
	2014	2013
Salaries and wages	43,402	48,916
Office rent	15,960	16,040
Office maintenance and utilities	21,238	15,034
Consulting and professional services expenses	10,528	8,467
Depreciation and amortization	6,626	4,914
Mail and communication expenses	1,693	1,986
Travel and representative expenses	1,853	1,550
Other	2,572	4,933
	103,872	101,840

7. Charges for the program funds

Charges for the program funds received represent payable to the Ministry of Finance of the RA on the cumulative funds received at an annual rate of 0.75%.

8. Subsidies provided

Subsidies provided represent part of subsidization of interests of agricultural loans during the year which were considered to be funded from the interest earned by the RAED PIU from the temporary investment of the funding received for program subsidization. The remaining part of the interest subsidization was recorded in the movement of funds in net assets attributable to the founder.

9. Property and equipment

	'000 AMD			
	Computers and other equipment	Vehicles	Office fittings	Total
<i>Cost</i>				
Balance at 1 January 2013	7,035	14,050	7,120	28,205
Additions	-	23,000	1,216	24,216
Deductions	(475)	-	(324)	(799)
Balance at 31 December 2013	6,560	37,050	8,012	51,622
Additions	1,238	-	85	1,323
Balance at 31 December 2014	7,798	37,050	8,097	52,945
<i>Depreciation</i>				
Balance at 1 January 2013	3,742	4,704	4,701	13,147
Additions	1,007	2,376	918	4,301
Deductions	(459)	-	(269)	(728)
Balance at 31 December 2013	4,290	7,080	5,350	16,720
Additions	899	4,448	791	6,138
Balance at 31 December 2014	5,189	11,528	6,141	22,858
<i>Carrying amounts</i>				
At 1 January 2013	3,293	9,346	2,419	15,058
At 31 December 2013	2,270	29,970	2,662	34,902
At 31 December 2014	2,609	25,522	1,956	30,087

10. Trade and other receivables

	31.12.2014	31.12.2013
	'000 AMD	'000 AMD
Program loan interest receivable from PFIs	29,053	29,874
Prepayments on taxes	4,676	1,076
Other	1,791	378
	35,520	31,328

The RAED PIU's exposure to credit and currency risks and impairment losses related to trade and other receivables are disclosed in note 15.

11. Cash and cash equivalents

	31.12.2014	31.12.2013
	'000 AMD	'000 AMD
Current accounts – in AMD	159,385	84,808
Current accounts – in foreign currency	461,811	127,082
	621,196	211,890

At the end of the reporting period there are time deposits in cash and cash equivalents with term-maturity from the moment of initial recognition to 3 months:

- In AMD – 149,000 thousand drams,
- In foreign currency – 379,976 thousand drams.

12. Trade and other payables

	31.12.2014	31.12.2013
	'000 AMD	'000 AMD
Payables to Ministry of Finance of the RA	10,110	8,879
Payables to employees	8,852	7,636
Other payables	2,251	832
	21,213	17,347

The RAED PIU's exposure to currency and liquidity risks related to trade and other payables is disclosed in note 15.

13. Net assets attributable to the founder

In accordance with the Loan Agreements the funds received shall be made available to PFIs in the form of long-term loans. The retained earnings of the RAED PIU have also to be used for the purpose of program loans provision to PFIs.

The reconciliation of funds received and loans provided to PFIs at the reporting date translated at the reporting date exchange rates were as follows:

	31.12.2014	31.12.2013
	'000 AMD	'000 AMD
Cumulative funds received for subsidy program	2,489,450	1,616,971
Subsidies provided	(2,489,447)	(1,616,927)
Cumulative funds received for PFIs loans	7,764,602	6,644,804
Cumulative loans provided to PFIs from funds received	(6,094,358)	(6,568,335)
Cumulative retained earnings allocated to PFIs	330,115	339,624
Cumulative loans provided to PFIs from retained earnings	(1,468,726)	(358,434)
Unallocated funds	531,636	57,703

Foreign currency exchange rate differences on retranslation of cumulative unallocated funds to the reporting date exchange rates are transferred to the retained earnings directly.

The funds received during the year were as follows:

Funds from Ministry of Finance of the Republic of Armenia

	2014	2013
	'000 AMD	'000 AMD
Transfer to the RFF bank account for subsidy program	872,479	809,996
	872,479	809,996

The funds received for PFIs loans at year end at the reporting date exchange rates were as follows:

	31.12.2014	31.12.2013
	'000 AMD	'000 AMD
IFAD programs	5,193,314	4,435,261
IDA programs	2,571,288	2,209,543
	7,764,602	6,644,804

Total loans to PFIs at year end at the reporting date exchange rates were as follows:

PFIs	31.12.2014	31.12.2013
	'000 AMD	'000 AMD
"Armbusinessbank" cjsc	788,798	1,071,331
"Farm Credit Armenia" UCO CC	816,420	986,640
"Card Agro Credit" UCO cjsc	1,276,089	963,058
"Kamurj" UCO cjsc	1,645,405	927,618
"Nor Horizon" UCO llc	1,328,248	735,244
"Converse Bank" cjsc	157,491	427,938
"Artsakhbank" cjsc	279,327	421,343
"Ardshininvestbank" cjsc	215,413	372,672
"Unibank" cjsc	348,099	330,709
"SEF International" UCO llc	249,358	260,510
"Inecobank" cjsc	47,339	164,452
"ECLOF" UCO llc	157,205	155,510
"Anelik Bank" cjsc	38,941	108,368
"Global Credit" UCO cjsc	214,946	-
"Aregak" UCO cjsc	-	1,386
	7,563,079	6,926,769

14. Capital management

Given the nature of the operations, the RAED PIU does not have a formal capital management policy. The RAED PIU is not subject to externally imposed capital requirements.

