



# ZINAPAH®

NATIONAL FOUNDATION FOR  
SERVICEMEN INSURANCE

## UNITED FOR OUR SOLDIERS...

## 2023 Q4 and Annual Report



DONATE

[zinapah.am](http://zinapah.am)

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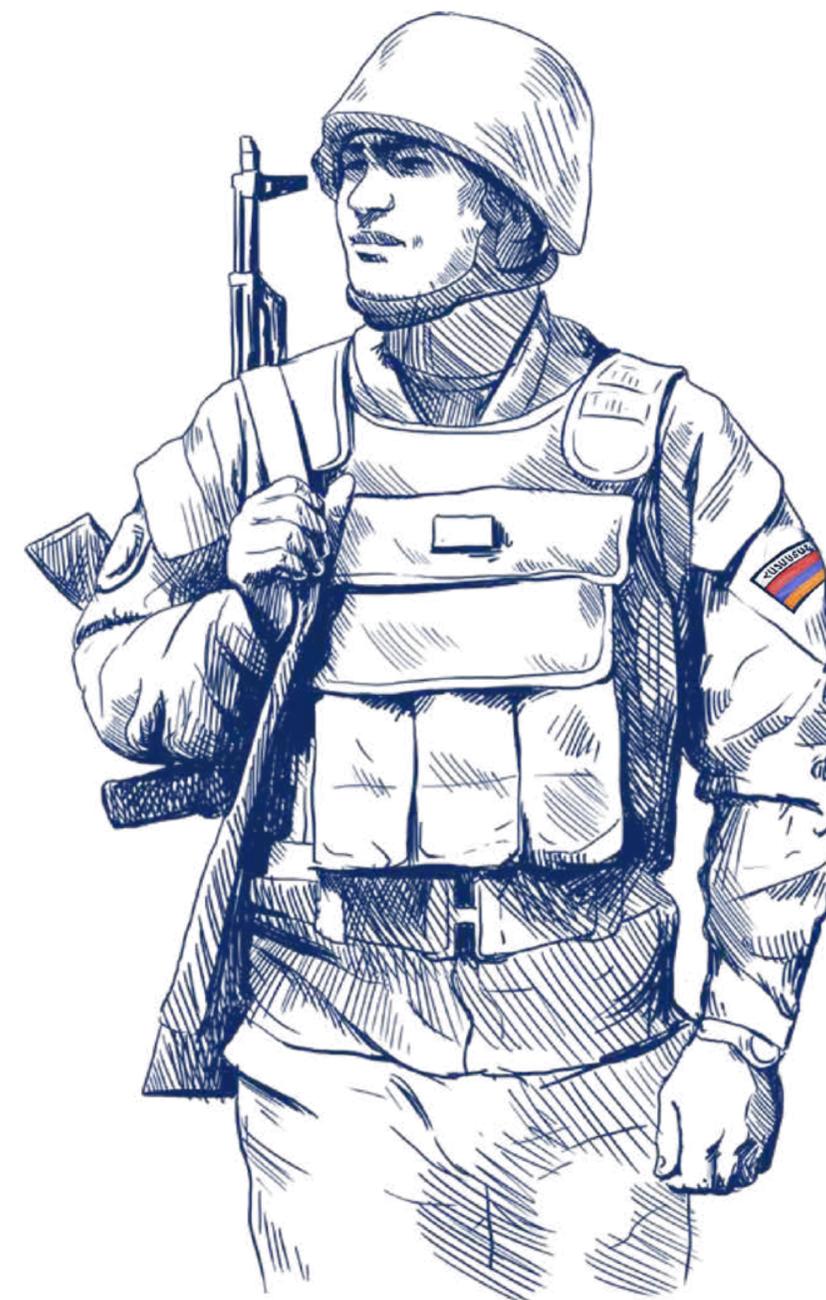
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## Board of Trustees



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Board Chairman



**Adam Kablanian**  
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## Team



**Karine Sarkissian**  
CEO



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Internal Audit



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Director of Operations



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**Mnatsakan  
Avetisyan**  
Compensation  
Coordinator



**Arpine Zargaryan**  
Social Projects  
Coordinator



**Feliks Chilingaryan**  
Portfolio Manager



**Lilit Ghabuzyan**  
Bookkeeper



**Vazgen Martirosyan**  
IT Project Manager



**Mari Boyadjyan**  
Admin Assistant



**Nare Atomyan**  
Admin Assistant



## About ZINAPAH

ZINAPAH was founded in 2017 to provide stable, equitable compensation for the well-being of 1st and 2nd group disabled servicemen and the families of fallen and missing servicemen while defending the homeland and its borders for the peace and security of future generations.

In April 2023, the Foundation previously known as Insurance Foundation for Servicemen (IFS) was renamed ZINAPAH – National Foundation for Servicemen Insurance. ZINAPAH is a non-political institution that operates according to the [Law](#).

It is a unique foundation in the region where every working citizen in Armenia is required to make mandatory contributions from their salaries. ZINAPAH represents a pan-Armenian effort to ensure financial well-being for those who have sacrificed their lives for the security of Armenia.

## ZINAPAH funds are generated from:

- ✔ Mandatory monthly payments from 1,500 to 15,000 AMD per month (based on the amount of income) by taxpayers in Armenia
- ✔ Voluntary donations received from all over the world, including Armenia
- ✔ ZINAPAH asset management appreciation

ZINAPAH is governed by an independent [Board of Trustees](#) (BoT), consisting of highly-regarded professionals with stellar reputations and expertise in Finance & Banking, Business, Crisis Management, Fundraising, and Asset Management.

ZINAPAH is operated by a highly motivated and experienced Executive Team of young professionals. [ZINAPAH's website](#) provides the possibility to monitor both total funds from mandatory payments and donations, as well as the list of compensations. The CEO [Quarterly](#), [Annual reports](#), as well as the [Annual Audit report](#) conducted by one of the top 10 worldwide known audit firms, are also regularly published on the ZINAPAH website.



## MISSION

To unite the nation to stand by the servicemen and their families to ensure financial stability and a dignified life for them.



## VISION

To be a socially responsible foundation for servicemen that incorporates mandatory and voluntary insurance components.



