

**NORM Limited Liability Company
GIZILDASH CEMENT PLANT**

**International Financial Reporting Standards
Financial Statements and
Independent Auditor's Report**

31 December 2011



NORM Limited Liability Company
Statement of Financial Position

<i>In thousands of Azerbaijani Manats</i>	Note	31 December 2011	31 December 2010
ASSETS			
Non-current assets			
Property, plant and equipment	8	5,717	2,574
Deferred income tax asset	18	1,742	1,017
Intangible assets		8	8
Total non-current assets		7,467	3,599
Current assets			
Other receivables	9	57,698	88
Cash and cash equivalents	10	7,621	1
Restricted cash	11	33,109	1
Total current assets		98,428	90
TOTAL ASSETS		105,895	3,689
EQUITY			
Charter capital	12	113,608	2,506
Accumulated deficit		(8,436)	(5,491)
Other capital reserves	12	-	256
TOTAL EQUITY		105,172	(2,729)
LIABILITIES			
Current liabilities			
Borrowings		-	6,164
Trade payables	13	608	131
Taxes payable other than income tax		-	42
Provisions for liabilities and charges	14	115	81
Total current liabilities		723	6,418
TOTAL LIABILITIES		723	6,418
TOTAL LIABILITIES AND EQUITY		105,895	3,689

Approved for issue and signed on behalf of the Board of Directors on 19 July 2012.


 Hasan Yalchinkaya
 Chief Executive Officer




 Fuad Behbud
 Chief Financial Officer

The accompanying notes on pages 5 to 26 are an integral part of these financial statements.

NORM Limited Liability Company
Statement of Comprehensive Income

<i>In thousands of Azerbaijani Manats</i>	Note	2011	2010
Staff costs		(1,776)	(1,837)
Professional services	15	(1,046)	(298)
Administrative expenses		(800)	(364)
Rent expenses		(159)	(210)
Foreign exchange loss		(107)	(1)
Depreciation of property, plant and equipment	8	(105)	(98)
Operating loss		(3,993)	(2,808)
Finance income	16	701	11
Finance costs	17	(634)	(940)
Loss before income tax		(3,926)	(3,737)
Income tax benefit	18	725	713
LOSS FOR THE YEAR		(3,201)	(3,024)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(3,201)	(3,024)

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NORM Limited Liability Company
Statement of Changes in Equity

<i>In thousands of Azerbaijani Manats</i>	Note	Charter capital	Accumulated deficit	Other capital reserves	Total equity
At 1 January 2010		0.02	(2,467)	256	(2,211)
Total comprehensive loss for the year		-	(3,024)	-	(3,024)
Contribution to charter capital	12	2,506	-	-	2,506
Balance at 31 December 2010		2,506	(5,491)	256	(2,729)
Total comprehensive loss for the year		-	(3,201)	-	(3,201)
Transfer of other capital reserves to retained earnings		-	256	(256)	-
Contribution to charter capital	12	111,102	-	-	111,102
Balance at 31 December 2011		113,608	(8,436)	-	105,172

NORM Limited Liability Company
Statement of Cash Flows

<i>In thousands of Azerbaijani Manats</i>	Note	2011	2010
Cash flows from operating activities			
Loss before income tax		(3,926)	(3,737)
Adjustments for:			
Depreciation of property, plant and equipment		105	98
Amortisation of intangible assets		3	1
Finance costs		634	940
Operating cash flows before working capital changes		(3,184)	(2,698)
(Increase)/decrease in other receivables		(57,610)	219
Increase in other payables		511	102
(Decrease)/increase in taxes payable other than income tax		(42)	42
Changes in working capital		(60,325)	(2,335)
Interest paid		(726)	(678)
Net cash used in operating activities		(61,051)	(3,013)
Cash flows from investing activities			
Purchase of property, plant and equipment		(3,248)	(830)
Changes in restricted cash related to property, plant and		(33,108)	-
Net cash used in investing activities		(36,356)	(830)
Cash flows from financing activities			
Proceeds from borrowings		5,950	3,505
Repayment of borrowings and interest		(12,025)	(2,231)
Contribution to charter capital		111,102	2,506
Net cash from financing activities		105,027	3,780
Net increase/(decrease) in cash and cash equivalents		7,620	(63)
Cash and cash equivalents at the beginning of the year	10	1	64
Cash and cash equivalents at the end of the year	10	7,621	1

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