JOINT STOCK COMPANY BASISBANK

Independent Auditors' Report and

Financial Statements
For the year ended 31 December 2004

JOINT STOCK COMPANY BASIS BANK

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Board of Directors of Joint Stock Company BasisBank:

We have audited the accompanying balance sheet of JSC BasisBank (the "Bank") as of 31 December 2004, and the related profit and loss account and statements of cash flows and changes in equity ("the financial statements") for the year then ended. These financial statements are the responsibility of the Bank's management. Our responsibility is to express an opinion on these financial statements based on our audit.

The previous year's financial statements were audited by a different auditor, whose opinion dated 19 March 2004 was unqualified.
We conducted our audit in accordance with International Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as of 31 December 2004, and the results of its operations and its cash flows for the year then ended, in accordance with International Financial Reporting Standards.

21 April 2005

JOINT STOCK COMPANY BASIS BANK

PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2004
(in Georgian Lari and in thousands)

	Notes	2004	2003
Interest income	4,22	2,291	1,894
Interest expense	4,22	(668)	(396)
NET INTEREST INCOME BEFORE PROVISION FOR LOAN LOSSES		1,623	1,498
Provision for loan losses	5	(402)	(362)
NET INTEREST INCOME		1,221	1,136
Net gain on foreign exchange operations	6	177	131
Fee and commission income	7	729	569
Fee and commission expense	7	(320)	(207)
Net gain on investment securities		535	576
Other income	8	93	91
NET NON-INTEREST INCOME		1,214	1,160
OPERATING INCOME		2,435	2,296
OPERATING EXPENSES	9	(1,294)	(609)
OPERATING PROFIT		1,141	1,687
Provision for losses on other transactions	5	(1)	(40)
PROFIT BEFORE TAXATION		1,140	1,647
Income tax expense	10	(184)	(190)
NET PROFIT		956	1,457

On behalf of the Management Board

Zurab Tsikhistavi	**Murman Ambroladze**
General Director	**Director**

The notes on pages 6 to 29 form an integral part of these financial statements. The Independent Auditors' Report is presented on page 1.

JOINT STOCK COMPANY BASIS BANK

BALANCE SHEET
AS OF 31 DECEMBER 2004
(in Georgian Lari and in thousands)

	Notes	2004	2003
ASSETS:			
Cash and balances with the National Bank of Georgia	11	7,109	3,641
Loans and advances to banks, less allowance for loan losses	12	5,651	5,255
Loans to customers, less allowance for loan losses	13	14,743	7,983
Investment Securities:			
- securities held-to-maturity	14	240	2,189
- securities available-for-sale	14	60	60
Fixed assets, less accumulated depreciation	15	1,635	1,189
Intangible assets, less accumulated amortization	16	135	72
Income tax assets	10	-	13
Other assets, less allowance for losses	17	256	295
TOTAL ASSETS		29,829	20,697
LIABILITIES AND SHAREHOLDERS EQUITY			
LIABILITIES:			
Loans and advances from banks		7	-
Customer accounts	18	20,142	11,651
Income tax liabilities	10	27	15
Other liabilities	19	166	100
Total liabilities		20,342	11,766
SHAREHOLDERS' EQUITY:			
Share capital	20	5,025	5,025
Retained earnings		4,462	3,906
Total shareholders' equity		9,487	8,931
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		29,829	20,697
FINANCIAL COMMITMENTS AND CONTINGENCIES		5,421	2,979

On behalf of the Management Board

Zurab Tsikhistavi	**Murman Ambroladze**
General Director	**Director**

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STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2004
(in Georgian Lari and in thousands)

	Share capital	Retained earnings	Total
31 December 2002	5,025	2,449	7,474
Net profit for the year		1,457	1,457
31 December 2003	5,025	3,906	8,931
Dividends paid		(400)	(400)
Net profit for the year		956	956
31 December 2004	5,025	4,462	9,487

On behalf of the Management Board

Zurab Tsikhistavi	**Murman Ambroladze**
General Director	**Director**

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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2004
(in Georgian Lari and in thousands)

	Notes	2004	2003
CASH FLOWS FROM OPERATING ACTIVITIES:			
Interest received		2,273	1,880
Interest paid		(569)	(359)
Income received from investment securities		535	576
Fees and Commissions received		729	569
Fees and Commissions paid		(320)	(207)
Other operating income received		91	77
Operating Expenses paid		(1,133)	(513)
Income tax paid		(160)	(183)
Cash flows from operating activities before changes in operating assets and liabilities		1,446	1,840
Changes in operating assets and liabilities			
(Increase)/decrease in operating assets:			
Minimum reserve deposit with the National Bank of Georgia		(821)	(230)
Investment Securities		1,949	(1,114)
Loans to clients		(7,128)	(2,584)
Other assets		59	(172)
Increase/(decrease) in operating liabilities			
Loans and advances from banks		7	-
Customer accounts		8,392	4,350
Other liabilities		24	(21)
Net cash inflow from operating activities		3,928	2,069
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of fixed and intangible assets		(671)	(278)
Proceeds on sale of other assets		25	14
Net cash outflow from investing activities		(646)	(264)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Dividends paid		(400)	-
Net cash outflow from financing activities		(400)	-
NET INCREASE IN CASH AND CASH EQUIVALENTS		2,882	1,805
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	11	7,615	5,679
Effect of foreign exchange rate changes		177	131
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	11	10,674	7,615

On behalf of the Management Board

Zurab Tsikhistavi	**Murman Ambroladze**
General Director	**Director**

The notes on pages 6 to 29 form an integral part of these financial statements. The Independent Auditors' Report is presented on page 1.

1. ORGANISATION

JSC Basis Bank (the "Bank") is a joint-stock bank, which was established in 1993. The Bank is regulated by the National Bank of Georgia ("NBG") and conducts its business under license number 173. The Bank's primary business consists of commercial activities, trading with securities, foreign currencies and derivative instruments, originating loans and guarantees.