## VALUES

TRANSPARENCY, ACCOUNTABILITY, INTEGRITY

*Today, it is our duty to stand by the fallen, missing, and disabled soldiers and their families...*



**Karine Sarkissian**  
CEO ZINAPAH

## Dear Friends of ZINAPAH Community,

As we reflect on 2023, I am filled with profound gratitude and admiration for the unwavering support of our incredible community - every taxpayer in Armenia, our donors from all over the world, the Republic of Armenia State bodies, and our partner organizations. Thanks to your generosity and dedication we have fulfilled our mission in the past year.

We at ZINAPAH National Foundation for Servicemen Insurance are grateful for your attention and continuous support. Your backing enables us to pursue financial support and social integration programs for our servicemen and their families.

On behalf of the entire ZINAPAH Team, I am honored to present our achievement in the current report for 2023.

After the 2020 War, 2021 was a year of operational and structural crisis management for **ZINAPAH National Foundation for Servicemen Insurance**. 2022-2023 was a period for recovery in terms of buffering, managing assets, and making monthly regular compensations while continuing to restructure and institutionalize ZINAPAH to focus on its core function as a financial support organization. Since 2017-2023 ZINAPAH has provided compensation to 5,198 individuals, amounting to 85.7B AMD. Approximately 138.4B AMD was generated from mandatory payments, 16B AMD from asset management, and around 9.4B AMD from donations.

ZINAPAH did a great deal of good in 2023, to compensate 109 new beneficiaries. The generated funds from mandatory payments were at 43.2B AMD, from asset management at 5.9B AMD, and 273mln AMD from donations.

The geo-political security situation remains dangerous and precarious, and our servicemen are heavily at risk to maintain stability and security. We at ZINAPAH remain committed to our mission and with your continued support, we will achieve our mission.

We at ZINAPAH are profoundly grateful and indebted to you for yet another year of support, which enables us to financially support our beneficiaries and pursue our most ambitious programs.

**Let us stand united, bound by a shared purpose and vision of empowering ZINAPAH beneficiaries and their families.**

Sincerely,  
Karine Sarkissian  
CEO ZINAPAH



As per the 2023 year-end actuals, ZINAPAH recorded growth in income by approximately 26% in 2023 vs the previous year (PY), with about 49,654 mln AMD due to the strong increase in mandatory payments by 22%, asset management income growth by 83% and despite the decline in donations by 46%, which is an organic slowdown given that no investments were made to support the donor base, as well as the post-war declining trend mentioned in the previous reports.

In 2023, the portion of ZINAPAH income attributable to mandatory payments is at 87% vs. 90% in 2022. Asset management income grew by about 4 percentage points from 8% in 2022 to 12% in 2023, and the income attributable to donations went down by 0.7 points from 1.3% in 2022 to 0.6% in 2023.

ZINAPAH expenses declined to 15,084 mln AMD by 12% vs PY and the compensation declined by 13%, which is explained by the low level of estimated cases (i.e. lump-sum payments). The administrative expense grew by 8% and it is lower than the projected budget of 33%. This is mainly explained by the increase in the outsourced service fees, staff headcount cut-related payments in Q1 2023, adjustments to bring salaries to the market average and in-house transfer of the stamp payment return service.

The admin expenses vs total assets ratio for 2023 is at 0.58% vs the 2% upper cap limit regulated by the law.

MLN, AMD	2017	2018	2019	2020	2021	2022	2023	2017-2023	2023 vs. PY	Contr. to Mix 2022	Contr. to Mix 2023
Mandatory Payments	5,919	7,390	8,470	9,134	29,072	35,274	43,199	138,459	22%	90%	87%
Donations	94	95	115	6,976	1,290	508	273	9,352	-46%	1.3%	0.6%
Kamurj*	-	-	-	1,000	1,510	239	237	2,986	-1%	0.6%	0.5%
CBA**	-	-	-	-	301	-	-	301		0%	0%
Asset Management	153	797	1,595	2,425	1,841	3,256	5,944	16,011	83%	8%	12%
Other Income	-	-	-	-	-	-	-	1	41%	0%	0%
<b>Total Income</b>	<b>6,167</b>	<b>8,282</b>	<b>10,180</b>	<b>19,535</b>	<b>34,015</b>	<b>39,278</b>	<b>49,654</b>	<b>167,110</b>	<b>26%</b>	<b>100%</b>	<b>100%</b>
Compensations	383	429	822	8,030	44,484	16,878	14,747	85,773	-13%	98%	98%
Admin Expenses	-	-	-	-	-	246	267	513	8%	1.4%	1.8%
CapEx	-	-	-	-	105	3	45	153	-1535%	0.02%	0.30%
OpEx	-	-	-	-	149	21	25	196	19%	0.1%	0.2%
Other	-	0	0	-	-	-	-	0		0%	0%
<b>Total Expenses</b>	<b>383</b>	<b>430</b>	<b>822</b>	<b>8,030</b>	<b>44,738</b>	<b>17,148</b>	<b>15,084</b>	<b>86,636</b>	<b>-12%</b>	<b>100%</b>	<b>100%</b>