15. Fair values and risk management

(a) Accounting classifications and fair values

The management of the RAED PIU believes that the carrying amount of financial instruments approximates to their fair values at the reporting date.

All of the RAED PIU's financial assets are classified as loans and receivables. All of the RAED PIU's financial liabilities are classified as other financial liabilities.

(b) Financial risk management

The RAED PIU has exposure to the following risks from its use of financial instruments:

- credit risk
- liquidity risk
- market risk

Risk management framework

The Management has overall responsibility for the establishment and oversight of the RAED PIU's risk management framework. The Management has developed an internal control policy for managing and monitoring of the risks. The Management reports regularly to the RAED PIU's founder on its activities.

The RAED PIU's risk management policies are established to identify and analyse the risks faced by the RAED PIU, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

(c) Credit risk

Credit risk is the risk of financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the RAED PIU's bank balances and receivables from PFIs.

The carrying amount of financial assets represents the maximum credit risk exposure.

Cash and cash equivalents

The RFF's policy is to keep bank balances with the top ten Armenian banks. As at 31 December 2014 the RAED PIU held cash and cash equivalents of AMD 621,192 thousand (2013: cash of AMD 211,890 thousand, allocated funds with banks) with a reputable Armenian bank and the RAED PIU does not expect it to fail to meet its obligations.

Trade and other receivables

Receivables from PFIs are secured by the respective sub-loans issued to qualifying beneficiaries by the PFIs.

(d) Liquidity risk

Liquidity risk is the risk that the RAED PIU will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The RAED PIU's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the RAED PIU's reputation.

Typically the RFF ensures that it has sufficient cash on demand to meet expected operational expenses for a period of 60 days, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters.

Exposure to liquidity risk

All of the trade and other payables of the RAED PIU are financial liabilities payable at carrying amounts within six months after the reporting date.

(e) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the RAED PIU's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The RAED PIU's exposure to foreign currency risk was as follows:

	31.12.2014	31.12.2013
	'000 AMD	'000 AMD
Trade and other receivables	15,168	12,706
Cash and cash equivalents	461,811	127,082
Net exposure	476,979	139,788

The following significant exchange rates applied during the year:

	Average rate		Spot rate	
	2014	2013	31.12.2014	31.12.2013
1 USD equals AMD	416.4	409.6	474.97	405.64

Sensitivity analysis

A weakening/strengthening of the AMD, as indicated below, against USD at 31 December would have increased/(decreased) profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the RAED PIU considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates, remain constant. The analysis is performed on the same basis for 2013.

	Strengthening	Weakening
	Profit or loss	Profit or loss
31 December 2014		
USD (10% movement)	(47,698)	47,698
31 December 2013		
USD (10% movement)	(13,979)	13,979

(ii) Interest rate risk

As at 31 December 2014 the RAED PIU does not have interest-bearing financial instruments. As at 31 December 2013 the RAED PIU's interest-bearing financial instruments were fixed rate term deposits and cash and their exchange rates (see note 11).

The RAED PIU does not account for any fixed rate financial instruments as at fair value through profit or loss or as available-for-sale. Therefore a change in interest rates at the reporting date would not have an effect in profit or loss or in equity.

16. Related party transactions

(a) Control relationships

The RAED PIU's founder is the Republic of Armenia represented by the Government of the RA.

(b) Transactions with management

Key management received the following remuneration during the year, which is included in administrative expenses (see note 6).

	2014	2013
	'000 AMD	'000 AMD
Acting Director		
Salaries and bonuses	6,205	7,939
	6,205	7,939

17. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

17.1. Government grants

Government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and that the RAED PIU will comply with the conditions associated with the grant and are then recognised in profit or loss on a systematic basis over the useful life of the asset. Grants that compensate the RAED PIU for expenses incurred are recognised in profit or loss on a systematic basis in the same periods in which the expenses are recognised.

17.2. Finance income and costs

The RAED PIU's finance income and finance costs include:

- interest income from placements in banks;
- foreign currency gain or loss on financial assets and financial liabilities.

Interest income is recognised using the effective interest method.

17.3. Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency of the RAED PIU at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period.

Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising in retranslation are recognized in profit or loss.

17.4. Short term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus if the RAED PIU has a present legal or constructive obligation to pay this

amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

17.5. Property and equipment

Items of property and equipment are measured at cost less accumulated depreciation and impairment losses.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

- | | |
|---------------------------------|---------|
| • computers and other equipment | 3 years |
| • motor vehicles | 8 years |
| • fixtures and fittings | 8 years |

Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

17.6. Intangible assets

Intangible assets that are acquired by the RAED PIU, which have finite useful lives, are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, since this most closely reflects the expected pattern of consumption of future economic benefits embodied in the asset. The estimated useful lives of computer software for the current and comparative periods are 7 years.

