

**2005 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 83<sup>rd</sup> 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 2005 were accumulated from funds provided by the founders, as well as grants and contributions from different donors.

In 2005 the sum of 4,756,000 (four million seven hundred and fifty-six thousand) AMD from means of the Fund was spent, of which 80,500 (Eighty thousand five hundred) AMD were spent for Administrative purposes.

In 2005 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 Hovhannisyian is Chief Accountant.

Director



*Artak Saribekyan*

A. Saribekyan

Chief Accountant

*A. Hovhannisyian*

A. Hovhannisyian

**THE LAW FOUNDATION OF ARMENIA**

**INCOME STATEMENT, FORM N 2**

31 December 2005

7 Nalbandyan Str., apt. 2

Thousand drams

	<b>2004</b>	<b>2005</b>
Other Operating Income, including Grants	0.0	4,911.0
Other Operating Expenses, including Grants	0.0	(4,756.0)
Operating Profit(Loss)	0.0	155.0
Other non-operating income (loss)		
Changes in the exchange rate	0.0	(155.0)
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 2005

7 Nalbandyan Str., apt. 2

Thousand drams

	<b>2004</b>	<b>2005</b>
Cash at the beginning of the year	0	0
Cash inflow from operating activities		
Other operative activities	0	4,921
Total inflow from operating activities	0	4,921
Cash outflow from operating activities		
Acquisition of materials and goods	0	406
Job performance, provision of services	0	2,684
Payments to employees and in their name	0	1,383
Payments to Social Insurance Fund	0	268
Outflows from other operating activities, including:	0	4
Total outflows from operating activities	0	4,745
Total cash flow from operating activities	0	176
Cash inflow from investment activities		
Sales of non-current capital assets and intangible assets	0	0
Operating activities of financial assets	0	300
Total cash inflow from investment activities	0	300
Cash outflow from investment activities		
Acquisition of financial assets, credit arrangement	0	300
Total cash flow from investment activities	0	300
Total cash flows	0	176
Differences from exchange rate of currency**	0	(155)
Cash at the end of the reporting period	0	21

**Cash and cash equivalents**

	<b>2004</b>	<b>2005</b>
Cash in vault	0	0
Cash in bank accounts, including:		
Bank account in Armenian Drams	0	11
Bank account in foreign currency	0	10
Total financial assets on bank accounts	0	21



Director

*Artak Saribekyan*

A.Saribekyan

Chief Accountant

*A. Hovhannisyian*

A.Hovhannisyian

**THE LAW FOUNDATION OF ARMENIA**

**BALANCE SHEET, FORM N 1**

31 December 2005

7 Nalbandyan Str., apt. 2

Thousand drams

	<b>2004</b>	<b>2005</b>
<b>ASSETS</b>		
Non-Current Assets		
Total Non-Current Assets	0	0
Current Assets		
Cash and Cash Equivalents	0	21
Total Current Assets	0	21
<b>BALANCE</b>	0	21

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