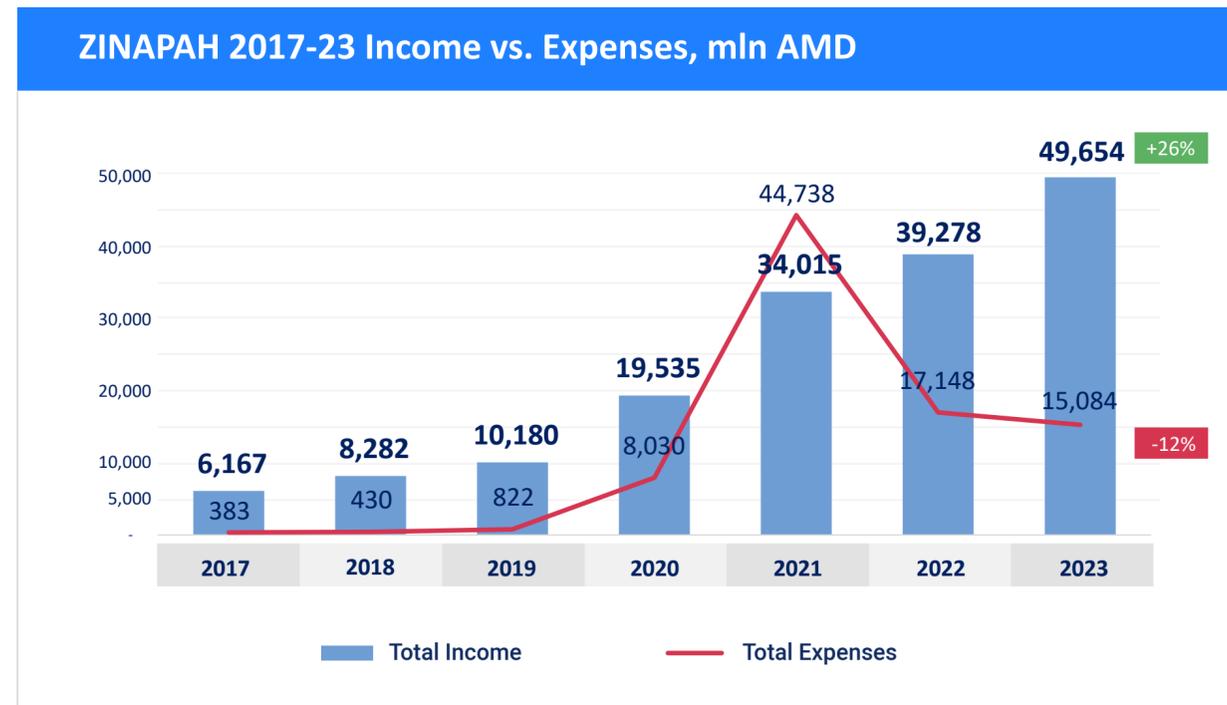
\* **Kamurj** – A program financed by the RA Government to give compensation to servicemen who are severely injured or are missing in action before becoming ZINAPAH beneficiaries. For these servicemen, compensation is provided for 36 months in the amount of 300,000 AMD monthly payments to eligible beneficiaries.

\*\* **Central Bank of Armenia Contribution (CBA)** – All the expenses made during 2021 were financed by the Central Bank of Armenia. The funding is regulated by law and has been previously approved by the CBA Board.



The graph below illustrates ZINAPAH's actual income and expenses from 2017 to 2023, segmented by each year.

In 2023, ZINAPAH experienced a 26% increase in total income, reaching 49,654 mln AMD. Simultaneously, total expenses saw a 12% reduction compared to 2022, amounting to 15,084 mln AMD.



Increase in the number of employees with a salary range of 1 mln AMD and above (and related stamp payments) by 48%\*\*

Salary Range "2022 Dec vs 2021 Dec" ** '000	2021				2022				2022 vs PY	
	Number of Employees	%	Stamp Payment, AMD	%	Number of Employees	%	Stamp Payment, AMD	%	Number of Employees	Stamp Payment, AMD
up to 100,000 AMD	223	34%	334,329	13%	222	31%	332,961	11%	-0.4%	-0.4%
100,001-200,000 AMD	196	30%	587,247	22%	198	28%	594,561	19%	1%	1%
200,001-500,000 AMD	164	25%	901,555	34%	183	26%	1,006,308	33%	12%	12%
500,001-1,000,000 AMD	53	8%	452,957	17%	65	9%	555,569	18%	23%	23%
1,000,001 AMD and more	26	4%	387,630	15%	38	5%	573,840	19%	48%	48%
<b>Total</b>	<b>662</b>	<b>100%</b>	<b>2,663,717</b>	<b>100%</b>	<b>707</b>	<b>100%</b>	<b>3,063,238</b>	<b>100%</b>	<b>7%</b>	<b>15%</b>

The income growth of 26% in 2023 is mainly attributable to the 22% growth in mandatory payments and it is explained by the following factors:

- Increase in the total number of employed population by 5%, to 743K\*
- Increase in number of companies by 6%, to 67.8K\*
- Increase in the average salary size by 11%, to 274\* AMD

\* Source: Armstat.am, the comparison is done 2023 vs 2022 YTD November period

\*\* Source: As of the end of 2022 State Revenue Committee's official report, which includes only Armenia without the data from special forces. For 2023 the data will be available in May 2024.

Number of Companies			Number of Employees			Average Salary		
Nov'2022	Nov'2023	VS PY	Nov'2022	Nov'2023	VS PY	Nov'2022	Nov'2023	VS PY
63,877	67,785	6%	707,820	742,941	5%	247,820	274,066	11%



As of Q4 2023 vs PY results, ZINAPAH achieved income growth of around 15% totaling 12,301 mln AMD. This was attributed to a robust 8% rise in mandatory payments, an 86% increase in asset management income, despite a 34% decrease in donations.

At the same time, total expenses decreased by 37% to 3,688 mln AMD, and the compensations decreased by 38% as the monthly payments were the big chunk of the compensation vs lump sum payments, due to the low number of cases.

In 2023 Q4 the portion of ZINAPAH income attributable to mandatory payments is 84% vs 90% in 2022. The portion of income attributable to asset management increased to 15% with +6 ppts, and the portion of donations is stable at 1%. The administrative expenses decreased by 14% and the OpEx decreased by 61%. The high percentage increase of CapEx is explained by the prepayment for website development, and it was financed by the CBA in 2021.