Amortisation methods, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate.

17.7. Financial instruments

The non-derivative financial instruments of the RAED PIU are as follows:

- receivables,
- payables,
- cash and cash equivalents.

Receivables and payables are not classified as at fair value through profit or loss.

Cash and cash equivalents comprise current accounts and term deposits with maturities at initial recognition of three months or less.

17.8. Impairment

The carrying amounts of RAED PIU's property and equipment and intangible assets are assessed at each reporting date to determine whether there is any objective evidence that it is impaired. If any such indication exists, the RAED PIU shall estimate the recoverable amount of that asset (or group of assets) and compare with the carrying amount. If the estimated recoverable amount is less, the carrying amount shall be reduced to estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

At each reporting date the RAED PIU assesses whether there is any objective evidence that the financial asset (or group of similar assets) measured at cost or amortization cost is impaired. If there is any objective evidence that it is impaired, RAED PIU recognises any impairment loss in profit or loss.

If the impairment loss is reversed, the carrying amount of the asset (or the group of assets) is increased to revised estimate of its recoverable amount (in the case of inventories: selling price less completion and selling costs) but no more than the amount that will be determined if no impairment loss is recognised for the asset (or the group of assets) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

17.9. Leases

(i) Leased assets

The RAED PIU leases assets under operating lease and the leased assets are not recognised on the RAED PIU's statement of financial position.

(ii) Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease.

17.10. New Standards and Interpretations not yet adopted

The RAED PIU has not applied the following new and revised IFRSs that have been issued but are not effective. The RAED PIU has not yet determined the potential effect of the new and revised standard on its financial position and performance.

- IFRS 9, *Financial Instruments*, (issued on November 2009, revised on July 2014) is effective for annual periods beginning on or after 1 January 2015, except for revisions done on July 2014, which are effective from 1 January 2018. IFRS 9 (revised 2014) will replace IAS 39, *Financial Instruments: Recognition and Measurement*, at the date of its being effective.

IFRS 9 introduces new classification and measurement requirements for financial assets, which replace the classification and measurement requirements previously included in IAS 39, according to which all financial assets to be subsequently measured at amortised cost or fair value. Specifically:

- ✓ A debt investments that (i) is held within a business model whose objective is to collect the contractual cash flows, and (ii) has contractual cash flows that are solely payments of principal and interest on the principal outstanding, must be measured at amortised cost, unless the asset is designated at fair value through profit and loss (FVTPL) under the fair value option.
- ✓ A debt investments that (i) is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and (ii) has contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding, must be measured at fair value through other comprehensive income (FVTOCI), unless the asset is designated FVTPL under the fair value option.
- ✓ All other debt investments must be measured at FVTPL.
- ✓ All equity investments are measured at FVTPL, except that if an equity investment is not held for trading, and irrevocable election can be made at initial recognition

to measure the investment at FVTOCI (however, dividend income is recognized in profit and loss).

The impairment model under IFRS 9 reflects expected credit losses, as opposed to incurred credit losses under IAS 39. Under the impairment approach in IFRS 9, it is no longer necessary for a credit event to have occurred before credit losses are recognized. Instead, an entity always accounts for expected credit losses and changes in those expected credit losses. The amount of expected credit losses should be updated at each reporting date to reflect changes in credit risk since initial recognition.

- IFRS 15, *Revenue from contracts with customers*, (issued on May 2014) is effective for annual periods beginning on or after 1 January 2017. IFRS 15 establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. It supersedes the following revenue Standards and Interpretations upon its effective date:

- ✓ IAS 18, *Revenue*,
- ✓ IAS 11, *Construction Contracts*,
- ✓ IFRIC 13, *Customer Loyalty Programmes*,
- ✓ IFRIC 15, *Agreement for the Construction of Real Estate*,
- ✓ IFRIC 18, *Transfers of Assets from Customers*,
- ✓ SIC 31, *Revenue-Barter Transactions Involving Advertising Services*.

IFRS 15 will only cover revenue arising from contracts with customers. Under IFRS 15, a customer of an entity is a party that has contracted with the entity to obtain goods or services that are an output of the entity's ordinary activities in exchange of consideration. Unlike IAS 18, the recognition and measurement of interest income and dividend income from debt and equity instruments are no longer within the scope of IFRS 15.

IFRS 15 has a single model to deal with revenue from contracts with customers. Its core principle is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

- Amendments to IAS 16, *Property, Plant and Equipment*, and IAS 38, *Intangible Assets*, - *Clarification of Acceptable Methods of Depreciation and Amortization* (issued on May 2014) is effective for annual periods beginning on or after 1 January 2016. The amendments to IAS 16 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to IAS 38 introduce a rebuttable perception that revenue is not an appropriate basis for amortization of an intangible asset (which can be rebutted in two limited circumstances).
- Amendments to IAS 16, *Property, Plant and Equipment*, and IAS 41, *Agriculture*, - *Bearer Plants* (issued on June 2014) is effective for annual periods beginning on or after 1 January 2016. The amendments define a bearer plant (mature bearer biological assets, which no longer undergo significant biological transformation and are used solely to grow produce) and require biological assets that meet its definition to be accounted for as property, plant and equipment in accordance with IAS 16, instead of IAS 41. The bearer plants can be measured using either the cost model or the revaluation model set out in IAS 16. The producing growing on bearer plants continues to be accounted for in accordance with IAS 41.