The registered address of the Bank is Ketevan Tsamebuli 1, 0103, Tbilisi, Georgia.

The Bank had 4 branches as at 31 December 2004 (2003 – 3).

The number of employees of the Bank at 31 December 2004 and 2003 was 55 and 33 respectively.

As of 31 December 2004 five shareholders owned 54% of the issued shares (2003 – 60%).

These financial statements were authorized for issue by the Bank's Board of Directors on 21 April 2005.

2. BASIS OF PRESENTATION

Accounting basis - These financial statements of the Bank have been prepared in accordance with International Financial Reporting Standards ("IFRS"). These financial statements are presented in thousands of Georgian Lari ("GEL"), unless otherwise indicated. These financial statements have been prepared on the accrual basis under the historical cost convention.

Functional currency - The functional currency of these financial statements is the Georgian Lari.

3. SIGNIFICANT ACCOUNTING POLICIES

Investments in other subsidiaries and associates - Investments in corporate shares where the Bank owns more than 20% of share capital, but does not have ability or intent to control or exercise significant influence over operating and financial policies, or non-consolidation of such companies does not significantly affect the financial statements of the Bank as a whole, or the Bank has an intention to resell such investments in the nearest future, as well as investments in corporate shares where the Bank owns less than 20% of share capital, are accounted for at fair value or at approximate fair value. If such value cannot be estimated, investments are accounted for at cost. Management periodically assesses realizability of the carrying values of such investments and provides valuation allowances, if necessary. Such investments are accounted for as securities available-for-sale.

Recognition and measurement of financial instruments - The Bank recognizes financial assets and liabilities on its balance sheet when it becomes a party to the contractual obligation of the instrument. Regular way purchase and sale of the financial assets and liabilities are recognized using settlement date accounting.

Financial assets and liabilities are initially recognized at cost, which is the fair value of consideration given or received, respectively, net of any transaction costs incurred, respectively. The accounting policies for subsequent re-measurement of these items are disclosed in the respective accounting policies set out below.

Cash and cash equivalents - Cash and cash equivalents include cash on hand, unrestricted balances on correspondent accounts with the National Bank of Georgia and advances to banks in countries included in the Organization for Economic Co-operation and Development ("OECD").

Loans and advances to banks - In the normal course of business, the Bank maintains advances or deposits for various periods of time with other banks. Loans and advances to banks with a fixed maturity term are subsequently measured at amortized cost using the effective interest method. Those that do not have fixed maturities are carried at cost. Amounts due from credit institutions are carried net of any allowance for losses.

Originated loans - Loans originated by the Bank are financial assets that are created by the Bank by providing money directly to a borrower or by participating in a loan facility.

Loans granted by the Bank with fixed maturities are initially recognized in accordance with the policy stated below. The difference between the nominal amount of consideration given and the amortized cost of loans issued at lower than market terms is recognized in the period the loan is issued as initial recognition adjustment discounting using market rates at inception and included in the profit and loss account as losses on origination of assets. Subsequently, the carrying amount of such loans is adjusted for amortization of the losses on origination and the related income is recorded as interest income within the profit and loss account using the effective interest method. Loans to customers that do not have fixed maturities are carried at cost. Loans to customers are carried net of any allowance for loan losses.

Write off of loans and advances - Loans and advances are written off against allowance for loan losses in case of uncollectibility of loans and advances, including the repossession of collateral. Loans and advances are written off after management has exercised all possibilities available to collect amounts due to the Bank and after the Bank has received all available collateral.

Non-accrual loans - Loans are placed on non-accrual status when interest or principal is delinquent for a period in excess of 90 days, except when all amounts due are fully secured by cash or marketable securities and collection proceedings are in process. Interest income is not recognized if recovery is doubtful. Subsequent payments by borrowers are applied to either principal or delinquent interest based on individual arrangements with the borrower. A non-accrual loan is restored to accrual status when all principal and interest amounts contractually due are reasonably assured of repayment within a reasonable period.

Allowance for losses - The Bank establishes an allowance for losses of financial assets when it is probable that the Bank will not be able to collect the principal and interest according to the contractual terms of financial assets, which are carried at cost or amortized cost. The allowance for losses is defined as the difference between carrying amounts and the present value of expected future cash flows, including amounts recoverable from guarantees and collateral.

The determination of the allowance for losses is based on an analysis of the risk assets and reflects the amount which, in the judgment of management, is adequate to provide for losses inherent in the risk assets. Provisions are made as a result of a detailed appraisal of risk assets.

The change in the allowance for losses is charged to profit and the total of the allowance for losses is deducted in arriving at assets as shown in balance sheet. Management's evaluation of the allowance is based upon the Bank's past loss experience, known and inherent risks in the risk assets, adverse situations that may affect the debtor's ability to repay, the estimated value of any underlying collateral and current economic conditions.

It should be understood that estimates of losses involve an exercise of judgment. While it is possible that in particular periods the Bank may sustain losses, which are substantial relative to the allowance for losses, it is the judgment of management that the allowance for losses is adequate to absorb losses inherent in the risk assets.

Securities held-to-maturity - Securities held-to-maturity are debt securities with determinable or fixed payments. The Bank has the positive intent and ability to hold them to maturity. Such securities are carried at amortized cost, less any allowance for impairment plus accrued coupon income. Amortized discounts are recognized in interest income over the period to maturity using the effective interest method.

Securities available-for-sale - Securities available-for-sale represent debt and equity investments that are intended to be held for an indefinite period of time. Such securities are initially recorded at cost which approximates the fair value of the consideration given. Subsequently the securities are measured at fair value, with such re-measurement included in the profit and loss account, plus accrued coupon income. The Bank uses quoted market prices to determine the fair value for the Bank's securities available-for-sale. If such quotes do not exist, management estimation is used. Realised and unrealised gains and losses arising from changes in the fair value of securities available-for-sale are included in the profit and loss account in the period in which they arise as gain/(loss) on investment securities. Interest earned on securities available-for-sale is reflected in the profit and loss account as interest income on investment securities. Dividends received are included in dividend income in the profit and loss account.