MLN, AMD	Q4 2022	Q4 2023	Q1-4 2022	Q1-4 2023	2023 vs. 2022	YTD Q4'23 vs. Q4'22	Contr. to Mix Q4'22	Contr. to Mix Q4'23
<b>(AMD)</b>								
Mandatory Payments	9,553	10,358	35,274	43,199	22%	8%	90%	84%
Donations	95	63	508	273	-46%	-34%	1%	1%
Kamurj*	38	65	239	237	-1%	70%	0%	1%
CBA**	-	-	-	-	-	-	0%	0%
Asset Management	975	1,815	3,256	5,944	83%	86%	9%	15%
Other Income	0	0.26	-	-	41%	41%	0%	0%
<b>Total Income</b>	<b>10,662</b>	<b>12,301</b>	<b>39,278</b>	<b>49,654</b>	<b>26%</b>	<b>15%</b>	<b>100%</b>	<b>100%</b>
Compensations	5,731	3,576	16,878	14,747	-13%	-38%	99%	97%
Admin Expenses	75	64	246	267	8%	-14%	1%	2%
CapEx	1	43	3	45	1535%	4490%	0%	1%
OpEx	9	3	21	25	19%	-61%	0%	0%
<b>Total Expenses</b>	<b>5,815</b>	<b>3,688</b>	<b>17,148</b>	<b>15,084</b>	<b>-12%</b>	<b>-37%</b>	<b>100%</b>	<b>100%</b>

\* **Kamurj** – A program financed by the RA Government to give compensation to servicemen who are severely injured or are missing in action before becoming ZINAPAH beneficiaries. For these servicemen, compensation is provided for 36 months in the amount of 300,000 AMD monthly payments to eligible beneficiaries.

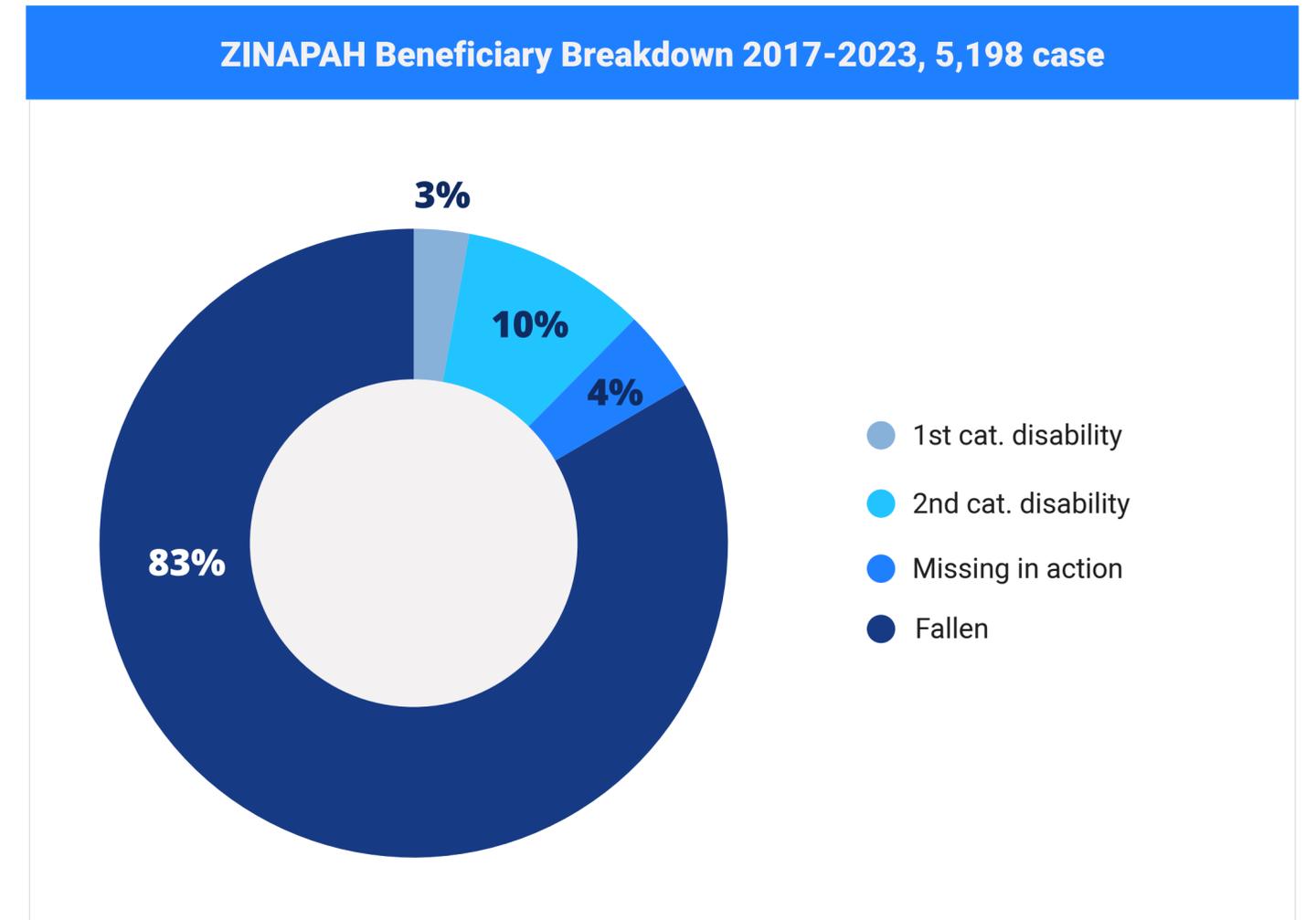
\*\* **Central Bank of Armenia Contribution (CBA)** – All the expenses made during 2021 were financed by the Central Bank of Armenia. The funding is regulated by law and has been previously approved by the CBA Board.

- ✔ **31% of mandatory payments** are made in **2023**
- ✔ **3% of donations** are made in **2023**
- ✔ **37% of the asset management income** is contributed in **2023**
- ✔ **17% of compensations** are paid in **2023**

mIn AMD	2022	2023	2017-2023	% Contr. 2023
Mandatory Payments	35,274	43,199	138,459	31%
Donations	508	273	9,352	3%
Asset Management	3,256	5,944	16,011	37%
Compensations	16,878	14,747	85,773	17%



