

2006 Activity Report of the Law Foundation of Armenia

The Law Foundation of Armenia

The Law Foundation of Armenia was registered in the Central Body of the Republic of Armenia State Register of Juridical Persons on 9 September 2003 (registration number 222.160.00196, registration certificate 03U 061099)

The main goals of the Foundation are: to assist to judiciary reforms, to promote the development of the advocate's institute, to promote the establishment of the law schools and the faculties of law of the institutes in the Republic of Armenia.

The Law Foundation has organized the Armenian Round of the 2005 Philip C. Jessup International Law Moot Court Competition and the celebration of the 83rd anniversary of advocacy in Armenia.

Financial reports of the Foundation are signed by the Director and the Chief Accountant.

Accounting Policy

- *Principles of compiling financial reports:*
The financial reports are compiled in accordance with the Republic of Armenia Law on Accounting, and the Republic of Armenia Accounting Standards.

- *Accounting principles:*

Going-concern, consistency, clarity, importance, unity, reliability.

- *Inventories:*

Entering and writing out of inventory is made according to the time factor – first - in - first - out costing method (FIFO formula).

- *Taxes:*

Tax deductions are realized in accordance with the Republic of Armenia tax legislation.

- *Revenue recognition:*

Revenue is recognized in compliance with the Republic of Armenia standard 20, on systematic basis, for the periods when they refund corresponding expenditures.

Financial assets for 2006 were accumulated from funds provided by the founders, as well as contributions from different donors:

In 2006 the sum of 261,000 (two hundred and sixty-one thousand) AMD from means of the Fund was spent.

In 2006 Members of the Board of Trustees did not use the financial means of the Fund.

Artak Saribekyan is Director of the Law Foundation of Armenia, Alvard Hovhannisyan is Chief Accountant.

Director



[Signature of A. Saribekyan]

A. Saribekyan

Chief Accountant

[Signature of A. Hovhannisyan]

A. Hovhannisyan

THE LAW FOUNDATION OF ARMENIA

BALANCE SHEET, FORM N 1

31 December 2006
7 Nalbandyan Str., apt. 2
Thousand drams

	2005	2006
ASSETS		
Non-Current Assets		
Total Non-Current Assets	0	0
Current Assets		
Cash and Cash Equivalents	21	18
Total Current Assets	21	18
BALANCE	21	18

THE LAW FOUNDATION OF ARMENIA

INCOME STATEMENT, FORM N 2

31 December 2006
7 Nalbandyan Str., apt. 2
Thousand drams

	2005	2006
Other Operating Income, including Grants	4,911.0	263.0
Other Operating Expenses, including Grants	(4,756.0)	(261.0)
Operating Profit(Loss)	155.0	2.0
Other non-operating income (loss)		
Changes in the exchange rate	(155.0)	(2.0)
Income (loss) from ordinary activity	0.0	0.0
Income (loss) from odd cases	0.0	0.0
Net income (loss) prior to decrees of expenditures of the income tax	0.0	0.0
Expenditures (refund) due to income tax	0.0	0.0
Net income (loss) after the decrees of expenditures of the income tax	0.0	0.0

THE LAW FOUNDATION OF ARMENIA

CASH FLOW STATEMENT, FORM N 4

31 December 2006
7 Nalbandyan Str., apt. 2
Thousand drams

	2005	2006
Cash at the beginning of the year	0	0
Cash inflow from operating activities		
Other operative activities	4,921	272.0
Total inflow from operating activities	4,921	272.0
Cash outflow from operating activities		
Acquisition of materials and goods	406	0
Total inflow from operating activities	2,684	13.0
Cash outflow from operating activities	1,383	130.0
Acquisition of materials and goods	268	128
Outflows from other operating activities, including:	4	2.0
Total outflows from operating activities	4,745	273.0
Total cash flow from operating activities	176	(1)
Cash inflow from investment activities		
Sales of non-current capital assets and intangible assets	0	0
Operating activities of financial assets	300	0
Total cash inflow from investment activities	300	0
Cash outflow from investment activities		
Acquisition of financial assets, credit arrangement	300	0
Total cash flow from investment activities	300	0
Total cash flows	176	(1)
Differences from exchange rate of currency**	(155)	(2)
Cash at the end of the reporting period	21	18

Cash and cash equivalents

	2005	2006
Cash in vault	0	0
Cash in bank accounts, including:		
Bank account in Armenian Drams	11	10
Bank account in foreign currency	10	8
Total financial assets on bank accounts	21	18



Director

[Signature of A. Saribekyan]

A.Saribekyan

Chief Accountant

[Signature of A. Hovhannisyan]

A.Hovhannisyan