



**ARMENIAN TERRITORIAL DEVELOPMENT FUND**

**FINANCIAL STATEMENTS AND  
INDEPENDENT AUDITOR'S REPORT  
for the year ended 31 December 2022**

Yerevan  
2023

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<b>Fund address:</b>	31 K. Ulnetsi Street, Yerevan, 0037, Republic of Armenia
<b>Legal form:</b>	Foundation
<b>Principal activities</b>	The principal activities of the Foundation are presented in the 1 <sup>st</sup> note
<b>Executive director</b>	Sargis Baghinyan

## INDEPENDENT AUDITOR'S REPORT

To the Management of the Armenian Territorial Development Fund

### **Opinion**

We have audited the accompanying financial statements of “Armenian Territorial Development Fund” (“ATDF” or “Fund”) which comprise the statement of financial position as at 31 December 2022, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the ATDF as at 31 December 2022, and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as issued by International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the ATDF in accordance with the *International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code)*, and we have fulfilled our other ethical requirements in accordance with IESBA Code.

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

### **Responsibilities of the Management and Those Charged With Governance for the Financial Statements**

Management of the ATDF is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operation, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guaranty that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists.

Misstatements arise from fraud and error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.



As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

"BDO Armenia" CJSC

30 June 2023

Vahagn Sahakyan,  
Managing Partner



**Armenian Territorial Development Fund**  
**Statement of financial position**  
**As of 31 December 2022**

	Note	As of 31 Dec 2022 USD	As of 31 Dec 2021 USD
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	3	93,238	92,946
Funds receivable	4	250,880,321	338,972,422
<b>Total non-current assets</b>		<u>250,973,559</u>	<u>339,065,369</u>
<b>Current assets</b>			
Prepayments	5	15,856,398	19,456,683
Cash and cash equivalents	6	18,821,038	24,068,021
<b>Total current assets</b>		<u>34,677,436</u>	<u>43,524,704</u>
<b>TOTAL ASSETS</b>		<u>285,650,995</u>	<u>382,590,073</u>
<b>LIABILITIES AND EQUITY</b>			
<b>Equity</b>			
Founders' contribution	7	151,631	151,631
Accumulated surplus/ (deficit)		1,542,907	200,838
<b>Total equity</b>		<u>1,694,538</u>	<u>352,469</u>
<b>Non-current liabilities</b>			
Government grants	8	275,230,755	374,452,505
<b>Total non-current liabilities</b>		<u>275,230,755</u>	<u>374,452,505</u>
<b>Current liabilities</b>			
Accounts payable	9	8,725,702	7,785,098
<b>Total current liabilities</b>		<u>8,725,702</u>	<u>7,785,098</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u>285,650,995</u>	<u>382,590,073</u>

*The financial statements were signed by the management of the Armenian Territorial Development Fund on 30 June 2023. The accompanying notes form an integral part of these financial statements.*

**Sargis Baghinyan**  
Executive Director



**Levon Dulyan**  
Chief Financial Officer



**Armenian Territorial Development Fund**  
**Statement of comprehensive income**  
**As of 31 December 2022**

	Note	2022 USD	2021 USD
Cost of the Projects	10	(65,174,725)	(54,560,775)
Income from Grants	8	65,174,725	54,560,775
Other income/(expense), net		218,923	110,741
Exchange gain/(loss), net		<u>1,123,146</u>	<u>184,471</u>
<b>Results of the year before income tax</b>		<b>1,342,069</b>	<b>295,212</b>
Income tax		<u>-</u>	<u>(3,817)</u>
<b>Results of the year</b>		<b><u>1,342,069</u></b>	<b><u>291,394</u></b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Comprehensive result for the year</b>		<b><u>1,342,069</u></b>	<b><u>291,394</u></b>

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**Sargis Baghinyan**  
Executive Director



**Levon Dulyan**  
Chief Financial Officer

**Armenian Territorial Development Fund**  
**Statement of changes in equity**  
**For the year ended 31 December 2022**

	Founders' contribution USD	Accumulated surplus/ (deficit) USD	Total USD
As of 1 January 2021	151,631	(90,556)	61,075
Results of the year	-	291,394	291,394
As of 31 December 2021	151,631	200,838	352,469
Results of the year	-	1,342,069	1,342,069
As of 31 December 2022	151,631	1,542,907	1,694,538

*The financial statements were signed by the management of the Armenian Territorial Development Fund on 30 June 2023. The accompanying notes form an integral part of these financial statements.*

**Sargis Baghinyan**  
Executive Director

**Levon Dulyan**  
Chief Financial Officer



**Armenian Territorial Development Fund**  
**Statement of cash flows**  
**For the year ended 31 December 2022**

	2022 USD	2021 USD
<b>Operating cash flows</b>		
<b>Funds received/(refunded)</b>		
SILD	3,368,132	3,407,221
SILD AF	2,345,500	539,656
SSIP	13,620,263	17,693,923
LEID	3,942,480	7,223,376
USAID	1,566,775	1,522,174
ISMP	7,841,612	9,467,927
VEDI	9,254,226	10,211,791
IWRM	1,436,105	397,730
CIP II-P2,P3	10,055,466	10,673,059
YWIP	231,538	906,742
Other	2,173,919	(98,994)
	<b>55,836,016</b>	<b>61,944,605</b>
<b>Project expenditures</b>		
SILD	(4,690,246)	(3,150,404)
SILD AF	(1,366,415)	(320,760)
SSIP	(19,145,849)	(11,331,892)
LEID	(4,840,170)	(5,941,995)
USAID	(1,814,816)	(1,503,272)
ISMP	(8,665,812)	(9,728,689)
VEDI	(8,887,947)	(8,943,912)
IWRM	(1,486,227)	(402,240)
CIP II-P2,P3	(8,832,279)	(10,667,105)
YWIP	(323,942)	(2,243,829)
Other	(1,619,037)	(1,426,051)
	<b>(61,672,740)</b>	<b>(55,660,148)</b>
Other operating cash flows, (net)	22,947	(237)
<b>Total Operating cash flows</b>	<b>(5,813,777)</b>	<b>6,284,220</b>
Exchange gain/(loss) on cash	566,798	134,731
<b>Net cash flows</b>	<b>(5,246,979)</b>	<b>6,418,951</b>
Opening cash balance	24,068,017	17,649,066
Cash inflows from WSPIU merger (Note 1.2)	-	-
<b>Closing cash balance</b>	<b>18,821,038</b>	<b>24,068,017</b>

