

# Statement of cash flows

ARARATBANK OJSC  
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	31.12.2017	31.12.2016
<b>Cash flows from operating activities</b>	<b>x</b>	<b>x</b>
Profit before tax	2,622,481	1,425,968
<i>Adjustments for:</i>	-	-
Impairment charge for possible losses of assets	704,196	1,220,121
Amortization and depreciation allowances	1,567,966	429,717
Gain from sale of PPE	0	0
Interests receivable	228,173	(408,556)
Interests payable	349,291	598,463
Foreign currency translation net gains of non-trading assets	(11,871)	242,931
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>	<b>5,460,236</b>	<b>3,508,644</b>
<i>(Increase)/decrease in operating assets</i>		
Deposited funds with CBA	(110,000)	(190,000)
Amounts due from other financial institutions	681,721	(6,309,319)
Loans and advances to customers	(12,430,977)	(37,615,674)
Other assets	(1,636,745)	(5,509,809)
<i>Increase/(decrease) in operating liabilities</i>	0	0
Amounts due to financial institutions	(278,672)	(483,140)
Amounts due to customers	(20,228,781)	50,114,389
Other liabilities	(14,372,882)	15,421,781
<b>Net cash flow from/(used in) operating activities before income tax</b>	<b>(42,916,100)</b>	<b>18,936,872</b>
Income tax paid	(429,378)	(94,323)
<b>Net cash from/(used in) operating activities</b>	<b>(43,345,478)</b>	<b>18,842,549</b>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	3,543,037	(18,003,761)
Purchase of property and equipment	(685,467)	(4,503,317)
Proceeds from sale of property and equipment	74,470	1,497
Purchase of intangible assets	(467,949)	(228,366)
<b>Net cash from/(used in) investing activities</b>	<b>2,464,091</b>	<b>(22,733,947)</b>
Proceeds from issue of share capital	-	8,500,015.00
Dividends paid to shareholders	-	-
Proceeds from debt securities issued	-	-
Redemption of debt securities issued	4,860,194	474,110
Loans received from financial institutions	23,785,059	6,656,937
Loans received from the CBA	-	-
Other long-term loans	(519,491.00)	-
<b>Net cash flow from financing activities</b>	<b>28,125,762</b>	<b>15,631,062</b>
<b>Net increase in cash and cash equivalents</b>	<b>(12,755,625)</b>	<b>11,739,664</b>
Cash and cash equivalents at the beginning of the year	51,114,122	39,171,437
Exchange differences on cash and cash equivalents	(314,210)	203,020
<b>Cash and cash equivalents at the end of the year</b>	<b>38,044,426</b>	<b>51,114,122</b>