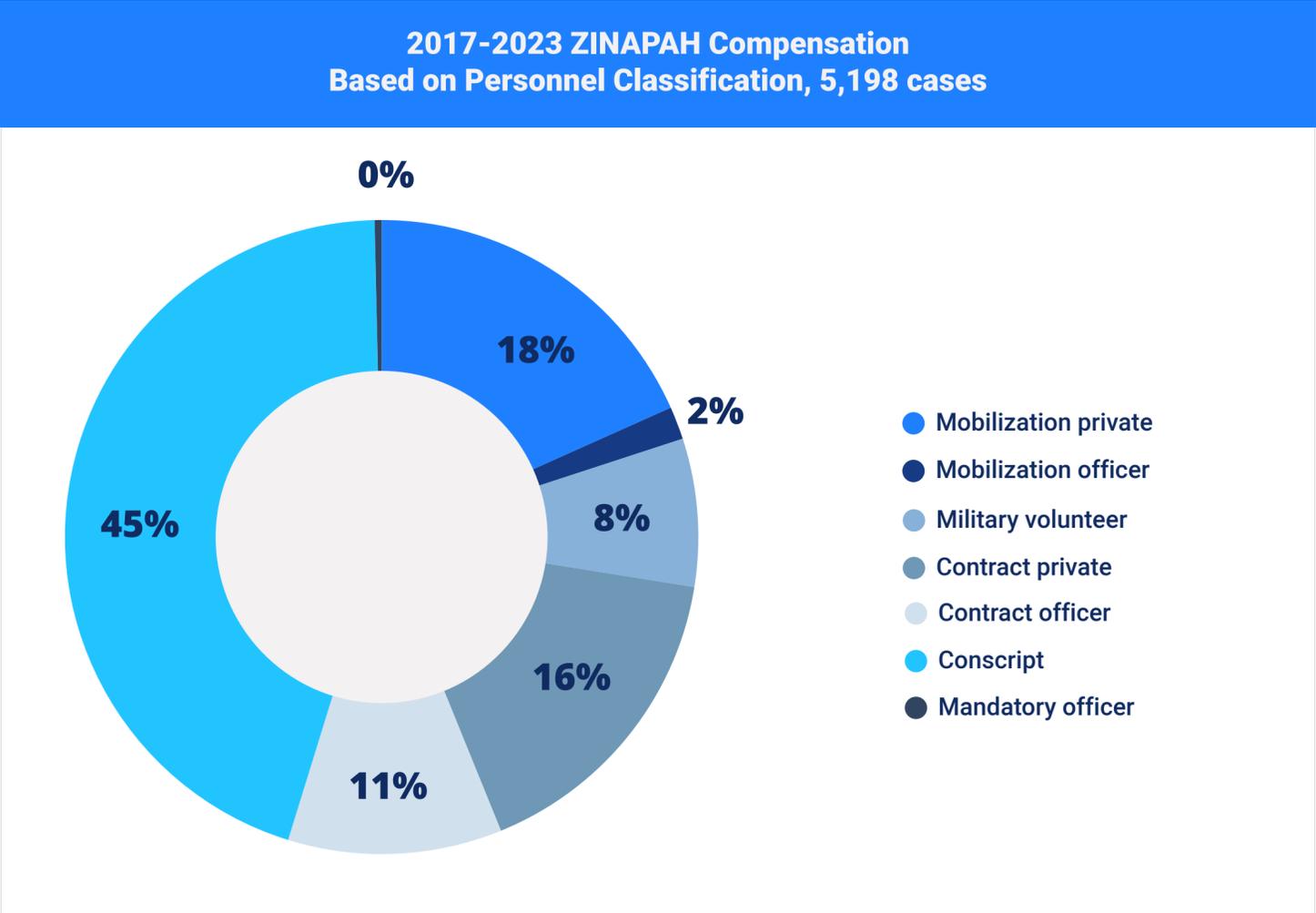
	2023 Q1	2023 Q2	2023 Q3	2023 Q4	Total 2023
1st group disability	2	5	-	-	4
2nd group disability	12	4	5	2	23
Missing in action	6	2	3	6	17
Fallen	33	14	9	9	65
<b>Total</b>	<b>53</b>	<b>22</b>	<b>17</b>	<b>17</b>	<b>109</b>



- ✔ From **2017-2023**, ZINAPAH provided compensation to **5,198** beneficiaries.
- ✔ In **2023 Q4** there were **17** new cases for a total of **109** throughout 2023.
- ✔ In **Q4 2023**, **17 new cases** were compensated categorized by case type as follows:



The **5,198** beneficiaries from **2017-2023** are broken down by personnel classification in the pie chart. Notably, **45%** are conscripts, while **31%** are mobilized recruits, officers, 16% are contract privates and **8%** are volunteers.





## 2017-2023 IN SUMMARY

**17**

**Beneficiary NEW cases in 2023 Q4, and  
5,198 cases from 2017-2023**

**14.7**

**billion AMD compensation in 2023, and  
85.8 billion AMD since 2017-2023 to those  
fallen, missing, or eligible for disability insurance**