*The financial statements were signed by the management of the Armenian Territorial Development Fund on 30 June 2023. The accompanying notes form an integral part of these financial statements.*

**Sargis Baghinyan**  
Executive Director



**Levon Dulyan**  
Chief Financial Officer



**Armenian Territorial Development Fund**  
**Contents of the notes to the financial statements**  
**For the year ended 31 December 2022**

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## **1. Background**

### **1.1 *The foundation and its objectives***

The Armenian Territorial Development Fund ("ATDF", "Fund") is the legal successor of Armenian Social Investment Fund (ASIF) since 2015. The ATDF operates based on the new Charter since 4 August 2015, and continues ordinary activities of the ASIF.

The ASIF has been established by a Decree N 162 dated 11.04.2000 of the Government of the Republic of Armenia ("RoA"), the sole founder, as an autonomous non-profit agency to assist in the rehabilitation of small-scale infrastructure through community initiated and demand-based activities. It was registered in accordance with resolution N 988 of the Ministry of Justice of the RoA dated 13 September 2000.

The ATDF registered address is: 31 K. Ulnetsi Street, Yerevan, 0037, Republic of Armenia.

The ATDF implements projects such as ASIF I, ASIF II, ASIF III, SILD, SSIP and LEID projects with objective to related to:

- welfare development of population through improving quality and accessibility of social and economic infrastructure and public services, employment, investment activity,
- Institutional and financial strengthening of regions of the RoA.

The projects are financed by the Government of the RoA through funds received from international donors, the largest creditor being International Development Association (IDA), International Bank of Reconstruction and Development (IBRD) and Asian Development Bank (ADB). The Projects are co-financed by the Government of the RoA, Local Communities and Other Sponsors.

### **1.2 *WSPIU merger***

In accordance with the RoA Government Decrees N 170-N dated 28.02.2019 and N 1966-N dated 26.12.2019 the operations of "Water Sector Projects Implementation Unit" State Agency of the Water Committee of the Ministry of Territorial Administration and Infrastructure of the RoA ("WSPIU") were combined to the Fund since start of 2020.

The former activity of the WSPIU continues to be fully implemented, including through its staff and resources, which were merged to the ATDF as a branch, and continues to operate on the area previously allocated to it, at 8 Vardanants deadlock, Yerevan.

The main activities of the branch are .

- Construction of Vedi reservoir and irrigation system,
- Irrigation System Modernization Project
- Integrated water resources management of Akhuryan River,
- Improving Yerevan water supply system,
- Implementation of "Community Infrastructure Program II, Phase 3 - Water Supply and Sewerage Infrastructure of Armenia" program.

The branch programs are funded by the Government of the RoA, mainly with funds received from international donors. The Eurasian Development Bank (EDB), the Agence Française de Développement (AFD), the European Investment Bank (EIB), the Bank for Reconstruction and Development (KfW) are the largest donors. The projects are cofinanced by the Government of the RoA and local communities.



### 1.3 The implemented projects

In the year ended 31 Dec 2022, the ATDF, including its branch, implemented the following main projects:

- **SILD** - “Social Investment and Local Development Project”, financed by the Loan Agreement IBRD Loan Number 8483-AM dated 8 April 2015 between the Republic of Armenia and the IBRD, in the amount of 30,000,000 USD. The objective of the project is to improve quality and use of and access to community and inter-community infrastructure. The Loan became effective on 22 September 2015. The Closing date for the Loan Number 8483-AM financing is set on 31 December 2022 (as updated).
- **SILD AF** - “Additional Financing for Social Investment and Local Development Project”, financed by the Loan Agreement number 9060-AM dated 21 April 2020 between the Republic of Armenia and the IBRD, in the amount of 17,900,000 EURO. The objective of the project is to improve quality and use of and access to community and inter-community infrastructure. The Loan became effective on 08 December 2020. The Closing date for the Loan Number 9060-AM financing is set on 31 May 2025.
- **SSIP** - “Seismic Safety Improvement Program”, financed by Loan Agreement ADB Loan Number 3284-ARM dated 19 October 2015 between the ADB and the Republic of Armenia, in the amount of 83,600,000 USD. The objective of the project is to build earthquake-resilient schools and improve ability of responding to natural disasters. The Loan became effective on 22 December 2015. The closing date of the SSIP project is set on 31 May 2026 (as updated).
- **LEID** - “Local Economy and Infrastructure Development Project”, financed by the Loan Agreement IBRD Loan Number 8572-AM dated 23 February 2016 between the Republic of Armenia and the IBRD, in the amount of 55,000,000 USD. The Project objective is to improve infrastructure services and institutional capacity for increased tourism contribution to local economy in selected regions of Armenia (i.e. Kotayk, Vayots Dzor, Syunik, Lori, Armavir, Ararat). In particular, the proposed Project will support business environment and investment climate for Small and Medium-sized Enterprises (SME) creation, growth, and innovations. The Loan became effective on 29 December 2016. The Project related activities commenced from 21 April 2017. The Closing date for the Loan Number 8572-AM financing is set on 31.12.2024 (as updated).
- **USAID** - “Territorial Management Reform” project, financed by Implementation Letter dated 10 August 2015 between USA International Development Agency (USAID) and ATDF, in the amount of 8,600,000 USD. The objective of the project is funding inter-community projects in 14 pilot combined communities. The closing date of the project is set on 30 September 2022.
- **ISMP** - “Irrigation Systems Modernization Project” supported by the Eurasian Development Bank (EDB) is implemented based on loan agreement signed on 16.10.2015, which became effective on 10 June 2016. The objective of the project is to provide access to irrigation services, including replacement of mechanical irrigation by gravity, rehabilitation of main and secondary canals, rehabilitation and construction of tertiary irrigation networks, length of renovated networks - 344.32 km, length of newly constructed irrigation networks - 67.18. km. The Loan became effective on 29 December 2016. The loan closing date is 31.12.2023 (as updated).
- **VEDI** - “Construction of Vedi Reservoir and Irrigation System Project” implemented with the support of the Agence Française de Développement (AFD) is implemented within the framework of the Loan Agreement dated 26.01.2016, which became effective on 12 May 2016. The aim of the project is to build Vedi reservoir and auxiliary structures, water intakes, water conveyance and irrigation system, as well as tertiary irrigation network of the lands to be irrigated from the reservoir, as a result of which it is expected to ensure, to construction of Vedi and Khosrov water intakes, construction of water conveyance system - 10,6 km, construction of irrigation system - 36.2 km, rehabilitation of tertiary irrigation network - 60 km - construction of dam - 80 m. The Credit became effective on May 12,2016. The closing date of the Project is 30 Sept 2023 (as updated).