Fixed and intangible assets - Tangible assets are recorded at historical cost less accumulated depreciation. Depreciation is designed to write off assets over their estimated useful economic lives and is calculated on a straight line basis:

Buildings	2%
Furniture and equipment	20%
Other fixed assets	20%
Intangible assets	10%

The carrying amounts of fixed and intangible assets are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts, and where carrying values exceed this estimated recoverable amount, assets are written down to their recoverable amount. An impairment is recognized in the respective period and is included in operating expenses. After the recognition of an impairment loss the depreciation charge for fixed assets is adjusted in future periods to allocate the assets' revised carrying value, less its residual value (if any), on a systematic basis over its remaining useful life.

Leasehold improvements are amortized over the life of the related leased asset. Expenses related to repairs and renewals are charged when incurred and included in operating expenses unless they qualify for capitalization.

Impairment loss - If the recoverable amount of an asset is less than its carrying amount, the carrying amount of the asset is reduced to its recoverable value. The difference being an impairment loss is recognized as an expense in the profit and loss account for the year in which it arises.

Taxation - Taxes on income are computed in accordance with the laws of Georgia. Deferred taxes, if any, are provided on items recognized in different periods for financial reporting purposes and income tax purposes, using the balance sheet liability method at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled. Deferred tax liabilities, if any, which result from temporary differences, are provided for in full. Deferred tax assets are recorded to the extent that there is a reasonable expectation that these assets will be realized.

Deferred income tax assets and liabilities are offset when:

- the Bank has a legally enforceable right to set off the recognized amounts of current tax assets and current tax liabilities;
- the Bank has an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously;
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority in the each future period in which significant amounts of deferred tax liabilities and assets are expected to be settled or recovered.

Georgia also has various taxes, which are assessed on the Bank's activities. These taxes are included as a component of operating expenses in the income statement.

Deposits from banks and customers - Customer and bank deposits are initially recognized at cost, which amounts to the issue proceeds less transaction costs incurred. Subsequently amounts due are stated at amortized cost and any difference between net proceeds and the redemption value is recognized in the profit and loss account over the period of the borrowings using the effective interest method.

Provisions - Provisions are recognized when the Bank has a present legal or constructive obligation as a result of past events, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made.

Share capital and share premium - Share capital is recognized at historic cost. Share capital contributions made in the form of assets other than cash are stated at their fair value at the date of contribution.

External costs directly attributable to the issue of new shares, other than on a business combination, are deducted from equity net of any related income taxes. Preferred shares that are non-redeemable or redeemable only upon the occurrence of an event that is not likely to occur are classified as equity.

Dividends on ordinary shares are recognized in shareholders' equity as a reduction in the period in which they are declared. Dividends that are declared after the balance sheet date are treated as a subsequent event under International Accounting Standard 10 "Events after the Balance Sheet Date" (IAS 10) and disclosed accordingly.

Retirement and other benefit obligations - The Bank does not have any pension arrangements separate from the State pension system of Georgia, which requires current contributions by the employer calculated as a percentage of current gross salary payments; such expense is charged in the period the related salaries are earned. In addition, the Bank has no post-retirement benefits or significant other compensated benefits requiring accrual.

Recognition of income and expense - Interest income and expense are recognized on an accrual basis. The recognition of interest income is suspended when loans become overdue by more than 90 days. Interest income also includes income earned on investment securities. Other income is credited to profit and loss account when the related transactions are completed. Loan origination fees, if significant, are deferred (together with related direct costs) and recognized as an adjustment to the loan's effective yield. Commission income/expenses are recognized on an accrual basis.

Foreign currency translation - Monetary assets and liabilities denominated in foreign currencies are translated into LC at the appropriate spot rates of exchange ruling at the balance sheet date. Foreign currency transactions are accounted for at the exchange rates prevailing at the date of the transaction. Profits and losses arising from these translations are included in net gain on foreign exchange operations.

Rates of exchange - The exchange rates at year-end used by the Bank in the preparation of the financial statements are as follows:

	2004	**2003**
GEL/1 US Dollar	1.825	2.075
GEL/1 Euro	2.485	2.592

Offset of financial assets and liabilities - Financial assets and liabilities are offset and reported net on the balance sheet when the Bank has a legally enforceable right to set off the recognized amounts and the Bank intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Reclassifications - Certain reclassifications have been made to the financial statements as of 31 December 2003 and for the year then ended to conform to the presentation as of 31 December 2004 and for the year then ended. The reclassifications made are as follows:

Amount	***Previously reported***	***As reclassified***	***Comment***
193	Fixed Assets	Other Assets	Change of prior year presentation.
77	Depreciation of Investment Property	Allowance for Losses on Other Assets	Change of prior year presentation.

4. NET INTEREST INCOME

	2004	**2003**
Interest income		
Interest on loans to customers	2,175	1,525
Interest on debt securities	35	271
Interest on loans and advances to banks	81	98
Total interest income	**2,291**	**1,894**
Interest expense		
Interest on customer accounts	(651)	(396)
Interest on loans and advances from banks	(17)	-
Total interest expense	**(668)**	**(396)**
Net interest income before provision for loan losses	**1,623**	**1,498**

5. ALLOWANCE FOR LOSSES AND IMPAIRMENT, OTHER PROVISIONS

The movements in allowance for losses on interest earning assets were as follows:

	Loans and advances to banks	Loans to customers	Total
31 December 2002	**-**	**353**	**353**
Provision	-	362	362
Write-off of assets	-	(88)	(88)
Recoveries of assets previously written off	-	77	77
31 December 2003	**-**	**704**	**704**
Provision	16	386	402
Write-off of assets	-	(817)	(817)
Recoveries of assets previously written off	-	120	120
31 December 2004	**16**	**393**	**409**

The movements in allowances for losses on other transactions were as follows:

	Other Assets	Guarantees and other commitments	Total
31 December 2002	**60**	**57**	**117**
Provision/(Recovery)	56	(16)	40
Write-off of assets	(39)	-	(39)
31 December 2003	**77**	**41**	**118**
Provision/(Recovery)	(46)	47	1
Write-off of assets	-	(4)	(4)
31 December 2004	**31**	**84**	**115**

6. NET GAIN ON FOREIGN EXCHANGE OPERATIONS

Net gain on foreign exchange operations comprise:

	2004	2003
Dealing, net	738	439
Translation differences, net	(561)	(308)
Total net gain on foreign exchange operations	**177**	**131**

7. FEE AND COMMISSION INCOME AND EXPENSE

Fee and commission income and expense comprise:

	2004	2003
Fee and commission income:		
Cash operations	547	516
Other	182	53
Total fee and commission income	**729**	**569**
Fee and commission expense:		
Cash operations	(84)	(123)
Correspondent bank services	(18)	(24)
Foreign currency and securities operations	(43)	(15)
Services of processing centre	(118)	(44)
Other	(57)	(1)
Total fee and commission expense	**(320)**	**(207)**

8. OTHER INCOME

	2004	2003
Income from documentary operations	78	66
Other	15	25
	93	**91**

9. OPERATING EXPENSES

	2004	2003
Staff costs	531	112
Depreciation and amortization	160	80
Advertising costs	150	21
Security	72	71
Taxes, other than income tax	43	58
Fixed assets maintenance (buildings, intangibles, etc.)	37	42
Professional services	37	62
Bank forms and documents production	35	21
Occupancy Expense	29	-
Card production	27	18
Utility	22	18
Training	13	12
Business trip expenses	11	10
Vehicles maintenance	10	16
Representative expenses	10	5
Legal services	-	9
Operating Lease	-	5
Other expenses	107	49
	1,294	**609**

10. INCOME TAXES

The Bank provides for taxes based on the statutory financial statements maintained and prepared in local currency and in accordance with local statutory regulations, which may differ from International Financial Reporting Standards. During the years ended 31 December 2004 and 2003, the Georgian tax rate for corporations' profits was 20%.

The Bank is subject to certain permanent tax differences due to non-tax deductibility of certain expenses and a tax free regime for certain income.

Deferred taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for tax purposes. Temporary differences as of 31 December 2004 and 2003 relate mostly to different methods of income and expense recognition as well as to recorded values of certain assets.

Temporary differences as of 31 December 2004 and 2003 comprise:

	2004	2004
Deferred assets:		
Loans to banks and customers	10	-
Other assets	-	6
Total deferred assets	10	6
Deferred liabilities:		
Fixed and intangible assets	(29)	(21)
Total deferred liabilities	(29)	(21)
Net deferred liabilities	**(19)**	**(15)**

Relationships between tax expenses and accounting profit for the years ended 31 December 2004 and 2003 are explained as follows:

	2004	2003
Profit before income tax	**1,140**	**1,647**
Tax at the statutory tax rate	(228)	(329)
Allowance for Losses	12	-
Depreciation and Amortization	(7)	-
Tax effect of permanent differences	39	139
Income tax expense	**(184)**	**(190)**
Current income tax expense	(180)	(174)
Deferred tax expense/(benefit)	(4)	(16)
Income tax expense	**(184)**	**(190)**

	2004	2003
Deferred income tax liabilities		
1 January	(15)	1
Deferred tax expense	(4)	(16)
31 December	**(19)**	**(15)**

Income tax assets and liabilities consist of the following:

Current income tax (liabilities)/ assets	(8)	13
Deferred income tax (liabilities)	(19)	(15)
Income tax (liabilities)	**(27)**	**(2)**

11. CASH AND BALANCES WITH NATIONAL BANK

The balance with the National Bank of Georgia as of 31 December 2004 included amounts of GEL 2,102 thousand (2003: GEL 1,281 thousand) represented by the minimum reserve deposit with the National Bank of Georgia. The Bank is required to maintain the reserve balances at all times.

Cash and cash equivalents for the purposes of the statement of cash flows comprise:

	2004	2003
Cash on hand	3,851	1,908
Balances with National Bank of Georgia	3,258	1,733
	7,109	3,641
Loans and advances in non-resident commercial Banks	5,371	5,088
Loans and advances in resident commercial Banks	296	167
	12,776	8,896
Less minimum reserve deposit in National Bank of Georgia	(2,102)	(1,281)
Total cash and cash equivalents	**10,674**	**7,615**

12. LOANS AND ADVANCES TO BANKS

	2004	2003
Correspondent accounts with other banks	5,667	5,255
Less allowance for loan losses	(16)	-
Total loans and advances to banks, net	**5,651**	**5,255**

Movements in allowances for loan losses and advances to banks for the years ended 31 December 2004 and 2003 are disclosed in Note 5.

13. LOANS TO CUSTOMERS

	2004	2003
Originated loans	15,083	8,652
Accrued interest income on loans to customers	53	35
	15,136	8,687
Less allowance for loan losses	(393)	(704)
Total loans to customers, net	**14,743**	**7,983**

	2004	2003
Loans collateralized by real estate	7,096	3,924
Loans collateralized by combined collateral	1,356	55
Loans collateralized by shares of other companies	1,512	466
Loans collateralized by equipment	1,320	770
Loans collateralized by inventories	1,059	894
Loans collateralized by guarantees of enterprises	950	838
Loans collateralized by cash or Home Country Government	755	610
Unsecured loans	1,088	1,130
	15,136	8,687
Less allowance for loan losses	(393)	(704)
Total loans to customers, net	**14,743**	**7,983**

Movements in allowances for loan losses for the years ended 31 December 2004 and 2003 are disclosed in Note 5.