Annex 1. Statement of sources and uses of funds

"Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility
For the year ended 31 December 2014

	2014
	AMD'000
<i>Funds received</i>	
Revolving loans repayments	2,937,055
RA Government subsidy received	872,480
Interest income	423,618
Other	50
Total funds	4,233,203
<i>Funds usage</i>	
Revolving loans provision	2,858,713
Loan service fee (0.75%)	50,716
Operating costs	100,953
	3,010,382
Subsidy provision	872,520
Total payments	3,882,902
Exchange rate gain/(loss)	59,005
Increase/(decrease) in cash	409,306
Cash at the beginning of the year	211,890
Cash at the end of the year	621,196

Annex 2. Bank accounts movement per account
"Rural Areas Economic Development Project Implementation Unit"
State Institution Rural Finance Facility
For the year ended 31 December 2014

	"HSBC Bank Armenia"		"HSBC Bank Armenia" CJSC		Converse Bank		Ardshirbank		VTB Armenia		Acha-Credit		ProCredit		<i>In AMD '000</i>
	CJSC	USD account	Total	CJSC	Total	AMD account	CJSC	Total	AMD account	Bank CJSC	Bank CJSC	AMD account	Bank CJSC	AMD account	Total
Balance as at 1 January 2014	2.1	2.2	2.3	2.4	2.5	2.6	2.7	2.8	2.9	3.0	3.1	3.2	3.3	3.4	3.5
	84,763	127,082	-	3	-	-	-	-	-	-	-	-	-	-	211,890
Replenishment															
Revolving loans repayments	753,636	2,183,419	-	-	-	-	-	-	-	-	-	-	-	-	2,937,055
Interest received	423,562	-	10	-	-	-	-	-	-	-	-	-	-	-	423,618
Subsidy received	-	-	2,075	1,467	2,389	793,596	72,953	-	-	-	-	-	-	-	872,480
Phone fee reimbursement	50	-	-	-	-	-	-	-	-	-	-	-	-	-	50
Foreign exchange gains	-	891,113	-	-	-	-	-	-	-	-	-	-	-	-	891,113
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
Total	1,177,247	3,074,533	2,085	1,467	2,389	793,643	72,953	5,124,316							
Payments															
Revolving loans provision	727,050	2,131,663	-	-	-	-	-	-	-	-	-	-	-	-	2,858,713
Subsidy provision	-	-	2,109	1,468	2,396	806,832	59,714	872,520	-	-	-	-	-	-	872,520
Loan service fee (0,75%)	50,669	-	1	-	-	46	-	50,716	-	-	-	-	-	-	50,716
Operating expenditures	100,354	66	6	1	-	1	2	100,430	-	-	-	-	-	-	100,430
Currency exchange charges	-	523	-	-	-	-	-	523	-	-	-	-	-	-	523
Foreign exchange loss	-	832,109	-	-	-	-	-	832,109	-	-	-	-	-	-	832,109
Total	878,073	2,964,360	2,116	1,469	2,396	806,879	59,716	4,715,010							
Transfers between bank accounts	(224,556)	224,556	35	-	7	13,236	(13,278)	-							-
Balance as at 31 December 2014	159,381	461,810	4	-	-	-	-	621,196							

2.1. “HSBC Bank Armenia” CJSC (AMD accounts)

	Account number 001-058726-004	Account number 001-058726-003	Account number 001-058726-005	Account number 001-062744-003 RFF	Account number 001-062744-003 RFF	Account number 001-062744-005 RFF	Account number 001-058726-001	Account number 001-058726-002	Account number 001-062744-001	Account number 001-062744-004	Account number 001-062744-002 RFF	Account number 001-062744-001	Account number 001-062744-002	In AMD '000
Balance as at 1 January 2014	24,168	-	3,018	964	-	-	53,913	2,700	-	-	-	-	-	84,763
Replenishment														
Revolving loans repayments	619,904	64,683	-	-	-	-	-	52,776	-	-	16,273	-	-	753,636
Interest received	-	-	-	-	-	-	387,269	9,133	27,160	-	-	-	-	423,562
Phone fee reimbursement	-	-	-	-	-	50	-	-	-	-	-	-	-	50
001-058726-001	4,900	-	40,000	50,000	-	10,000	-	-	204,591	-	-	-	-	309,491
001-058726-002	-	-	-	-	-	-	-	-	-	-	55,914	-	-	55,914
001-058726-003	-	-	-	-	268	-	-	-	-	-	-	-	-	268
001-058726-004	-	42,433	-	-	-	-	-	-	-	-	-	-	-	42,433
001-058726-005	-	-	-	-	-	-	-	-	-	-	-	-	-	7,405
001-062744-001	-	-	-	-	5,000	-	-	-	-	-	70,000	130,000	-	205,000
001-062744-002	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RFF	-	-	-	-	-	-	-	-	-	-	-	-	10,000	10,000
001-062744-004	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RFF	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	24,804	107,116	40,000	50,000	5,268	17,454	387,269	61,909	231,751	9,000	142,187	130,000	10,000	1,816,758