- **IWRM** - Integrated Water Resources Management (IWRM) / Akhuryan River, Phase 1 implemented with the support of the German Development Bank (KfW) BMZ-No2014.67.950. The Project is implemented within the framework of the Loan Agreement signed on 19.12.2014, which became effective on June 29, 2015. The objective of the project is the construction of Kaps reservoir with a dam height of 30 m. Closing date is 30 June 2024.
- **CIP II-P2, P3** - "Communal Infrastructure Program II, Phase 3 - Water Supply and Sewerage Infrastructure in Armenia" BMZ N 2013 66 343 Project. The aim of the project is to carry out urgent (partial) rehabilitation of some sections of water supply and sewerage systems in 41 rural settlements of 11 cities and immediate rehabilitation of water supply and sewerage systems in some communities selected from 560 rural settlements. The project is financed by: (a) KfW Bank in accordance with the Loan Agreement dated December 27, 2013, effective since June 21, 2014. Deadline for requesting disbursements is 30.12.2022; (b) With the support of European Investment Bank in accordance with the Financing Contract, effective since 27.06.2014; Closing date is 30.12.2023. (c) KfW Bank and EU NIF in accordance with the Implementing Financing Agreement dated 14.05.2014, effective since June 21, 2014. The deadline for requesting disbursements is 31.12.2022 and is currently under extension.
- **YWIP** - Yerevan Water Supply Improvement Project implemented with the assistance of the European Bank for Reconstruction and Development (EBRD), European Investment Bank (EIB), and EU Neighborhood Investment Facility (EU NIF). EIB Finance Contract was signed on 27.06.2014 and came into force on 05.02.2015. Completion date is 31.12.2022, currently extension is underway. EU NIF Financing Agreement was signed on 06.08.2014 and enacted on 04.11.2014. The completion date is 06.01.2025. EBRD Grant Agreement was signed on 11.06.2015 and enacted on 24.06.2015. Completion date was 31.10.2021.

## **2. Summary of significant accounting policies**

### **2.1 Basis of preparation**

These financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods present

#### ***a) New standards, interpretations and amendments effective from January 1, 2022***

The new or amended standards presented below will not have a significant impact on the Foundation's financial statements:

- IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" (Amendment -Onerous Contracts-Cost of Fulfilling a Contract)
- IAS 16 "Property, Plant and equipment (Amendment -Proceeds before Intended Use

#### ***b) New standards, interpretations and amendments not yet effective***

The following new standards, interpretations, and amendments, which have not yet entered into force, will not have a significant impact on the Foundation's future financial statements:

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Initial Application of IFRS 17 and IFRS 9 – Comparative Information (Amendment to IFRS 17)
- Disclosure of Accounting Policies (Amendment to IAS 1 and IFRS Practice Statement 2)
- IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non-Current)
- Definition of Accounting Estimates (Amendment to IAS 8)



## **2.2 Basis of measurement**

These financial statements are prepared on a historical cost basis.

## **2.3 Functional and presentation currency**

The ATDF's functional currency is the national currency of the Republic of Armenia, Dram (AMD). The presentation currency of these financial statements is United States Dollar (USD).

## **2.4. Significant accounting estimates and judgments**

The Fund makes certain estimates and assumptions regarding the future. Estimates and judgments are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual experience may differ from those estimates and assumptions.

In the reporting year, there are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

## **Measurement of fair values**

A number of assets and liabilities included in the Fund's financial statements require measurement at, and/or disclosure of, fair value. The fair value measurement of the Fund's financial and non-financial assets and liabilities utilizes market observable inputs and data as far as possible. Inputs used in determining fair value measurements are categorized into different levels based on how observable the inputs used in the valuation technique utilized are (the 'fair value hierarchy'):

- Level 1: Quoted prices in active markets for identical items (unadjusted)
- Level 2: Observable direct or indirect inputs other than Level 1 inputs
- Level 3: Unobservable inputs (i.e. not derived from market data).

The classification of an item into the above levels is based on the lowest level of the inputs used that has a significant effect on the fair value measurement of the item. Transfers of items between levels are recognized in the period they occur.

## **2.5. Financial instruments - Risk Management**

During its natural activity, the Fund is exposed to various financial risks such as,

- credit risk
- liquidity risk

In common with all other businesses, the Fund is exposed to risks that arise from its use of financial instruments. This note describes the Fund's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

There have been no substantive changes in the Fund's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

### **(a) Principal financial instruments**

The principal financial instruments used by the Fund, from which financial instrument risk arises, are as follows:

- Funds receivable
- Cash and cash equivalents
- Trade payables.