**22%**

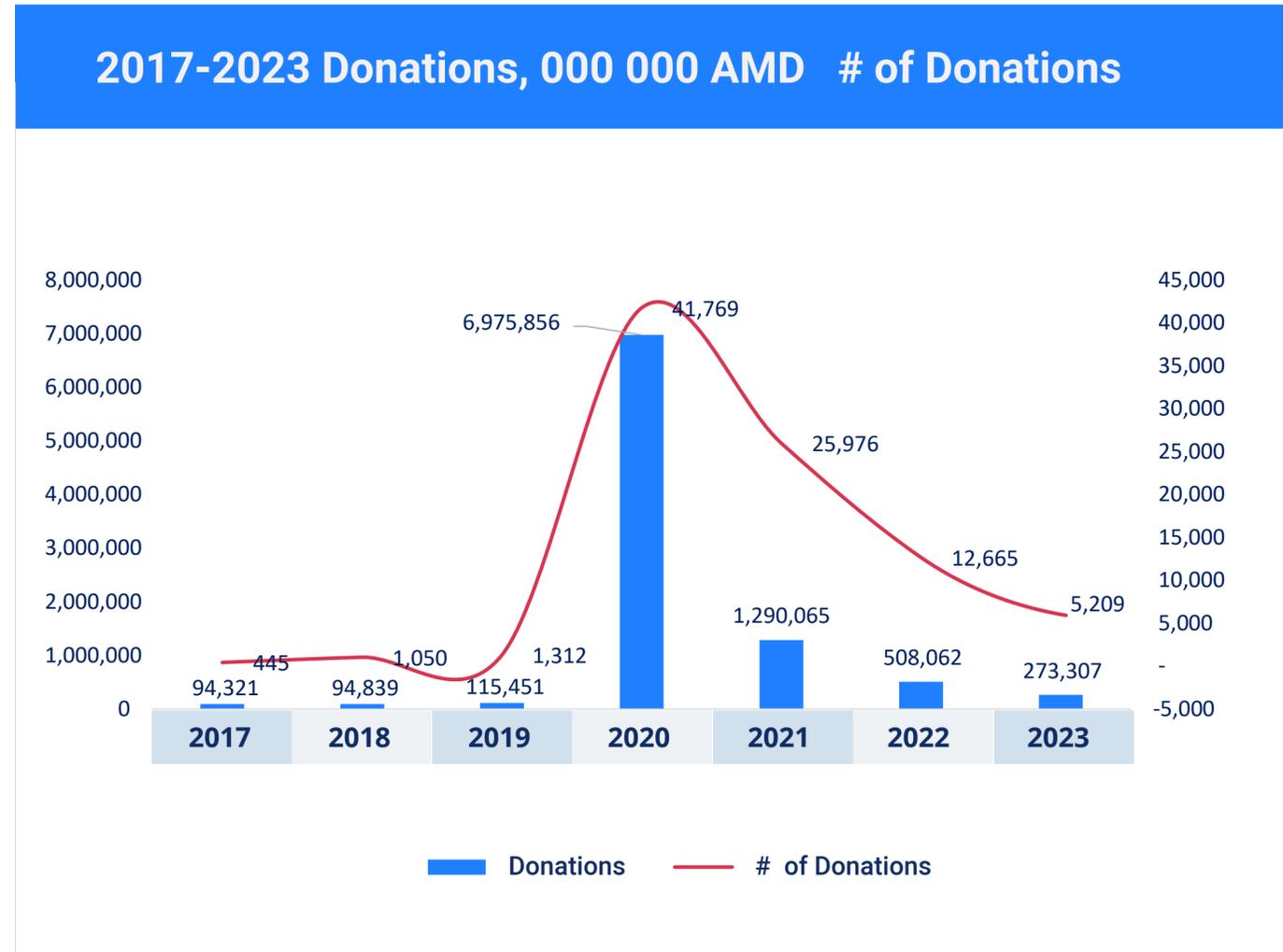
**Mandatory payment growth  
as of the end of 2023 compared to 2022**

From 2017 through 2023, the total donations received by ZINAPAH amounted to approximately 9.4 bln AMD.

The cumulative count of donations stands at nearly 88,000, with an average donation amounting to 106,000 AMD. The majority of donations occur during periods of escalations.

In 2023 compared to PY, the donation value decreased by 46% in AMD. The number of donations decreased by 59% and the average donation size increased by 31%. The decrease is explained by post-war syndrome, with donations usually showing a sharp increase in wartime, as reflected in the 2020 results. The biggest chunk of the decline is also reported in Russian Rubles from Russia due to the sanctions against Russia and the difficulties in money transfer systems. The donations were made via bank transfers as well as via the ZINAPAH website [www.zinapah.am](http://www.zinapah.am).

### 2017-2023 Donations, 000 000 AMD # of Donations



2017-2023 Donations by Currency									
Currency' 000 000	2017	2018	2019	2020	2021	2022	2023	2017-2023	2023 vs 2022
AMD	94,321	89,136	113,038	4,380,043	765,793	301,333	138,650	5,917,414	-42%
USD		2	5	4.826	879	492	166	6,437	-53%
RR		80	82	114,908	6,517	455	1	122,042	-100%
EUR		1	0,420	797	122	34	15	975	-41%
2017-2023 Q4 Donations Converted to AMD									
	94,321	94,839	115,451	6,975,856	1,290,065	508,062	210,673	9,351,901	-46%
# of Donations	445	1,050	1,312	41,769	25,976	12,665	4,025	88,426	-59%
Average donation amount	212	90	88	167	50	40	52	106	31%



Stamp Return 2022				Stamp Return 2023			
	Fallen	Conscript	Total		Fallen	Conscript	Total
<b>Number of Returns</b> Contr.	<b>2,170</b> 44%	<b>2,815</b> 56%	<b>4,985</b> 100%	<b>Number of Returns</b> Contr.	<b>2,586</b> 37%	<b>4,387</b> 63%	<b>6,973</b> 100%
<b>Total Amount (mln AMD)</b> Contr.	<b>101</b> 43%	<b>135</b> 57%	<b>236</b> 100%	<b>Total Amount (mln AMD)</b> Contr.	<b>138</b> 41%	<b>200</b> 59%	<b>338</b> 100%

2023 vs 2022			
	Fallen	Conscript	Conscript
<b>Number of Returns</b>	<b>19%</b>	<b>56%</b>	<b>40%</b>
<b>Value AMD</b>	<b>37%</b>	<b>48%</b>	<b>43%</b>

- The total number of returns showed a growth of 40% vs PY and the value of returns grew by 43%.
- Around 338 mln AMD was returned to the Mandatory Stamp Return applicants, out of which:
  - 41% of fallen servicemen's applicants
  - 59% of army conscripts' applicants



ZINAPAH continues to cooperate with various foundations, non-governmental and charitable organizations, and private sector companies to support our servicemen and their families for the further development of their physical, educational, psychological well-being and development.

Considering the importance of maintaining a connection with beneficiaries, the ZINAPAH team has taken steps for further development and social integration programs for its beneficiaries. ZINAPAH continues to work on expanding the list of cooperating partner organizations and signs a Memorandum of Understanding (MOU) on cooperation with each of them. The goal is to unite, consolidate, and coordinate existing public, private sector, NGO sector and charitable organizations around the idea of supporting servicemen and their families, and smoothly integrate them into society.

## ZINAPAH Initiative / Financial Literacy

On 3 November 2023, a two-day online course on financial literacy was organized by ABC Finance, RA Central Bank of Armenia in cooperation with ZINAPAH and Educational Mission NGO. ZINAPAH and Educational Mission NGO beneficiaries, including 25 1st, 2nd and 3rd group disabled war participant servicemen attended the course.