	2004	2003
Analysis by industry:		
Trade	5,729	3,635
Manufacturing	3,646	1,753
Individuals	2,622	788
Construction	1,405	1,320
Transport and communication	1,104	221
Energy	271	103
Agriculture	30	85
Other	329	782
	15,136	8,687
Less allowance for loan losses	(393)	(704)
Total loans to customers, net	**14,743**	**7,983**

14. INVESTMENT SECURITIES

Securities available-for-sale

	Nature of Business	Share %	2004	Share %	2003
Equity securities					
Basis LLC	Brokerage	100%	60	100%	60
Total securities available-for-sale			60		60

Securities held-to-maturity

As of 31 December 2004 investment securities held-to-maturity comprised of treasury bills issued by the Ministry of Finance of Georgia. As of 31 December 2004 nominal and discount values comprised 266 and 26 GEL, respectively (2003 - 2,339 and 150 GEL).

15. FIXED ASSETS

	Buildings	Furniture and equipment	Computers and communi-cations	Other	Total
At cost					
31 December 2003	1,002	99	158	102	1,361
Additions	60	59	472	9	600
Disposals	-	-	(11)	(6)	(17)
31 December 2004	1,062	158	619	105	1,944
Accumulated depreciation					
31 December 2003	44	41	63	24	172
Charge for the year	3	39	83	27	152
Eliminated on disposals	-	-	(11)	(4)	(15)
31 December 2004	47	80	135	47	309
Net book value					
31 December 2004	**1,015**	**78**	**484**	**58**	**1,635**
31 December 2003	**958**	**58**	**95**	**78**	**1,189**

16. INTANGIBLE ASSETS

	2004	2003
At cost		
1 January	77	4
Additions	71	73
31 December	148	77
Accumulated amortization		
1 January	5	3
Amortization charge	8	2
31 December	13	5
Net book value		
31 December	**135**	**72**

17. OTHER ASSETS

	2004	2003
Prepayments and other debtors	162	143
Repossessed Assets	98	193
Other	27	36
	287	372
Less allowance for losses on other assets	(31)	(77)
Total other assets, net	**256**	**295**

18. CUSTOMER ACCOUNTS

Customer accounts comprise:

	2004	2003
Time deposits	7,919	4,519
Repayable on demand	12,065	7,073
Accrued interest expense on customer accounts	158	59
Total customer accounts	**20,142**	**11,651**

	2004	2003
Analysis by industry:		
Individuals	10,048	8,118
Trade	3,378	1,776
State Institutions	1,462	315
Mining and metallurgy	856	573
Other	4,398	869
Total customer accounts	**20,142**	**11,651**

19. OTHER LIABILITIES

	2004	2003
Allowance for losses on guarantees	84	41
Other creditors	82	59
	166	**100**

20. SHARE CAPITAL

As of 31 December 2004 the Bank's share capital comprised the following:

	Authorized share capital	Unpaid share capital	Total share capital
Ordinary shares of GEL one each	5,200	(175)	5,025

As of 31 December 2003 the Bank's share capital comprised the following:

	Authorized share capital	Unpaid share capital	Total share capital
Ordinary shares of GEL one each	5,200	(175)	5,025

Based on the Court Resolution dated 10 January 2000, the Bank's Charter's Capital of 5,200,000 shares was authorized, with the nominal par value of GEL 1 per share, from which 5,025,000 were paid and 175,000 remained as unpaid as of 31 December 2004 and 2003.

21. FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK

In the normal course of business, the Bank is a party to financial instruments with off-balance sheet risk in order to meet the needs of its customers. These instruments, involving varying degrees of credit risk, are not reflected in the balance sheet.

The Bank's maximum exposure to credit loss under contingent liabilities and commitments to extend credit, in the event of non-performance by the other party where all counterclaims, collateral or security prove valueless, is represented by the contractual amounts of those instruments.

The Bank uses the same credit control and management policies in undertaking off-balance sheet commitments as it does for on-balance operations.

The risk-weighted amount is obtained by applying credit conversion factors and counterparty risk weightings according to the principles employed by the Basle Committee on Banking Supervision.

As of 31 December 2004 and 2003, the nominal or contract amounts and the risk weighted credit equivalents of instruments with off-balance sheet risks were:

	2004		2003	
	Nominal Amount	**Risk Weighted Amount**	**Nominal Amount**	**Risk Weighted Amount**
Guarantees issued and similar commitments	2,639	2,639	743	743
Commitments on credits and unused credit lines	2,782	2,782	2,236	2,236
Total contingent liabilities and credit commitments	**5,421**	**5,421**	**2,979**	**2,979**

Accrued allowance for losses on guarantees amounted to GEL 84 thousand and GEL 41 thousand as of 31 December 2004 and 2003, respectively.

Capital commitments - The Bank had no material commitments for capital expenditure outstanding as of 31 December 2004 and 2003.

Rental commitments - No material rental commitments were outstanding as of 31 December 2004 and 2003.

Legal proceedings - From time to time and in the normal course of business, claims against the Bank are received from customers and counterparties. Management is of the opinion that no material unaccrued losses will be incurred and accordingly no provision has been made in these financial statements.

Taxes - Georgian tax authorities are increasingly directing their attention to the business community as a result of the overall economic Georgian environment. In respect of this, the local and national tax environment in Georgia is constantly changing and subject to inconsistent application, interpretation and enforcement. Non-compliance with Georgian laws and regulations can lead to the imposition of severe penalties and interest. Future tax examinations could include taxes, penalties and interest, and these amounts could be material. While the Bank believes it has complied with local tax legislation, there have been many new tax and foreign currency laws and related regulations introduced in recent years, which are not always clearly written.

Management believes that the Bank is in compliance with the tax laws affecting its operations, however, the risk remains that a relevant authority could take a different position with regard to interpretive issues and the effect could be significant.

Operating environment - The Bank’s principal business activities are within Georgia. Laws and regulations affecting the business environment in Georgia are subject to rapid changes and the Bank's assets and operations could be at risk due to negative changes in the political and business environment.

