

FINCA AFGHANISTAN
STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2017

	Note	2017	2016
		-----USD-----	
ASSETS			
Current assets			
Cash and bank balances	4	2,188,205	1,256,177
Microfinance loans to customers - net	5	18,129,643	16,915,307
Advances, prepayments and other receivables	6	88,162	103,523
		<u>20,406,010</u>	<u>18,275,007</u>
Non-current assets			
Property and equipment	7	94,270	86,199
Intangible assets	8	10,979	2,084
		<u>105,249</u>	<u>88,283</u>
TOTAL ASSETS		20,511,259	18,363,290
LIABILITIES			
Current liabilities			
Accrued and other liabilities	9	953,442	764,472
Payable to FINCA	10	216,160	37,102
Short term loans	11	1,723,705	2,448,475
		<u>2,893,307</u>	<u>3,250,049</u>
Non-current liabilities			
Long term loans	12	11,624,433	10,132,817
		<u>14,517,740</u>	<u>13,382,866</u>
TOTAL LIABILITIES		14,517,740	13,382,866
NET ASSETS		5,993,519	4,980,424
REPRESENTED BY:			
Share capital	13	100,000	100,000
Accumulated losses		(6,091,444)	(7,340,978)
		<u>(5,991,444)</u>	<u>(7,240,978)</u>
Advance against issue of share capital	14	2,000,000	2,000,000
Donated equity / capital reserve	15	11,880,993	11,880,993
Currency translation differences		(1,896,030)	(1,659,591)
		<u>5,993,519</u>	<u>4,980,424</u>
Contingencies and commitments	16		

The annexed notes from 1 to 28 form an integral part of these financial statements.

INTERIM CHIEF EXECUTIVE OFFICER

DIRECTOR

FINCA AFGHANISTAN
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2017

	2017	2016	
Note	-----USD-----		
Interest / markup income	17	6,391,960	5,531,860
Impairment losses on microfinance loans	5.4	(149,585)	(842,773)
NET OPERATING INCOME		6,242,375	4,689,087
Financial charges on term loans	18	(945,260)	(908,973)
Program services and administrative expenses	19	(3,714,536)	(3,279,958)
TOTAL EXPENSES		(4,659,796)	(4,188,931)
		1,582,579	500,156
Grant income	20	93,601	77,667
Other income		334	2,794
OTHER INCOME		93,935	80,461
PROFIT BEFORE INCOME TAX		1,676,514	580,617
Taxation	21	(194,101)	(130,343)
PROFIT FOR THE YEAR		1,482,413	450,274
OTHER COMPREHENSIVE INCOME			
<i>Item that will not be reclassified subsequently to profit or loss</i>			
Currency translation differences		(236,439)	105,299
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		1,245,974	555,573
EARNINGS PER SHARE - BASIC	22	705.91	214.42

The annexed notes from 1 to 28 form an integral part of these financial statements.

INTERIM CHIEF EXECUTIVE OFFICER

DIRECTOR

FINCA AFGHANISTAN
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2017

2017 2016
-----USD-----

A. CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	1,676,514	580,617
Adjustment for non-cash and other items:		
Provision for impairment losses on microfinance loans	149,585	842,773
Loans written off net of recoveries	(208,928)	(905,325)
Financial charges on loan from lenders	945,260	908,973
Depreciation	42,460	42,136
Amortization	1,983	6,838
Unrealised foreign currency gain / (loss)	(667,477)	241,831
Other assets charged off	-	-
Gain on disposal of property and equipment	-	-
	262,883	1,137,226
 (Increase) / decrease in current assets		
Microfinance loans to customers	(1,141,040)	(712,958)
Advances, prepayments and other receivables	15,361	39,982
Net Receivable / (Payable) from (to) FINCA	179,058	(3,097)
	(946,621)	(676,073)
 Increase / (decrease) in current liabilities		
Accrued and other liabilities	97,288	7,982
	97,288	7,982
 Cash generated from/ (used in) operations	1,090,064	1,049,752
Tax Paid	(113,428)	-
Financial charges paid on loans from lenders	(934,251)	(967,905)
Net cash generated from /(used in) operating activities	42,385	81,847

B. CASH FLOWS FROM INVESTING ACTIVITIES

Advances, prepayments and other receivables		
Additions to property and equipment	(54,422)	(40,294)
Additions to intangible assets	(11,167)	(277)
Net cash used in investing activities	(65,589)	(40,571)

C. CASH FLOWS FROM FINANCING ACTIVITIES

Long term loans received	1,912,881	4,587,520
Short term loans received	2,123,705	-
Short term loans repaid	(2,848,475)	(4,312,862)
Dividends paid	(232,879)	(54,958)
Net cash generated from financing activities	955,232	219,700
Net decrease in cash and cash equivalents (A+B+C)	932,028	260,976
Cash and cash equivalents at the beginning of the year	1,256,177	995,201
Cash and cash equivalents at the end of the year	2,188,205	1,256,177

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INTERIM CHIEF EXECUTIVE OFFICER

DIRECTOR

FINCA AFGHANISTAN
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2017

Share Capital	Advance against issue of Share Capital	Accumulated losses	Donated equity / Capital reserve	Currency translation differences	Total
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-----USD-----

Balance as at January 1, 2016

100,000	2,000,000	(7,736,294)	11,880,993	(1,764,890)	4,479,809
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Profit for the year

-	-	450,274	-	-	450,274
-	-	-	-	105,299	105,299
-	-	450,274	-	105,299	555,573

Other comprehensive income for the year

Total comprehensive income

Transaction with owners

Dividend paid during the year

(54,958)	(54,958)
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Balance as at December 31, 2016

100,000	2,000,000	(7,340,978)	11,880,993	(1,659,591)	5,035,382
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Profit for the year

-	-	1,482,413	-	-	1,482,413
-	-	-	-	(236,439)	(236,439)
-	-	1,482,413	-	(236,439)	1,245,974

Other comprehensive income for the year

Total comprehensive income

Transaction with owners

Dividend paid during the year

(232,879)	(232,879)
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Balance as at December 31, 2017

100,000	2,000,000	(6,091,444)	11,880,993	(1,896,030)	6,048,477
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INTERIM CHIEF EXECUTIVE OFFICER

DIRECTOR