The course was led by Araks Manucharyan, Senior Specialist of the Financial Education and Protection Center of the Financial System Stability and Regulation Department of the CBA. The course aimed to increase financial literacy, to introduce the techniques of personal/family finance management through non-professional knowledge. This will allow the ZINAPAH beneficiaries to make more responsible decisions about their finances in the future.

Given the overwhelmingly positive feedback from the course, similar courses will be scheduled in the future.



## Armenian Spiritual Revival Foundation

In Q4 2023, the **Armenian Spiritual Revival Foundation** organized a series of community meetings in a unique spiritual and psychological Narrative format. The meeting aimed to support the ones who have post-war traumatic syndromes and the ones who directly participated in the war operations, their family members, and forcibly displaced people from Artsakh. Thanks to the joint efforts, about 60 beneficiaries of ZINAPAH participated in the meetings. Many of them expressed willingness to continue the group therapies after those primary meetings.

Some community meetings were held in Masis, Abovyan, Yerevan and Armavir, Gyumri, Vanadzor. ZINAPAH participated in the meetings held in Gyumri and Vanadzor. A few episodes from these two meetings are covered under the [video link](#).



On November 30, 2023, the launch of ZINHUB online platform was announced. **ZINHUB was developed in partnership with the Ministry of Labor and Social Affairs of the Republic of Armenia, ZINAPAH National Foundation for Servicemen Insurance and The 'Enterprise Incubator Fund a joint effort under the 'Workforce Development in Armenia program.** The event was attended by high-ranking officials, representatives of partner NGOs, and other stakeholders.

ZINHUB online platform allows war participants and their family members as well as vulnerable groups of people to participate in various educational courses and gain new skills and competencies to become compatible in the labor market.

Member organizations can register in the platform and publish educational courses and training programs as well as offer job opportunities. ZINHUB users can easily navigate the platforms and locate announcements about available job offers and courses. The platform has various menus for courses and other projects.



## HAYORDI Initiative - My New Year

From December 16, 2023, to January 2, 2024, HAYORDI collaborated with ZINAPAH and several public/charity organizations to arrange New Year shows for approximately **700 children** who are beneficiaries of ZINAPAH. These include siblings of fallen or missing servicemen and Armenians forcibly displaced from Artsakh. The children had the delightful experience of attending the enchanting "My New Year" musical specially designed for kids and youth at the State Theater of Music. The event left the young audience brimming with positive energy, and they received delightful gift boxes to complete the festive experience.



## HAYORDI initiative - Puppet Theater

On December 27, 2023, **Hayordi with the support of ID Bank, Idram Junior and Idram Payment System** became Secret Santas for 250 children affected by the war. The children were invited to the "Santa's Gifts" colorful show at the Yerevan State Puppet Theater after Hovhannes Tumanyan. After the performance, the children received personalized gift packages.



## Memorandum of Understanding with AGBU

On October 19, 2023, a memorandum of understanding was signed with "AGBU" Armenian General Benevolent Union on cooperation to support the ZINAPAH beneficiaries with social projects to support their integration into society.

## Memorandum of Understanding with Revival

On November 13, 2023, a memorandum of understanding was signed with Armenian Spiritual Revival Foundation to support the ZINAPAH beneficiaries in their mental health recovery process.



At its founding in 2017, ZINAPAH was managed by the Central Bank of Armenia (CBA) on a pro bono basis. Since 2021, ZINAPAH began migrating from the CBA to become an independent legal entity with its own infrastructure, and the migration was completed in June 2023.



## TEAM

- Restructuring to focus on ZINAPAH core competencies - managed by a team of 13 people, with Donor Relations and Fundraising Manager recruitment completed in May
- Organizational handbook development
- Performance development and evaluation system pilot implementation with digital Teamflect system
- Governing body with 5 Board Members



## OPERATIONS & OUTSOURCING

- Communication Policy Adoption
- Investment Policy Adoption
- Stress scenario planning
- Procurement guidelines adoption
- ZINAPAH rebranding and communication campaign
- ZINHUB unified platform for beneficiaries
- Audit 2022 completed and published

## OUTSOURCING MANAGEMENT

- HR management
- Accounting services new partner selection in 2023
- Customer call center
- IT security
- Legal counsel



## MIGRATION AND INFRASTRUCTURE

- Migration from CBA project complete
- Website and infrastructure development project initiation
- Business process redesign, reengineering, and automation work
- Mandatory stamp return process management and automation
- Financial infrastructure development on the compensation system base
- IT security policy development works

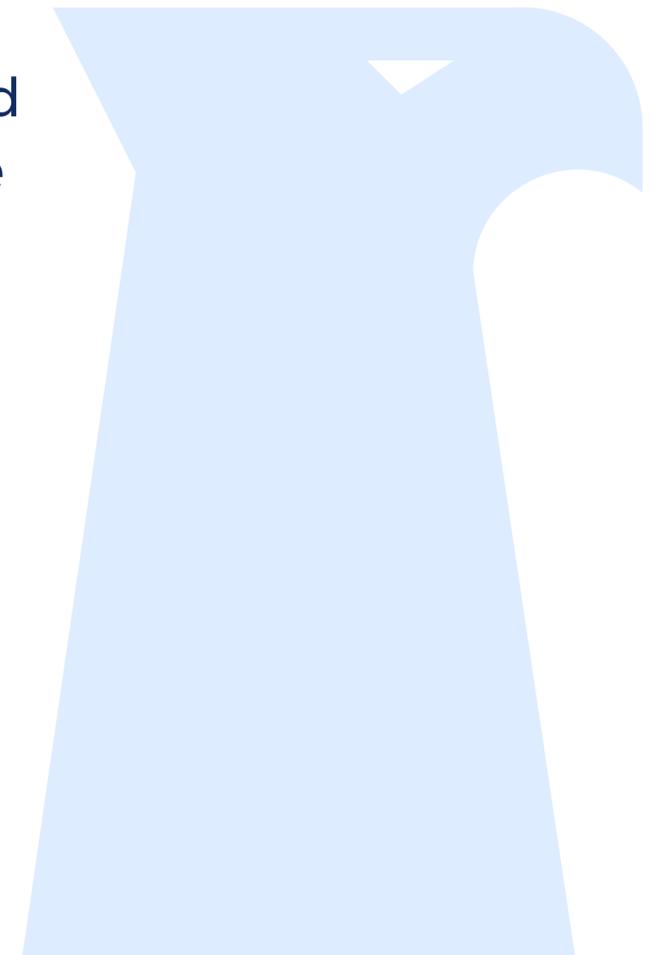


## LEGISLATIVE AMENDMENTS

- Stamp return regulation
- Executive investment committee reforming
- Charter change to reflect the new brand name
- Law change to support the disability status change from second to third category
- Social project implementation procedure development



The ZINAPAH Audit 2022 was conducted by **Grant Thornton CJSC**, and the financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). They have been prepared under the assumption that the Foundation operates on a going-concern basis. Please find the full report below and on [our website](#).