22. TRANSACTIONS WITH RELATED PARTIES

Related parties, as defined by IAS 24, are those counter parties that represent:

a. Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Bank. (This includes holding companies, subsidiaries and fellow subsidiaries);

b. Associates – enterprises in which the Bank has significant influence and which is neither a subsidiary nor a joint venture of the investor;

c. Individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the Bank;

d. Key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the Bank, including directors and officers of the Bank and close members of the families of such individuals; and

e. Enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the Bank and enterprises that have a member of key management in common with the Bank.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. The Bank had the following transactions outstanding with related parties:

	31 December 2004 GEL'000		**31 December 2003 GEL'000**	
	Related party transactions	**Total category as per financial statements caption**	**Related party transactions**	**Total category as per financial statements caption**
Loans to customers	2,146	15,083	521	8,652
Accrued interest on loans to customers	5	53	2	35
Allowance for loans	(43)	(393)	(10)	(704)
Customer accounts	1,141	20,142	888	11,651
Unused loan commitments	170	2,782	-	2,236
Guarantees given	221	2,639	-	743

Included in the profit and loss account for the years ended 31 December 2004 and 2003 are the following amounts which arose due to transactions with related parties:

	Year ended 2004 GEL'000		Year ended 2003 GEL'000	
	Related party transactions	**Total category as per financial statements caption**	**Related party transactions**	**Total category as per financial statements caption**
Interest income				
- related companies	180	2,291	116	1,894
- directors *(IAS 24 par 22)*	7		-	
Interest expense				
- related companies	(6)	(668)	-	(396)
- directors *(IAS 24 par 22)*	(17)		-	

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

Estimated fair value disclosures of financial instruments is made in accordance with the requirements of IAS 32 "Financial Instruments: Disclosure and Presentation" and IAS 39 "Financial Instruments: Recognition and Measurement". Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction, other than in forced or liquidation sale. As no readily available market exists for a large part of the Bank's financial instruments, judgment is necessary in arriving at fair value, based on current economic conditions and specific risks attributable to the instrument. The estimates presented herein are not necessarily indicative of the amounts the Bank could realize in a market exchange from the sale of its full holdings of a particular instrument.

As of 31 December 2004 and 2003 the following methods and assumptions were used by the Bank to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash and balances with central banks - For these short-term instruments the carrying amount is considered to be a reasonable estimate of fair value.

Loans and advances to banks - As of 31 December 2004 and 2003, the carrying amount of deposits and advances given is considered to be a reasonable estimate of their fair value.

Loans to customers - The fair value of the loan portfolio is based on the credit and interest rate characteristics of the individual loans within each sector of the portfolio. The estimation of the provision for loan losses includes consideration of risk premiums applicable to various types of loans based on factors such as the current situation of the economic sector in which each borrower operates the economic situation of each borrower and guarantees obtained. Accordingly, the provision for loan losses is considered a reasonable estimate of the discount required to reflect the impact of credit risk.

Securities available-for-sale - As of 31 December 2004 and 2003 securities available for sale are stated at fair value. Fair value of securities available for sale was determined with reference to an active market for those securities quoted publicly or at over-the-counter market. For unquoted securities fair value was determined by reference to market prices of securities with similar credit risk and/or maturity, in other cases – by reference to the share in estimated equity capital of investee. If such quotes do not exist management estimation is used. Non-marketable securities that do not have fixed maturities are stated at cost, less allowance for impairment unless there are other appropriate and workable methods of reasonably estimating their fair value.

Securities held-to-maturity - Securities held-to-maturity are stated at cost and adjusted for accretion and amortization of premiums and discounts, respectively. The fair value of securities held-to-maturity was determined with reference to an active market for those securities quoted publicly or at over-the-counter market. For unquoted securities the fair value was determined by reference to market prices of securities with similar credit risk and/or maturity.

Customer accounts - As of 31 December 2004 and 2003 the carrying amount of time deposits and current accounts of the Bank's customers is considered to be a reasonable estimate of their fair value.

24. REGULATORY MATTERS

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (as set forth in the table below) of total and tier 1 capital to risk weighted assets.

The capital is calculated as the amount of restricted and free components of the shareholders' capital plus the Bank's provisions for the principal risks.

The ratio was calculated according to the principles employed by the Basle Committee by applying the following risk estimates to the assets and off-balance sheet commitments net of allowances for losses:

Estimate	Description of position
0%	Cash and balances with the National Bank of Georgia
0%	State debt securities
20%	Loans and advances to banks for up to 1 year
100%	Loans to customers
100%	Guarantees
100%	Obligations and commitments on unused loans with the initial maturity of over 1 year
100%	Other assets

The Bank's actual capital amounts and ratios are presented in the following table:

Capital amounts and ratios	Actual amount GEL'000	For Capital Adequacy purposes GEL'000	Ratio for Capital Adequacy purposes %	Minimum Required Ratio %
As of 31 December 2004				
Total capital	9,487	14,496	45%	8%
Tier 1 capital	9,487	9,487	68%	4%
As of 31 December 2003				
Total capital	8,931	13,555	70%	8%
Tier 1 capital	8,931	8,931	106%	4%

25. RISK MANAGEMENT POLICIES

Management of risk is fundamental to the Bank's business and is an essential element of the Bank's operations. The main risks inherent to the Bank's operations are those related to credit exposures, liquidity and market movements in interest rates and foreign exchange rates. A description of the Bank's risk management policies in relation to those risks follows.

The Bank manages the following risks:

Liquidity risk

Liquidity risk refers to the availability of sufficient funds to meet deposit withdrawals and other financial commitments associated with financial instruments as they actually fall due.

In order to manage liquidity risk, the Bank performs daily monitoring of future expected cash flows on clients' and banking operations, which is a part of assets/liabilities management process. The Management Board sets limits on the minimum proportion of maturing funds available to meet deposit withdrawals and on the minimum level on interbank and other borrowing facilities that should be in place to cover withdrawals at unexpected levels of demand.

Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect the value of the financial instruments.