**Armenian Territorial Development Fund**  
**Notes to the financial statements**  
**For the year ended 31 December 2022**

**(b) Financial instruments by category**

<i>Financial assets</i>	<b>Measured at amortized cost</b>	
	31.12.2022 USD	31.12.2021 USD
Funds receivable	250,880,321	338,972,422
Cash and cash equivalents	18,821,038	24,068,021
	<b>269,701,359</b>	<b>363,040,443</b>

  

<i>Financial liabilities</i>	<b>Financial liabilities at amortized cost</b>	
	2022 USD	2021 USD
Trade payables	8,725,702	7,785,098
	<b>8,725,702</b>	<b>7,785,098</b>

**(c) Financial instruments not measured at fair value**

Financial instruments not measured at fair value include cash and cash equivalents, trade and other payables.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other payables approximates their fair value.

For details of the fair value hierarchy, valuation techniques, and significant unobservable inputs related to determining the fair value, which are classified in level 3 of the fair value hierarchy, refer to appendix A.

**General objectives, policies, and processes**

The overall management of the Fund's activities is carried out by the Board of Trustees. The overall objective of the Board is to set policies that seek to reduce risk as far as possible without disruption of the Fund's activities. Further details regarding these policies are set out below:

**Credit risk**

Credit risk is the risk of financial loss to the Group if a customer or counter party to a financial instrument fails to meet its contractual obligations.

The Fund is mainly exposed to credit risk, which arises from cash and cash equivalents held by banks.

**Liquidity risk**

Liquidity risk arises from the Fund's finance charges and principal repayments on its debt instruments. It is the risk that the Fund will encounter difficulty in meeting its financial obligations as they fall due. The Fund's policy is to ensure that it will always have sufficient cash to allow it to meet its liabilities when they become due. To achieve this aim, it seeks to maintain cash balances to meet expected requirements.

The following table sets out the Fund's contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities:

	Up to 1 month USD	Between 1 and 3 months USD	Between 3 and 12 months USD	Between 1 and 5 years USD	Over 5 years USD
<b>At 31 December 2022</b>					
Trade and other payables	1,343,065	-	2,729,212	4,653,425	-
	<b>1,343,065</b>	<b>-</b>	<b>2,729,212</b>	<b>4,653,425</b>	<b>-</b>
<b>At 31 December 2021</b>					
Trade and other payables	-	369	1,213,620	6,571,848	-
	<b>-</b>	<b>369</b>	<b>1,213,620</b>	<b>6,571,848</b>	<b>-</b>



**2.6. Foreign currency transactions**

Foreign currency is a currency other than the functional currency of the ATDF. Transactions in foreign currencies are translated into functional currency at exchange rates at the dates of the transactions. Average exchange rates as published by the Central Bank of the Republic of Armenia (CBA) is taken as the exchange rate.

The ATDF's accounts are maintained, and transactions are mainly made in United States dollars (USD), Euro (EUR) and Armenian Drams (AMD). Transactions denominated in EUR or AMD currency are translated into USD based on average exchange rates as published by the CBA.

The average exchange rates as publish by the CBA related to USD against the EUR and AMD are follows:

	<b>31.12.2022</b>	<b>31.12.2021</b>
AMD	383,57	480.14
EUR	1,067	0.885
	<b>2022 average rate</b>	<b>2021 average rate</b>
AMD	434,86	503.81
EUR	1,057	0.844

**2.7. Government grants**

Grants from the government in return for past or future compliance with certain conditions relating to operating activities of ATDF are recognized at their fair value where there is reasonable assurance that:

- a) the ATDF will comply with the conditions attached to them; and
- b) the grants will be received:

Government grants relating to the purchase of property, plant and equipment are deferred and are recognized in the income statement on a straight-line basis over the expected lives of the related assets. Grants relating to costs are deferred and recognized in the income statement over the period necessary to match them with the costs that they are intended to compensate.

**2.8 Property and equipment**

Property and equipment are stated at cost, less accumulated depreciation, and provision for impairment, where required. Costs of minor repairs and maintenance are expensed when incurred. Cost of replacing major parts or components of property, plant and equipment items are capitalized and the replaced part is retired.

Depreciation is calculated on a straight-line basis in accordance with the following annual depreciation rates:

Machinery and equipment	15%-30%
Transportation means	12%-20%
Operational fixtures	12%-20%.

**2.9. Cash**

Cash comprises of bank accounts balances.

**2.10. Prepayments**

Prepayments are carried at cost less provision for impairment. If there is an indication that the assets, goods or services relating to an advance will not be received, the carrying value of the advance is written down accordingly and a corresponding impairment loss is recognized in the income statement.



### 3. Property and equipment

Property and equipment represent fixed assets acquired in the scope of the implemented projects for use at ATDF.

	Vehicles	Equipment	Office furniture and fixtures	Total
	USD	USD	USD	USD
As of January 1, 2021	152,471	429,933	26,506	608,910
Acquisitions	-	4,182	306	4,488
Write-offs	-	-	-	-
As of December 31, 2021	152,471	434,115	26,812	613,398
Acquisitions	-	44,970	975	45,945
Write-offs	(21,655)	-	-	(21,655)
As of December 31, 2022	130,816	479,085	27,787	637,688
Annual depreciation charge				
As of January 1, 2021	74,455	405,009	13,338	492,802
Annual charges	12,641	12,005	3,003	27,649
As of December 31, 2021	87,096	417,014	16,341	520,451
Annual charges	17,660	13,897	6,924	38,481
	(14,482)	-	-	(14,482)
As of December 31, 2022	90,274	430,911	23,265	544,450
<i>Carrying value</i>				
As of December 31, 2021	65,375	17,100	10,471	92,946
As of December 31, 2022	40,542	48,174	4,522	93,238

- (a) As of 31 Dec 2022, the property and equipment with cost of 397,166 USD are fully depreciated (31 Dec 2021: 365,519 USD).
- (b) The Foundation carries out its activities in the following areas provided free of charge by the state. These areas are accounted by equity approach, a net approach that recognizes grants out of profit or loss and does not recognize assets or liabilities in respect of that grant in accordance with IAS 20 "Accounting for government grants and disclosure of government assistance".
- 31 Ulnetsi, Yerevan, 5th and 6th floor, total 1,456.8 square meters.
  - 8 Vardanants dead-end Yerevan, 5th floor, total 612.6 square meters.