2.2 “HSBC Bank Armenia” CJSC (USD accounts)

	Account number	Account number	Account number	Account number	Account number	Account number	Account number	Account number	Account number	Account number	Account number	Account number	In AMD '000
	001-058726-103	001-062744-103	001-058726-106	001-062744-106	001-058726-102	001-062744-106	001-058726-102	001-058726-104	001-062744-102	001-062744-104	001-062744-103	001-062744-102	Total
Balance as at 1 January 2014	29,125	-	20,996	-	64,722	12,240	-	-	-	-	-	-	127,082
Replenishment													
Revolving loans repayments	795,825	145,779	245,926	14,601	622,334	285,850	60,272	12,832	-	-	-	-	2,183,419
From AMD accounts	224,556	-	-	-	-	-	-	-	-	-	-	-	224,556
001-058726-102	617,094	33,190	-	-	-	-	-	-	-	-	-	-	650,283
001-058726-104	155,992	-	-	-	-	-	-	-	-	-	-	-	155,992
001-058726-106	270,946	1,524	-	-	-	-	-	-	-	-	-	-	272,470
001-058726-103	-	190,957	-	-	-	-	-	-	-	-	-	-	190,957
001-058726-104	-	157,359	-	-	-	-	-	-	-	-	-	-	157,359
001-062744-103	-	-	-	-	-	-	-	-	-	-	332,479	-	332,479
001-062744-102	-	-	-	-	-	-	-	-	-	-	-	47,497	47,497
Foreign exchange gains	546,002	5,264	30,575	471	225,888	79,797	2,862	254	-	-	-	-	891,113
Total	2,610,414	534,072	276,501	15,072	848,222	365,648	63,134	13,086	332,479	47,497	47,497	47,497	5,106,126

2.3 Converse Bank CJSC

	<i>In AMD '000</i>		
	<i>Account number 1930007376870100</i>	<i>Account number 1930052441840100</i>	<i>Total</i>
	AMD	AMD	
Balance as at 1 January 2014	-		-
<i>Replenishment</i>			
Interest received	10	-	10
From VTB Armenia Bank CJSC	18	-	18
From ProCredit Bank	17	-	17
Revolving loans repayments	2,071	4	2,075
Total	2,116	4	2,120
<i>Payments</i>			
Subsidy	2,109	-	2,109
Loan service fee (0,75%)	1	-	1
Bank charges	6	-	6
Total	2,116	-	2,116
Balance as at 31 December 2014	-	4	4

2.4 Ardshinbank CJSC

Account number
2470101242920010

AMD

AMD'000

Balance as at 1 January 2014

3

Replenishment

Revolving loans repayments

1,466

Total

1,466

Payments

Subsidy provision

1,468

Bank charges

1

Total

1,469

Balance as at 31 December 2014

-

2.5 VTB Armenia Bank CJSC

Account number
16048264877300

AMD

AMD'000

Balance as at 1 January 2014

-

Replenishment

ProCredit Bank

25

Revolving loans repayments

2,389

Total

2,414

Payments

To Converse Bank CJSC

18

Subsidy provision

2,396

Total

2,414

Balance as at 31 December 2014

-

2.6 Acba-Credit Agricol Bank CJSC

Account number
220005580083000

AMD

AMD'000

Balance as at 1 January 2014

-

Replenishment

Interest received

46

From ProCredit Bank

13,236

Revolving loans repayments

793,596

Payments to petty cashier

1

Total

806,879

Payments

Subsidy provision

806,832

Bank charges

1

Loan service fee (0,75%)

46

Total

806,879

Balance as at 31 December 2014

-

2.7 ProCredit Bank CJSC

Account number
2530400326200010

AMD

AMD'000

Balance as at 1 January 2014

42

Replenishment

Revolving loans repayments

72,953

Total

72,953

Payments

To ACBA Credit Bank

13,236

To Converse Bank CJSC

17

To VTB Armenia Bank CJSC

25

Subsidy provision

59,714

Bank charges

2

Total

72,995

Balance as at 31 December 2014

-

Annex 3. Property and equipment ledger/register

“Rural Areas Economic Development Project Implementation Unit”