The majority of the Bank's loan contracts and other financial assets and liabilities that bear interest are either variable or contain clauses enabling the interest rate to be changed at the option of the lender. The Bank monitors its interest rate margin and consequently does not consider itself exposed to significant interest rate risk or consequential cash flow risk.

The following table presents an analysis of interest rate risk and thus the potential of the Bank for gain or loss. Effective interest rates are presented by categories of financial assets and liabilities to determine interest rate exposure and effectiveness of the interest rate policy used by the Bank.

		2004			2003	
	GEL	**USD**	**Other currencies**	**GEL**	**USD**	**Other Currencies**
ASSETS						
Loans and advances to banks	-	2%	-	-	-	-
Investment securities held-to-maturity	13%	-	-	49%	-	-
Loans to customers	20%	21%	18%	21%	21%	17%
LIABILITIES						
Customer accounts	5%	7%	7%	8%	7%	8%

The analysis of interest rate and liquidity risk on balance sheet transactions is presented in the following table:

	Up to 1 month GEL'000	1 month to 3 months GEL'000	3 months to 1 year GEL'000	1 year to 5 years GEL'000	Over 5 years GEL'000	Overdue GEL'000	Maturity undefined, including allowance for losses GEL'000	2004 Total GEL'000
ASSETS								
Loans and advances to banks, net	5,667	-	-	-	-	-	(16)	5,651
Loans to customers, net	1,508	1,547	4,244	7,489	-	295	(393)	14,690
Investment securities held-to-maturity	-	-	240	-	-	-	-	240
Investment securities available-for-sale	-	-	-	-	-	-	60	60
Total interest bearing assets	7,175	1,547	4,484	7,489	-	295		20,641
Cash and balances with NBG	7,109	-	-	-	-	-	-	7,109
Fixed assets, net	-	-	-	619	1,016	-	-	1,635
Intangible assets, net	-	-	-	135	-	-	-	135
Other assets, net	122	4	16	145	-	-	(31)	256
Interest accrued on interest bearing assets	53	-	-	-	-	-	-	53
TOTAL ASSETS	**14,459**	**1,551**	**4,500**	**8,388**	**1,016**	**295**	**(380)**	**29,829**
LIABILITIES								
Loans and advances from banks	7	-	-	-	-	-	-	7
Customer accounts	13,840	1,355	4,059	685	45	-	-	19,984
Total interest bearing liabilities	13,847	1,355	4,059	685	45	-	-	19,991
Income tax liability	27	-	-	-	-	-	-	27
Other liabilities	82	-	-	-	-	-	84	166
Interest accrued on interest bearing liabilities	158	-	-	-	-	-	-	158
TOTAL LIABILITIES	**14,114**	**1,355**	**4,059**	**685**	**45**	**-**	**84**	**20,342**
Liquidity gap	345	196	441	7,703	971			
Interest sensitivity gap	(6,672)	192	425	6,804	(45)			
Cumulative interest sensitivity gap	**(6,672)**	**(6,480)**	**(6,055)**	**749**	**704**			
Cumulative interest sensitivity gap as a percentage of total assets	**-22%**	**-22%**	**-20%**	**3%**	**2%**			

	Up to 1 month GEL'000	1 month to 3 months GEL'000	3 month to 1 year GEL'000	1 year to 5 years GEL'000	Over 5 years GEL'000	Overdue GEL'000	Maturity undefined, including allowance for losses GEL'000	2003 Total GEL'000
ASSETS								
Loans and advances to banks, net	5,255	-	-	-	-	-	-	5,255
Loans to customers, net	1,949	1,542	2,263	1,890	-	1,008	(704)	7,948
Investment securities held-to-maturity	324	1,427	434	4	-	-	-	2,189
Investment securities available-for-sale	-	-	-	-	-	-	60	60
Total interest bearing assets	7,528	2,969	2,697	1,894	-	1,008	(644)	15,452
Cash and balances with NBG	3,641	-	-	-	-	-	-	3,641
Fixed assets, net	-	-	-	231	958	-	-	1,189
Intangible assets, net	-	-	-	72	-	-	-	72
Other assets, net	96	-	-	204	-	-	(5)	295
Income tax assets	13	-	-	-	-	-	-	13
Interest accrued on interest bearing assets	35	-	-	-	-	-	-	35
TOTAL ASSETS	**11,313**	**2,969**	**2,697**	**2,401**	**958**	**1,008**	**(649)**	**20,697**
LIABILITIES								
Customer accounts	7,690	1,168	2,313	421	-	-	-	11,592
Total interest bearing liabilities	7,690	1,168	2,313	421	-	-	-	11,592
Income tax liability	15	-	-	-	-	-	-	15
Interest accrued on interest bearing liabilities	59	-	-	-	-	-	-	59
Other liabilities	100	-	-	-	-	-	-	100
TOTAL LIABILITIES	**7,864**	**1,168**	**2,313**	**421**	**-**	**-**	**-**	**11,766**
Liquidity gap	3,449	1,801	384	1,980	958			
Interest sensitivity gap	(162)	1,801	384	1,473	-			
Cumulative interest sensitivity gap	**(162)**	**1,639**	**2,023**	**3,496**	**3,496**			
Cumulative interest sensitivity gap as a percentage of total assets	**-1%**	**8%**	**10%**	**17%**	**17%**			

Currency risk

Currency risk is defined as the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Bank is exposed to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows.

The Board of Directors controls currency risk by management of the open currency position on the estimated basis of the GEL exchange rate changes and other macroeconomic indicators, which gives the Bank an opportunity to minimize losses from significant currency rates fluctuations toward its national currency. The Chief Accountant performs daily monitoring of the Bank's open currency position with the aim to match the requirements of National Bank of Georgia.