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**4. Funds receivable**

It represents funds receivable for implementation of the projects by the ATDF:

<u>Programs</u>	<u>Note</u>	<u>31 Dec 2022</u> <u>USD</u>	<u>31 Dec 2021</u> <u>USD</u>
SIL	4.1	30,442	3,358,416
SILD AF	4.1.a	24,220,326	27,107,031
SSIP	4.2	38,844,405	54,245,905
LEID	4.3	36,300,687	51,379,598
USAID	4.4	442,467	2,009,242
ISMP	4.5	13,305,171	21,146,783
VEDI	4.6	7,491,886	17,854,920
IWRM	4.7	67,245,167	72,764,027
CIP II-P2,P3	4.8	51,051,942	76,780,421
YWIP	4.9	11,937,860	12,169,398
Other		9,968	156,681
		<u>250,880,321</u>	<u>338,972,422</u>

**4.1 SILD**

The IBRD Loan 8483-AM total funding is 30,000,000 USD; payment currency is USD.

	IBRD 8483-AM	Government of RoA cofinancing	Community contribution	Donors	Total
	USD	USD	USD	USD	USD
As of 31 Dec 2021	<u>2,345,895</u>	<u>1,011,805</u>	<u>-</u>	<u>716</u>	<u>3,358,416</u>
Granted	-	-	-	-	-
Other addition/ (deduction)			40,158	-	40,158
Received	<u>(2,345,895)</u>	<u>(982,079)</u>	<u>(40,158)</u>	<u>-</u>	<u>(3,368,132)</u>
As of 31 Dec 2022	<u>-</u>	<u>29,726</u>	<u>-</u>	<u>716</u>	<u>30,442</u>



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**4.1.a. SILD AF**

The IBRD Loan N 9060-AM; total funding is 17,900,000 EURO; payment currency is EURO.

	IBRD Loan 9060-AM	Governme nt of RoA cofinancin g	Community contributio n	Donor	Total
	USD equivalent	USD	USD	USD	USD
As of 31 Dec 2021	19,116,835	6,805,497	1,184,699	-	27,107,031
Granted	-	-	-	-	-
Revaluation	(340,307)	(130,181)	(23,434)	-	(493,922)
Received	(797,943)	(644,414)	(950,426)	-	(2,392,783)
As of 31 Dec 2022	17,978,585	6,030,902	210,839	-	24,220,326

Funding receivable in movement in underlining currency, EUR, is follows:

	IBRD Loan 9060-AM	Governmen t of RoA cofinancing	Community contribution	Dono r	Total
	EUR	EUR	EUR	EUR	EUR
As of 31 Dec 2021	17,600,000	6,260,464	1,097,044	-	24,957,508
Granted	-	-	-	-	-
Received	(755,188)	(609,886)	(899,501)	-	(2,264,575)
As of 31 Dec 2022	16,844,812	5,650,578	197,543	-	22,692,933

**4.2 SSIP**

The ADB Loan 3284-ARM total funding is 63,259,000 SDR; payment currency is USD.

	ADB Loan 3284-ARM	Government of RoA cofinancing	Total
	USD	USD	USD
As of 31 Dec 2021	42,019,191	12,226,715	54,245,905
Granted	-	-	-
Revaluation	(2,153,522)	-	(2,153,522)
Received	(10,202,318)	(3,045,660)	(13,247,978)
As of 31 Dec 2022	29,663,351	9,181,055	38,844,405

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**4.3 LEID**

The IBRD Loan 8572-AM total funding is 42,800,000 USD; payment currency is USD.

	IBRD 8572-AM USD	Government of RoA cofinancing USD	Total USD
As of 31 Dec 2021	40,827,938	10,551,660	51,379,598
Granted	(12,200,000)	1,063,569	(11,136,431)
Received	(2,992,875)	(949,605)	(3,942,480)
As of 31 Dec 2022	25,635,063	10,665,624	36,300,687

**4.4 USAID**

The USAID total funding is 8,600,000 USD; payment currency is USD.

	USAID USD	Community contribution USD	Total USD
As of 31 Dec 2021	1,535,500	473,742	2,009,242
Granted	-	-	-
Received	(1,535,500)	(31,275)	(1,566,775)
As of 31 Dec 2022	-	442,467	442,467

**4.5 ISMP**

The ISMP total funding is 40,000,000 USD; payment currency is USD.

	EDB USD	Government of RoA cofinancing USD	Community contribution USD	Total USD
As of 31 Dec 2021	16,769,529	4,110,816	266,437	21,146,783
Granted	-	-	-	-
Received	(6,517,754)	(1,275,778)	(48,080)	(7,841,612)
As of 31 Dec 2022	10,251,775	2,835,038	218,357	13,305,171



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**4.6 VEDI**

The AFD Credit No. CAM 1002 01 Y total funding is 75,003,631 EUR, as well as grants No. CAM 1004 01 N CAM 1013 01 A in total amount of 390,350; payment currency is EUR.

