

Statement of cash flows for the year ended December 31, 2014

In USD	Notes	2014	2013
Cash flows from operating activities:			
Net profit/(loss) for the year		1,372,880	(97,225)
Adjustments for:			
Income tax expense/ (benefit) recognized in profit and loss		345,984	(31,601)
Impairment losses on interest bearing assets		960,863	679,487
Loss on disposal of property and equipment and intangible assets		141,149	-
Net unrealised gain on financial assets at fair value through profit or loss		(255,117)	-
Net change in accrued interest		(375,982)	1,836,738
Depreciation and amortization		427,458	400,571
Net foreign exchange loss/(gain)		73,626	(8,180)
Cash inflow from operating activities before changes in operating assets and liabilities		2,690,861	2,779,790
Changes in operating assets and liabilities			
Increase in loans to customers		(5,462,894)	(14,930,553)
Decrease in other assets		39,998	251,745
(Decrease)/ increase in other liabilities		(147,822)	307,513
Cash outflow from operating activities before taxation		(2,879,857)	(11,591,505)
Income tax paid		(409,256)	(222,156)
Net cash used in operating activities		(3,289,113)	(11,813,661)
Cash flows from investing activities:			
Purchase of property and equipment		(429,015)	(672,061)
Purchase of intangible assets		(203,144)	(116,794)
Net cash used in investing activities		(632,159)	(788,855)
Cash flows from financing activities:			
Proceeds from issue of shares		1,000,000	-
Dividends paid		-	(722,236)
Proceeds from borrowed funds		29,853,600	32,805,843
Repayment of borrowed funds		(24,546,872)	(21,732,047)
Net cash generated by financing activities		6,306,728	10,351,560
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies		(571,507)	(44,367)
Net increase/(decrease) in cash and cash equivalents		1,813,949	(2,295,323)
Cash and cash equivalents, beginning of the year	5	3,782,590	6,077,913
Cash and cash equivalents, end of the year	5	5,596,539	3,782,590

The financial statements were authorised for issue on March 31, 2015 by the Board of Directors.


Hrachya Tokhmakhyan
 General Director


Artak Miqayelyan
 Chief Accountant