State Institution Rural Finance Facility

As at 31 December 2014

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
11-105	Desk with computer cupboard	11-105	150	150	-	04/07/2006	Household equipment	Ruzanna Sargsyan	In use	Useful
31-101	Wheeled armchair	31-101	81	16	65	18/04/2013	Household equipment	Ruzanna Sargsyan	In use	Useful
31-1001	Processor, monitor HP Compaq Pro 6300MT, CPU Intel Core i3-2120	31-1001	384	231	153	09/03/2012	Computers and other equipment	Ruzanna Sargsyan	In use	Useful
31-1101	Unfailing feeding equipment APC Back-UPS CS 500VA, BK500-RS	31-1101	52	31	21	30/10/2006	Computers and other equipment	Ruzanna Sargsyan	In use	Useful
31-1205	Printer / PHKFB15360, PHKFB15361, /	31-1205	167	-	167	11/12/2014	Computers and other equipment	Ruzanna Sargsyan	In use	Useful
11-300	Cupboard with 2 doors	11-300	100	100	-	04/07/2006	Household equipment	R. Sargsyan, A. Ter-Hovhannisyanyan, A. Minasyan	In use	Useful
11-301	Cupboard with 2 doors	11-301	100	100	-	04/07/2006	Household equipment	R. Sargsyan, A. Ter-Hovhannisyanyan, A. Minasyan	In use	Useful
11-309	Cupboard with 2 doors	11-309	100	100	-	04/07/2006	Household equipment	R. Sargsyan, A. Ter-Hovhannisyanyan, A. Minasyan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
11-603	Backed wooden chair	11-603	30	30	-	17/04/2006	Household equipment	R. Sargsyan, A. Ter-Hovhannisyanyan, A. Minasyan	In use	Useful
11-604	Backed wooden chair	11-604	30	30	-	17/04/2006	Household equipment	R. Sargsyan, A. Ter-Hovhannisyanyan, A. Minasyan	In use	Useful
21-100	Desk	21-100	90	75	15	23/01/2008	Household equipment	Armine Ter-Hovhannisyanyan	In use	Useful
21-1301	Printer HP LJ 1018	21-1301	48	48	-	23/01/2008	Computers and other equipment	Armine Ter-Hovhannisyanyan	In use	Useful
31-102	Wheeled armchair	31-102	81	16	65	18/04/2013	Household equipment	Armine Ter-Hovhannisyanyan	In use	Useful
31-1002	Processor, monitor HP Compaq Pro 6300MT, CPU Intel Core i3-2120	31-1002	384	231	153	09/03/2012	Computers and other equipment	Armine Ter-Hovhannisyanyan	In use	Useful
31-1102	Unfailing feeding equipment APC Back-UPS CS 500VA, BK500-RS	31-1102	52	31	21	30/10/2006	Computers and other equipment	Armine Ter-Hovhannisyanyan	In use	Useful
11-102	Desk	11-102	125	125	-	17/04/2006	Household equipment	Andranik Mkrtchyan	In use	Useful
11-500	Telephone cupboard	11-500	90	90	-	16/01/2006	Household equipment	Andranik Mkrtchyan	In use	Useful
21-1103	Computer-13-530 Monitor LGW 1954S	21-1103	342	342	-	04/08/2010	Computers and other equipment	Andranik Mkrtchyan	In use	Useful
31-103	Wheeled armchair	31-103	81	16	65	18/04/2013	Household equipment	Andranik Mkrtchyan	In use	Useful
31-201	Lock box	31-201	85	2	83	21/10/2014	Household equipment	Andranik Mkrtchyan	In use	Useful
31-1204	Printer / PHKFB15360, PHKFB15361, /	31-1204	167	-	167	11/12/2014	Computers and other equipment	Andranik Mkrtchyan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
31-1107	Unfailing feeding equipment /215BOOM787101044, /	31-1107	47	-	47	11/12/2014	Computers and other equipment	Andranik Mkrtchyan	In use	Useful
11-109	Computer table	11-109	135	127	8	02/10/2007	Household equipment	Araksya Khachatryan	In use	Useful
11-1300	Printer HP PSC -1510	11-1300	66	66	-	16/01/2006	Computers and other equipment	Araksya Khachatryan	In use	Useful
21-1300	Printer-xerox HPLJ 3050	21-1300	226	226	-	30/10/2006	Computers and other equipment	Araksya Khachatryan	In use	Useful
31-106	Wheeled armchair	31-106	81	16	65	18/04/2013	Household equipment	Araksya Khachatryan	In use	Useful
31-1003	Processor, monitor HP Compaq Pro 6300MT, CPU Intel Core i3-2120	31-1003	384	231	153	09/03/2012	Computers and other equipment	Araksya Khachatryan	In use	Useful
31-1108	Unfailing feeding equipment /215BOOM787101058/	31-1108	47	-	47	11/12/2014	Computers and other equipment	Araksya Khachatryan	In use	Useful
11-302	Cupboard with 2 doors	11-302	100	100	-	04/07/2006	Household equipment	Araksya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-305	Cupboard with 2 doors	11-305	100	100	-	04/07/2006	Household equipment	Araksya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-306	Cupboard with 2 doors	11-306	100	100	-	04/07/2006	Household equipment	Araksya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-403	Rack	11-403	30	30	-	17/04/2006	Household equipment	Araksya Khachatryan, Andranik Mkrtchyan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
11-601	Backed wooden chair	11-601	30	30	-	17/04/2006	Household equipment	Arakya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-602	Backed wooden chair	11-602	30	30	-	17/04/2006	Household equipment	Arakya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-607	Backed wooden chair	11-607	30	30	-	17/04/2006	Household equipment	Arakya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-608	Backed wooden chair	11-608	30	30	-	17/04/2006	Household equipment	Arakya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-609	Backed wooden chair	11-609	30	30	-	17/04/2006	Household equipment	Arakya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-901	Leather armchair	11-901	126	126	-	04/02/2006	Household equipment	Arakya Khachatryan, Andranik Mkrtchyan	In use	Useful
11-106	Desk with computer cupboard	11-106	150	150	-	04/07/2006	Household equipment	Hasmik Sargsyan	In use	Useful