	AFD	Government of RoA cofinancing	Total
	USD equivalent	USD	USD
As of 31 Dec 2021	13,794,028	4,060,892	17,854,920
Granted	-	(2,171)	(2,171)
Revaluation	(843,117)	(263,520)	(1,106,637)
Received	(7,610,501)	(1,643,725)	(9,254,226)
As of 31 Dec 2022	<u>5,340,410</u>	<u>2,151,476</u>	<u>7,491,886</u>

Funding receivable in movement in underlining currency, EUR, is follows:

	AFD	Government of RoA cofinancing	Total
	EUR	EUR	EUR
As of 31 Dec 2021	12,205,939	3,593,367	15,799,306
Granted	-	(1,991)	(1,991)
Received	(7,202,308)	(1,575,577)	(8,777,885)
As of 31 Dec 2022	<u>5,003,631</u>	<u>2,015,799</u>	<u>7,019,430</u>

**4.7 IWRM**

The KfW Loan BMZ-No2014.67.950 total funding is 50,000,000 EUR as well as grant of 300,000 EUR; payment currency is EUR.

	KFW	Government of RoA cofinancing	Total
	USD equivalent	USD	USD
As of 31 Dec 2021	52,592,129	20,171,898	72,764,027
Granted	-	-	-
Revaluation	(2,962,816)	(1,119,939)	(4,082,755)
Received	(876,955)	(559,150)	(1,436,105)
As of 31 Dec 2022	<u>48,752,358</u>	<u>18,492,809</u>	<u>67,245,167</u>

Funding receivable in movement in underlining currency, EUR, is follows:

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	KfW EUR	Government of RoA cofinancing EUR	Total EUR
As of 31 Dec 2021	46,537,264	17,849,533	64,386,797
Granted	-	-	-
Received	(859,348)	(522,925)	(1,382,273)
As of 31 Dec 2022	45,677,916	17,326,608	63,004,524

**4.8 CIP II-P2,P3**

The KfW Loan BMZ N 2013 66 343 total funding is 30,000,000 EUR, EIB Loan FIN 82.043 Separis 2012-0322 total funding is 25,500,000 EUR, EU-NIF Grant IG 2020 61 554 total funding is 12,000,000 EUR, KfW Loan BMZ N 2009 66 515 total funding is 1,114,165 EUR. Payment currency is EUR.

	KFW USD equivalent	EU-NIF USD equivalent	EIB USD equivalent	Government of RoA cofinancing USD	Total USD
KFW	25,107,820	13,278,973	24,749,363	13,644,265	76,780,421
USD equivalent	-	-	(10,000,000)	(2,000,000)	(12,000,000)
KFW	(1,500,619)	(739,170)	(748,185)	(685,039)	(3,673,013)
USD equivalent	(2,840,921)	(15,885)	(5,400,533)	(1,798,127)	(10,055,466)
KFW	20,766,280	12,523,918	8,600,645	9,161,099	51,051,942

Fund receivable movement in underlining currency, EUR, is follows:

	KFW EUR	EU-NIF EUR	EIB EUR	Government of RoA cofinancing EUR	Total EUR
As of 31 Dec 2021	22,217,189	11,750,182	21,900,000	12,073,419	67,940,789
Granted	-	-	(8,841,733)	(1,768,347)	(10,610,080)
Received	(2,760,481)	(16,052)	(5,000,000)	(1,721,693)	(9,498,226)
As of 31 Dec 2022	19,456,708	11,734,130	8,058,267	8,583,379	47,832,483



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**4.9 YWIP**

The YWIP total funding is 14,000,000 USD: EIB funds- 7,000,000 USD and EU-NIF funds 7,000,000 USD; as well as EBRD Grant 809,621 EUR; payment currency is USD.

	EIB USD	EU-NIF USD	Government of RoA cofinancing USD	Total USD
As of 31 Dec 2021	4,700,000	4,700,000	2,769,398	12,169,398
Granted	-	-	-	-
Received	-	-	(231,538)	(231,538)
As of 31 Dec 2022	4,700,000	4,700,000	2,537,860	11,937,860

**5. Prepayments**

	31.12.2022 USD	31.12.2021 USD
Advances for Works	15,777,055	19,145,229
Other advances	79,138	311,453
	<b>15,856,398</b>	<b>19,456,683</b>
<b>Prepayment on projects</b>		
SSIP	8,380,280	7,853,920
LEID	1,122,964	1,822,085
ISMP	1,650,961	908,511
VEDI	1,242,612	2,742,228
CIP II-P2,P3	3,364,454	5,699,326
Other projects	95,127	430,614
	<b>15,856,398</b>	<b>19,456,683</b>

- a) The Prepayments are mainly result from prepayments to contractors up to 20% on construction contracts secured with relevant bank guarantees.

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**6. Cash and cash equivalents**

	Project	Currency	31 Dec 2022 USD	31 Dec 2021 USD
Designated account (IBRD 8283-AM)	SILD	USD	315,199	1,400,854
Designated account (IBRD 9060-AM)	SILD AF	EUR	188,522	-
Designated account (ADB 3284-ARM)	SSIP	USD	4,543,572	10,219,166
Designated account (IBRD 8572)	LEID	USD	500,857	1,378,308
Designated account (EDB)	ISMP	USD	2,178,548	2,617,357
Community cofinancing account	ISMP	AMD	-	295,027
Designated account (AFD)	VEDI	EUR	5,708,089	5,569,031
Designated account (KFW)	CIP II-P2,P3	EUR	1,381,552	-
Designated account	YWIP	USD	400,692	485,099
Other accounts		USD	19	-
Other accounts		EUR	-	45,803
Other accounts		AMD	3,603,988	2,057,376
			<u>18,821,038</u>	<u>24,068,021</u>

**7. Founders' contribution**

The Government of the Republic of Armenia is the sole founder of ATDF. The Founder contributed Property and Equipment with the valued amount of USD 151,631. Those assets were fully depreciated as at 31 December 2006.



