

CLOSED JOINT-STOCK COMPANY UNIVERSAL CREDIT ORGANIZATION "FINCA"

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2012
(in United States Dollars)

	Notes	Year ended December 31, 2012	Year ended December 31, 2011 (As restated, Note 4)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net profit for the year		1,358,758	1,681,043
Adjustments for non-cash items:			
Provision for impairment losses on interest bearing assets		41,860	37,901
Loss from disposal of property and equipment and intangible assets		1,664	4,681
Translation differences, net and net (loss)/ gain on financial assets and liabilities at fair value through profit or loss		63,783	(9,065)
Net change in accrued interest		626,560	462,313
Depreciation and amortization		242,295	195,701
Income tax expense recognized in profit and loss		331,924	424,761
Cash inflow from operating activities before changes in operating assets and liabilities		2,667,044	2,797,355
Changes in operating assets and liabilities			
(Increase)/decrease in operating assets:			
Loans to customers		(9,810,222)	(11,271,521)
Other assets		(388,444)	(53,365)
Increase/(decrease) in operating liabilities:			
Other liabilities		156,731	(17,284)
Cash outflow from operating activities before taxation and interest		(7,374,891)	(8,544,815)
Income tax paid		(533,875)	(317,706)
Net cash outflow from operating activities		(7,908,766)	(8,862,521)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Payments for property and equipment		(592,033)	(325,874)
Proceeds on disposal of property and equipment		-	1,332
Payments for intangible assets		(98,975)	(16,081)
Net cash outflow from investing activities		(691,008)	(340,623)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Proceeds from issue of ordinary shares		5,500,000	-
Dividends paid on ordinary shares		(788,964)	(555,252)
Proceeds from borrowed funds		17,168,248	20,532,976
Repayment of borrowed funds		(10,404,179)	(9,110,206)
Net cash inflow from financing activities		11,475,105	10,867,518
Effect of exchange rate changes on the balance of cash held in foreign currencies		4,145	(5,451)
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,879,476	1,658,923
CASH AND CASH EQUIVALENTS, beginning of period	11	3,198,437	1,539,514
CASH AND CASH EQUIVALENTS, end of period	11	6,077,913	3,198,437

Interest paid and received by the Company during the year ended December 31, 2012 amounted to USD 3,433 thousand and USD 13,527 thousand, respectively.

Interest paid and received by the Company during the year ended December 31, 2011 amounted to USD 2,735 thousand and USD 11,422 thousand, respectively.

Signed on behalf of the management of the Company:

General Director
Y. Barseghyan

Chief Accountant
A. Khachatryan

March 15, 2013
Yerevan, Republic of Armenia

March 15, 2013
Yerevan, Republic of Armenia

The notes on pages 8-50 form an integral part of these financial statements