11-900	Leather armchair	11-900	68	68	-	04/02/2006	Household equipment	Hasmik Sargsyan	In use	Useful
31-1004	Processor, monitor HP Compaq Pro 6300MT, CPU Intel Core i3-2120	31-1004	384	231	153	09/03/2012	Computers and other equipment	Hasmik Sargsyan	In use	Useful
11-107	Desk with computer cupboard	11-107	150	150	-	04/07/2006	Household equipment	Anna Navasardyan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
21-1104	Computer-13-530	21-1104	274	274	-	04/08/2010	Computers and other equipment	Anna Navasardyan	In use	Useful
31-100	Wheeled armchair	31-100	81	16	65	18/04/2013	Household equipment	Anna Navasardyan	In use	Useful
31-1106	Unfailing feeding equipment /215BOOM787101060, /	31-1106	47	-	47	11/12/2014	Computers and other equipment	Anna Navasardyan	In use	Useful
31-1202	Printer / CNG8G4T1B1, CNG8G4DGLZ/	31-1202	163	-	163	11/12/2014	Computers and other equipment	Anna Navasardyan	In use	Useful
11-111	Computer desk with printer cupboard	11-111	165	165	-	04/07/2006	Household equipment	Sergo Ulikhanyan	In use	Useful
31-104	Wheeled armchair	31-104	81	16	65	18/04/2013	Household equipment	Sergo Ulikhanyan	In use	Useful
31-1005	Computer-HP Pro Desk 400 62 MT, Win 7 Pro 64 /CNC 228R26M and Monitor HP20 / CNC228R26M/	31-1005	392	-	392	23/12/2014	Computers and other equipment	Sergo Ulikhanyan	In use	Useful
31-1105	Unfailing feeding equipment /215BOOM787101062, /	31-1105	47	-	47	11/12/2014	Computers and other equipment	Sergo Ulikhanyan	In use	Useful
31-1200	Printer HP LJ P 1606dn, Laser Printer Network Duplex	31-1200	107	64	43	10/01/2012	Computers and other equipment	Sergo Ulikhanyan	In use	Useful
31-105	Wheeled armchair	31-105	81	16	65	18/04/2013	Household equipment	Martin Vardanyan	In use	Useful
31-1203	Printer / CNG8G4T1B1, CNG8G4DGLZ/	31-1203	163	-	163	11/12/2014	Computers and other equipment	Martin Vardanyan	In use	Useful
31-1000	Processor, monitor HP Compaq Pro 6300MT, CPU Intel Core i3-2120	31-1000	384	115	269	09/03/2012	Computers and other equipment	Martin Vardanyan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
11-304	Cupboard with 2 doors	11-304	100	100	-	04/07/2006	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
11-308	Cupboard with 2 doors	11-308	100	100	-	04/07/2006	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
11-400	Rack	11-400	30	30	-	17/04/2006	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
11-600	Backed wooden chair	11-600	30	30	-	17/04/2006	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
11-605	Backed wooden chair	11-605	30	30	-	17/04/2006	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
11-606	Backed wooden chair	11-606	30	30	-	17/04/2006	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
11-700	Chair with metal legs	11-700	16	16	-	04/01/2006	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
21-300	File cabinet	21-300	72	61	11	24/12/2007	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
21-301	File cabinet	21-301	72	61	11	24/12/2007	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
21-302	File cabinet	21-302	185	98	87	19/07/2010	Household equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
21-2200	Photo camera Sony DSC-H20	21-2200	182	106	77	02/03/2010	Computers and other equipment	H. Sargsyan, A. Navasardyan, S. Ulikhanyan, M. Vardanyan	In use	Useful
11-110	Computer desk with printer cupboard	11-110	165	165	-	04/07/2006	Household equipment	Vagharshak Kanayan	In use	Useful
11-307	Cupboard with 2 doors	11-307	100	100	-	04/07/2006	Household equipment	Vagharshak Kanayan	In use	Useful
11-404	Rack	11-404	30	30	-	17/04/2006	Household equipment	Vagharshak Kanayan	In use	Useful
11-108	Computer table	11-108	135	127	8	02/10/2007	Household equipment	Suren Muradyan	In use	Useful
31-107	Wheeled armchair	31-107	81	16	65	18/04/2013	Household equipment	Suren Muradyan	In use	Useful
11-100	Big table for 24 person	11-100	375	375	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-101	Conference table	11-101	140	140	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-103	Middle-sized desk	11-103	100	100	-	04/07/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-104	Small table	11-104	85	85	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-112	Visitors table	11-112	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-200	Chest of drawers with 2 doors	11-200	85	85	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-201	Chest of drawers with 2 doors	11-201	85	85	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-202	Chest of drawers with 2 doors	11-202	85	85	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