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**8. Government grants**

Below presented grants movements for the implementation of ATDF Projects:

Year ended 31.12.2022	SILD	SILD AF	SSIP	LEID	USAID	ISMP	VEDI	IWRM	CIP II-P2,P3	YWIP	Other	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Opening balance	5,533,177	27,426,720	71,823,006	54,353,709	2,257,158	24,153,935	20,630,001	72,796,701	81,916,962	12,654,564	906,572	374,452,505
Grants received	-	-	-	(11,136,431)	-	-	(2,171)	-	(12,000,000)	-	1,128,828	(22,009,774)
Other increase/ (decrease)	40,158	-	-	-	-	-	-	-	-	-	(102,117)	(61,959)
Revaluation	(1)	(522,341)	(1,781,210)	56	2,982	(84,818)	(1,182,774)	(3,998,445)	(3,830,440)	2,017	(580,318)	(11,975,292)
Income correspond- ing to compensated costs	(4,969,968)	(1,522,466)	(20,226,212)	(5,648,791)	(1,826,290)	(7,449,117)	(9,616,575)	(1,552,738)	(11,631,272)	(317,957)	(413,339)	(65,174,725)
Closing balance	603,366	25,381,913	49,815,584	37,568,543	433,850	16,620,000	9,828,481	67,245,518	54,455,250	12,338,624	939,626	275,230,755

Year ended 31.12.2021	SILD	SILD AF	SSIP	LEID	USAID	ISMP	VEDI	IWRM	CIP II-P2,P3	YWIP	Other	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Opening balance	8,288,754	-	81,455,810	59,182,452	3,763,101	36,851,584	35,270,706	79,382,849	96,969,954	14,062,854	2,409,262	417,637,326
Grants received	-	27,646,686	-	-	-	-	555,189	-	-	300,506	20,250	28,522,631
Other increase/ (decrease)	198,964	-	-	-	-	-	-	-	-	-	-	198,964
Revaluation	-	-	(1,539,460)	-	-	(127,615)	(2,159,789)	(6,228,916)	(7,290,783)	923	-	(17,218,948)
Income correspond- ing to compensated costs	(2,954,541)	(219,967)	(8,093,344)	(4,828,743)	(1,505,943)	(12,570,034)	(13,036,105)	(357,232)	(7,762,209)	(1,709,718)	(1,522,940)	(54,560,776)
Closing balance	5,533,177	27,426,720	71,823,006	54,353,709	2,257,158	24,153,935	20,630,001	72,796,701	81,916,962	12,654,564	906,572	374,452,505

## 9. Accounts payable

	<b>31.12.2022</b>	<b>31.12.2021</b>
	USD	USD
Payables for works	7,161,624	7,511,121
Other payables	1,564,078	273,977
	<b>8,725,702</b>	<b>7,785,098</b>
<b>Payables per project</b>		
SSIP	1,717,016	491,121
LEID	236,162	226,566
ISMP	514,704	813,786
VEDI	1,342,699	5,569,536
CIP II-P2, P3	4,653,425	567,418
Other	261,696	116,671
	<b>8,725,702</b>	<b>7,785,098</b>

- (a) Retentions of 10% on VEDI project, 5% on SILD, SSIP, LEID and ISMP projects, are held from the completed service invoice for up to one year as a guaranty for the quality of the work.



10. Cost of the projects

For year ended 31 Dec 2022	SILD	SILD AF	SSIP	LEID	USAID	ISMP	VEDI	IWRM	CIP II-P2,P3	YWIP	Other	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Works	1,043,628	707,034	19,259,256	4,789,506	-	6,191,314	9,109,571	-	9,807,322	-	66,841	50,974,472
Goods	3,725,558	-	-	-	1,756,515	238,679	-	-	-	-	-	5,720,752
Consultants' services and Training	76,726	141,992	750,399	752,872	51,093	704,926	370,391	1,408,639	1,823,950	95,206	311,331	6,487,525
Operating costs	102,517	673,440	216,348	106,239	7,208	314,178	131,024	144,078	-	222,747	35,167	1,952,946
Depreciation of PPE	21,539	-	209	174	11,474	20	5,589	21	-	4	-	39,030
<b>Total</b>	<b>4,969,968</b>	<b>1,522,466</b>	<b>20,226,212</b>	<b>5,648,791</b>	<b>1,826,290</b>	<b>7,449,117</b>	<b>9,616,575</b>	<b>1,552,738</b>	<b>11,631,272</b>	<b>317,957</b>	<b>413,339</b>	<b>65,174,725</b>

For year ended 31 Dec 2021	SILD	SILD AF	SSIP	LEID	USAID	ISMP	VEDI	IWRM	CIP II-P2,P3	YWIP	Other	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Works	896,302	218,904	7,313,393	4,345,054	-	11,728,246	12,081,176	-	6,897,452	1,259,854	954,457	45,694,838
Goods	1,224,233	-	-	-	1,412,044	-	-	-	-	20,076	170,015	2,826,368
Consultants' services and Training	142,007	1,034	581,415	380,289	85,476	566,767	865,200	232,919	864,756	229,473	360,611	4,309,947
Operating costs	674,971	29	198,451	103,249	5,544	274,496	82,760	124,305	-	200,313	37,858	1,701,976
Depreciation of PPE	17,028	-	85	151	2,880	525	6,969	7	-	3	-	27,648
<b>Total</b>	<b>2,954,541</b>	<b>219,967</b>	<b>8,093,344</b>	<b>4,828,743</b>	<b>1,505,943</b>	<b>12,570,034</b>	<b>13,036,105</b>	<b>357,232</b>	<b>7,762,208</b>	<b>1,709,718</b>	<b>1,522,940</b>	<b>54,560,775</b>