## Statement of Financial Position

In thousand drams	Note	As of 31 December 2022	As of 31 December 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property and equipment		126,849	156,733
Intangible assets		12,742	3,436
Investments in government debt securities	4	620,521	1,402,309
Funds placed in banks	5	8,681,686	7,303,869
		<b>9,441,798</b>	<b>8,866,347</b>
<b>Current assets</b>			
Accounts receivables		7,459	6,974
Investments in government debt securities	4	1,215,099	1,884,276
Funds placed in banks	5	32,674,544	10,497,727
Cash and cash equivalents	6	2,389,638	2,470,298
		<b>36,486,740</b>	<b>14,859,275</b>
<b>Total assets</b>		<b>45,928,538</b>	<b>23,725,622</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Liabilities on compensations	7	107,762,538	102,912,893
Lease liabilities		32,130	33,651
		<b>107,794,668</b>	<b>102,946,544</b>
<b>Current liabilities</b>			
Liabilities on compensations	7	13,314,038	12,176,620
Lease liabilities		27,415	40,343
Accounts payables		14,536	9,129
		<b>13,355,989</b>	<b>12,226,092</b>
<b>Net assets</b>			
Revaluation reserve on securities measured at fair value through other comprehensive income	8	(57,586)	(29,979)
(Accumulated loss)/retained earnings		(75,164,533)	(91,417,035)
		<b>(75,222,119)</b>	<b>(91,447,014)</b>
<b>Total liabilities and net assets</b>		<b>45,928,538</b>	<b>23,725,622</b>

## Statement of Comprehensive Income

In thousand drams	Note	Year ended 31 December 2022	Year ended 31 December 2021
<b>Income</b>			
Income from mandatory payments and donations	9	36,021,512	32,173,532
Finance income	10	3,256,038	1,841,151
Other income		188	240
		<b>39,277,738</b>	<b>34,014,923</b>
<b>Expenses</b>			
Compensation expenses		(12,983,465)	(123,280,125)
Employee benefits		(118,480)	(76,326)
Depreciation and amortization		(33,625)	(18,050)
Gain/(loss) from remeasurement of allowance on expected credit losses	11	84,462	51,881
Finance cost	12	(9,888,750)	(9,292,770)
Other expenses		(83,551)	(51,497)
Net loss from exchange differences		(1,827)	(263)
		<b>(23,025,237)</b>	<b>(132,667,150)</b>
		<b>16,252,502</b>	<b>(98,652,227)</b>
<b>Result for the year</b>			
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Net loss from changes in fair value of securities measured at fair value through other comprehensive income		(20,961)	(89,886)
Changes in allowance on expected credit losses of securities measured at fair value through other comprehensive income		(6,646)	(7,442)
Other comprehensive loss for the year		(27,607)	(97,328)
<b>Total comprehensive loss for the year</b>		<b>16,224,895</b>	<b>(98,749,555)</b>

## Statement of Changes in Net Assets

In thousand drams	Revaluation reserve on securities measured at fair value through other comprehensive income	Retained earnings/ (accumulated loss)	Total
<b>As of 1 January 2021</b>	<b>67,349</b>	<b>7,235,192</b>	<b>7,302,541</b>
Result for the year	-	(98,652,227)	(98,652,227)
Other comprehensive loss for the year	(97,328)	-	(97,328)
Total comprehensive loss for the year	(97,328)	(98,652,227)	(98,749,555)
<b>As of 31 December 2021</b>	<b>29,979</b>	<b>91,417,035</b>	<b>91,447,014</b>
Result for the year	-	(16,252,502)	(16,252,502)
Other comprehensive loss for the year	(27,607)	-	(27,607)
Total comprehensive loss for the year	(27,607)	(16,252,502)	(16,224,895)
<b>As of 31 December 2022</b>	<b>(57,586)</b>	<b>(75,164,533)</b>	<b>(75,222,119)</b>

## Statement of Cash Flows

In thousand drams	Year ended 31 December 2022	Year ended 31 December 2021
<b>Cash flows from operating activities</b>		
Received mandatory payments and donations	36,021,512	32,173,532
Provided compensations	(16,877,925)	(44,483,704)
Labor expenses	(82,302)	(50,870)
Other income	56	88
Other expenses	(147,024)	(95,041)
Net cash from/(used in) operating activities	18,914,317	(12,455,995)
<b>Cash flows from investing activities</b>		
Acquisition of property and equipment	(2,530)	(88,455)
Funds placed in banks	(25,975,000)	(12,825,000)
Repayment of funds placed in banks	4,370,000	15,770,000
Proceeds from redemption of investments in government debt securities.	1,400,000	-
Interest received from funds placed in banks and other financial institutions	991,721	2,323,286
Interest received from investments in government debt securities	222,500	285,500
Net cash from investing activities	(18,993,309)	5,465,331
Net increase/(decrease) in cash and cash equivalents	(78,992)	(6,990,664)
Foreign exchange effect on cash	(1,668)	(264)
Expected credit loss effect on cash and cash equivalents	-	1,157
Cash and cash equivalents at the beginning of the year	2,470,295	9,460,069
Cash and cash equivalents at the end of the year	2,389,638	2,470,298





We would like to express our heartfelt thanks and gratitude to all the individuals and organizations/communities from Armenia and all over the world, who made their mandatory stamp payments and individual donations.

It is thanks to your support that ZINAPAH can fulfill its mission to take care of the servicemen and their families who sacrificed their lives and health for the security of Armenia and its borders.

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