11-203	Chest of drawers with 2 doors	11-203	85	85	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-204	Chest of drawers with 2 doors	11-204	85	85	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-303	Cupboard with 2 doors	11-303	100	100	-	04/07/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-401	Rack	11-401	30	30	-	04/07/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-402	Rack	11-402	30	30	-	04/07/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-610	Backed wooden chair	11-610	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-611	Backed wooden chair	11-611	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-612	Backed wooden chair	11-612	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-613	Backed wooden chair	11-613	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-614	Backed wooden chair	11-614	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-615	Backed wooden chair	11-615	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-616	Backed wooden chair	11-616	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-617	Backed wooden chair	11-617	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-618	Backed wooden chair	11-618	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-619	Backed wooden chair	11-619	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-620	Backed wooden chair	11-620	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-621	Backed wooden chair	11-621	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
11-622	Backed wooden chair	11-622	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-623	Backed wooden chair	11-623	30	30	-	17/04/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-701	Chair with metal legs	11-701	16	16	-	04/01/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-702	Chair with metal legs	11-702	16	16	-	04/01/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-703	Chair with metal legs	11-703	16	16	-	04/01/2006	Household equipment	Tigran Khachatryan	In use	Useful
11-1100	Computer Sempron3000, Asus	11-1100	235	235	-	16/01/2006	Computers and other equipment	Tigran Khachatryan	In use	Useful
11-1500	Karcher washing device Puzzi 100 200	11-1500	504	504	-	21/02/2006	Computers and other equipment	Tigran Khachatryan	In use	Useful
11-1600	Audio device Pioneer DEH 80, Pioneer IS2096	11-1600	195	185	10	23/01/2007	Computers and other equipment	Tigran Khachatryan	In use	Useful
11-1702	Mobile phone Nokia 8800	11-1702	200	190	10	25/01/2007	Computers and other equipment	Tigran Khachatryan	In use	Useful
21-101	Desk	21-101	60	33	27	20/05/2010	Household equipment	Tigran Khachatryan	In use	Useful
21-200	Blackboard 90*150	21-200	54	47	7	25/09/2007	Household equipment	Tigran Khachatryan	In use	Useful
21-201	Blackboard	21-201	80	69	10	25/09/2007	Household equipment	Tigran Khachatryan	In use	Useful
21-400	TV set rack "Mini glass"	21-400	32	26	6	02/04/2008	Household equipment	Tigran Khachatryan	In use	Useful
21-500	Chair	21-500	29	20	9	02/11/2009	Household equipment	Tigran Khachatryan	In use	Useful
21-1102	Computer-13-530 Monitor LGW 1954S	21-1102	342	342	-	04/08/2010	Computers and other equipment	Tigran Khachatryan	In use	Useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
21-1200	Monitor DELL, CN-OKC139-46633-658-DK5U	21-1200	140	140	-	18/09/2006	Computers and other equipment	Tigran Khachatryan	In use	Useful
21-1500	Router Zyxell	21-1500	205	205	-	31/05/2007	Computers and other equipment	Tigran Khachatryan	In use	Useful
21-1600	Water device	21-1600	60	43	17	01/02/2009	Household equipment	Tigran Khachatryan	In use	Useful
21-1602	Water device	21-1602	54	31	23	25/02/2010	Household equipment	Tigran Khachatryan	In use	Useful
21-1800	TV set Sony	21-1800	81	66	15	02/04/2008	Computers and other equipment	Tigran Khachatryan	In use	Useful
21-1801	Refrigerator BEKO	21-1801	84	69	15	02/04/2008	Household equipment	Tigran Khachatryan	In use	Useful
21-2100	Car NIVA VAZ 21214, color: white, state plate: 971 6L 63,	21-2100	4,050	2,876	1,174	08/11/2008	Vehicles	Tigran Khachatryan	In use	Useful
21-2101	Car Doj	21-2101	10,000	5,202	4,798	07/08/2010	Vehicles	Tigran Khachatryan	In use	Useful
21-2300	Metal-plastic door 1,8 square meter, metallic-plastic wall 36,5	21-2300	1,576	883	693	21/04/2010	Household equipment	Tigran Khachatryan	In use	Useful
31-200	Metal racks	31-200	570	108	462	29/05/2013	Household equipment	Tigran Khachatryan	In use	Useful
31-3100	Car (TOYOTA LC 150 4,0 GAS)	31-3100	23,000	3,451	19,549	20/09/2013	Vehicles	Tigran Khachatryan	In use	Useful
21-1100	Computer set	21-1100	369	369	-	23/01/2008	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful
21-1201	Monitor LGMNTL1760	21-1201	86	86	-	16/09/2008	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful

Inventory number	Name	Inventory card	Cost (thousand drams)	Accumulated depreciation (thousand drams)	Carrying amount (thousand drams)	Acquisition date	Type	Material responsible person	Condition	Technical conditions
21-1202	Monitor LG17	21-1202	80	80	-	19/10/2007	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful
21-1701	Mobile telephone Nokia 8800	21-1701	396	261	134	06/11/2009	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful
31-1100	Unfailing feeding equipment APC Back-UPS CS 500VA, BK500-RS	31-1100	52	31	21	08/03/2012	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful
31-1103	Unfailing feeding equipment APC Back-UPS CS 500VA, BK500-RS	31-1103	52	31	21	08/03/2012	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful
31-1104	Unfailing feeding equipment APC Back-UPS CS 500VA, BK500-RS	31-1104	52	31	21	08/03/2012	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful
31-1201	Printer HP LJ P 1606dn, Laser Printer Network Duplex monochrome laser jet, 1200x1200dpi, 25p./min(CE749A)	31-1201	107	64	43	10/01/2012	Computers and other equipment	Tigran Khachatryan	Subject to write-off	Non-useful
Total			52,945	22,861	30,084					