11. Cash flows per projects

Year ended 31.12.2022	SILD	SILD AF	SSIP	LEID	USAID	ISMP	VEDI	IWRM	CIP II- P2,P3	YWIP	Other	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Funds received/ (returned)	3,368,132	2,345,500	13,620,263	3,942,480	1,566,775	7,841,612	9,254,226	1,436,105	10,055,466	231,538	2,173,919	55,836,016
Loan/Credit/Grant	2,345,895	750,660	10,202,318	2,992,875	1,535,500	6,517,754	7,610,501	876,955	8,206,743	-	200,000	41,239,201
RoA Government	982,079	644,414	3,045,660	949,605	-	1,275,778	1,643,725	559,150	1,848,723	231,538	1,973,919	13,154,591
Community Contributions	40,158	950,426	-	-	31,275	48,080	-	-	-	-	-	1,069,939
Other Sponsors	-	-	372,285	-	-	-	-	-	-	-	-	372,285
Expenditures on Projects	(4,690,246)	(1,366,415)	(19,145,849)	(4,840,170)	(1,814,816)	(8,665,812)	(8,887,947)	(1,486,227)	(8,832,279)	(323,942)	(1,619,037)	(61,672,740)
Works	(843,336)	(552,415)	(18,178,079)	(3,980,994)	-	(7,352,204)	(8,118,818)	-	(7,179,703)	-	(1,039,544)	(47,245,093)
Goods	(3,667,668)	-	-	-	(1,810,589)	(278,124)	(16,057)	-	-	-	(579,493)	(6,351,931)
Consultant Services and Training	(76,725)	(140,560)	(751,396)	(752,883)	-	(720,120)	(628,732)	(1,342,254)	(1,652,576)	(101,204)	-	(6,166,450)
Operating Costs	(102,517)	(673,440)	(216,374)	(106,293)	(4,227)	(315,364)	(124,340)	(143,973)	-	(222,738)	-	(1,909,266)
Other operating flows	-	(11,111)	(10)	-	-	-	-	-	-	-	34,068	22,947
Foreign exchange gain/(loss)	121,492	64,544	116,440	20,260	15,671	90,364	(227,221)	50,122	112,562	7,998	194,566	566,798
Net cash flows	(1,200,622)	1,032,518	(5,409,156)	(877,430)	(232,370)	(733,836)	139,058	-	1,335,749	(84,406)	783,516	(5,246,979)
Opening cash balance	1,941,908	222,674	10,219,164	1,378,306	244,890	2,912,385	5,569,030	-	45,803	485,099	1,048,758	24,068,017
Closing cash balance	741,286	1,255,192	4,810,008	500,876	12,520	2,178,548	5,708,089	-	1,381,552	400,693	1,832,274	18,821,038



Year ended 31 Dec 2021	SILD	SILD AF	SSIP	LEID	USAID	ISMP	VEDI	IWRM	CIP II- P2, P3	YWIP	Other	Total
	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD	USD
Funds received/ (returned)	3,407,221	539,656	17,693,923	7,223,376	1,522,174	9,467,927	10,211,791	397,730	10,673,059	906,742	(98,994)	61,944,605
Loan/Credit/Grant	2,248,634	354,961	15,818,280	6,039,642	1,339,500	7,207,517	8,327,308	200,617	9,470,107	400,005	9,773	51,416,345
RoA Government	959,622	80,339	1,875,643	1,183,734	-	2,036,644	1,884,484	197,112	1,202,952	506,738	(219,367)	9,707,900
Community Contributions	198,964	104,356	-	-	182,674	223,766	-	-	-	-	1,678	711,439
Other Sponsors	-	-	-	-	-	-	-	-	-	-	108,922	108,922
Expenditures on Projects	(3,150,404)	(320,760)	(11,331,892)	(5,941,995)	(1,503,272)	(9,728,689)	(8,943,912)	(402,240)	(10,667,105)	(2,243,829)	(1,426,051)	(55,660,148)
Works	(1,106,364)	(319,697)	(10,551,683)	(5,458,163)	-	(8,884,371)	(8,287,904)	-	(9,992,036)	(1,585,864)	(843,643)	(47,029,725)
Goods	(1,227,063)	-	-	-	(1,412,253)	-	-	-	-	(20,141)	(154,703)	(2,814,159)
Consultant Services and Training	(142,007)	(1,034)	(581,342)	(380,083)	(85,475)	(568,989)	(567,888)	(277,584)	(675,069)	(437,440)	(387,372)	(4,104,283)
Operating Costs	(674,971)	(30)	(198,867)	(103,748)	(5,544)	(275,328)	(88,120)	(124,656)	-	(200,384)	(40,334)	(1,711,981)
Other operating flows	24	-	(260)	-	-	-	-	-	-	-	-	(237)
Foreign exchange gain/(loss)	56,865	3,778	3,461	12,870	8,394	54,825	(189,361)	4,510	39,839	14,054	125,496	134,731
Net cash flows	313,705	222,674	6,365,232	1,294,251	27,296	(205,937)	1,078,518	-	45,793	(1,323,032)	(1,399,549)	6,418,951
Opening cash balance	1,628,203	-	3,853,932	84,055	217,594	3,118,322	4,490,512	-	10	1,808,131	2,448,307	17,649,066
Closing cash balance	1,941,908	222,674	10,219,164	1,378,306	244,890	2,912,385	5,569,030	-	45,803	485,099	1,048,758	24,068,017

## 12. Taxes

Applicable taxes are paid in accordance with Tax Code of the Republic of Armenia. Income tax rate in the Republic of Armenia for year 2022 is set at 18% (2021: 18%).

## 13. Litigations

There are no material claims against the ATDF or its implemented projects as of the reporting date and date of signing these reports.

## 14. IFRS 13 Fair Value measurement disclosures

The following table sets out the assets and liabilities for which fair values are disclosed in the notes:

Item	Fair Value USD	Valuation technique	Fair value hierarchy level	Significant unobservable inputs
Funds receivable	25,880,321	<i>Current</i> The carrying amount of short term (less than 12 months) payables approximates its fair values.	Level 3	N/A
Trade payables	8,725,702	<i>Current</i> The carrying amount of short term (less than 12 months) payables approximates its fair values.	Level 3	N/A