The Bank's exposure to foreign currency exchange rate risk is presented in the table below:

	GEL	USD	EUR	Other currency	Currency undefined, including allowance for losses	2004 Total GEL'000
ASSETS						
Cash and balances with NBG	4,295	2,019	783	12	-	7,109
Loans and advances to banks, net	220	4,556	805	86	(16)	5,651
Loans to customers, net	124	14,700	259	-	(393)	14,690
Investment securities held-to-maturity	240	-	-	-	-	240
Investment securities available-for-sale	60	-	-	-	-	60
Fixed assets, net	1,635	-	-	-	-	1,635
Intangible assets, net	135	-	-	-	-	135
Other assets, net	218	69	-	-	(31)	256
Interest accrued on interest bearing assets	-	53	-	-	-	53
TOTAL ASSETS	**6,927**	**21,397**	**1,847**	**98**	**(440)**	**29,829**
LIABILITIES						
Loans and advances from banks	7	-	-	-	-	7
Customer accounts	5,023	12,626	1,727	608	-	19,984
Income tax liability	27	-	-	-	-	27
Other liabilities	35	47	-	-	84	166
Interest accrued on interest bearing liabilities	1	135	22	-	-	158
TOTAL LIABILITIES	**5,093**	**12,808**	**1,749**	**608**	**84**	**20,342**
OPEN BALANCE SHEET POSITION	**1,834**	**8,589**	**98**	**(510)**		

	GEL	USD	EUR	Other currency	Currency undefined, including allowance for losses	2003 Total GEL'000
ASSETS						
Cash and balances with NBG	1,945	1,359	332	5	-	3,641
Loans and advances to banks, net	18	4,198	685	354	-	5,255
Loans to customers, net	312	8,164	176	-	(704)	7,948
Investment securities held-to-maturity	2,187	2	-	-	-	2,189
Investment securities available-for-sales	60	-	-	-	-	60
Fixed assets, net	1,189	-	-	-	-	1,189
Intangible assets, net	72	-	-	-	-	72
Income tax asset	13	-	-	-	-	13
Other assets, net	365	6	-	1	(77)	295
Interest accrued on interest bearing assets	2	33	-	-	-	35
TOTAL ASSETS	**6,163**	**13,762**	**1,193**	**360**	**(781)**	**20,697**
LIABILITIES						
Customer accounts	1,112	9,463	1,072	4	-	11,651
Income tax liability	15	-	-	-	-	15
Other liabilities	26	74	-	-	-	100
TOTAL LIABILITIES	**1,153**	**9,537**	**1,072**	**4**	**-**	**11,766**
OPEN BALANCE SHEET POSITION	**5,010**	**4,225**	**121**	**356**		

Market Risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices whether those changes are caused by factors specific to the individual security or its issuer or factors affecting all securities traded in the market. The Bank is exposed to market risks of its products which are subject to general and specific market fluctuations.

The Bank manages market risk through periodic estimation of potential losses that could arise from adverse changes in market conditions and establishing and maintaining appropriate stop-loss limits and margin and collateral requirements. With respect to undrawn loan commitments the Bank is potentially exposed to a loss of an amount equal to the total amount of such commitments. However, the likely amount of a loss is less than that, since most commitments are contingent upon certain conditions set out in the loan agreements.

Credit risk

The Bank is exposed to credit risk which is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Where appropriate, and in the case of most loans, the Bank obtains collateral and corporate and personal guarantees but a significant portion is personal lending, where no such facilities can be obtained. Such risks are monitored on a continuous basis and subject to annual or more frequent reviews.

Commitments to extend credit represent unused portions of credit in the form of loans, guarantees or letters of credit. The credit risk on off-balance sheet financial instruments is defined as a probability of losses due to the inability of a counterparty to comply with the contractual terms and conditions. With respect to credit risk on commitments to extend credit, the Bank is potentially exposed to a loss in an amount equal to the total unused commitments. However, the likely amount of the loss is less than the total unused commitments since most commitments to extend credit are contingent upon customers maintaining specific credit standards. The Bank applies the same credit policy to the contingent liabilities as it does to the balance sheet financial instruments, i.e. the one based on the procedures for approving the grant of loans, using limits to mitigate the risk, and current monitoring. The Bank monitors the term to maturity of credit commitments because longer term commitments generally have a greater degree of credit risk than short-term commitments.

Geographical concentration

The Board of Directors exercises control over the risk in the legislation and regulatory arena and assesses its influence on the Bank’s activity. This approach allows the Bank to minimize potential losses from the investment climate fluctuations in Georgia. The Bank’s Commercial Directorate sets up country limits, which mainly applies to banks of the Commonwealth of Independent States and Baltic countries.

The geographical concentration of assets and liabilities is set out below:

	Georgia GEL'000	CIS countries GEL'000	Non-CIS countries GEL'000	Allowance for losses GEL'000	2004 Total GEL'000
ASSETS					
Cash and balances with NBG	7,109	-	-	-	7,109
Loans and advances to banks, net	297	481	4,889	(16)	5,651
Loans to customers, net	15,133	-	3	(393)	14,743
Investment securities held-to-maturity	240	-	-	-	240
Investment securities available-for-	60	-	-	-	60
Fixed assets, net	1,635	-	-	-	1,635
Intangible assets, net	135	-	-	-	135
Other assets, net	170	24	93	(31)	256
TOTAL ASSETS	**24,779**	**505**	**4,985**	**(440)**	**29,829**
LIABILITIES					
Loans and advances from banks	7	-	-	-	7
Customer accounts	19,712	-	430	-	20,142
Income tax liability	27	-	-	-	27
Other liabilities	55	27	-	84	166
TOTAL LIABILITIES	**19,801**	**27**	**430**	**84**	**20,342**
NET BALANCE SHEET POSITION	**4,978**	**478**	**4,555**		

	Georgia GEL'000	CIS countries GEL'000	Non-CIS countries GEL'000	Allowance for losses GEL'000	2003 Total GEL'000
ASSETS					
Cash and balances with NBG	3,641	-	-	-	3,641
Loans and advances to banks, net	18	354	4,883	-	5,255
Loans to customers, net	8,687	-	-	(704)	7,983
Investment securities held-to-maturity	2,187	-	2	-	2,189
Investment securities available-for-	60	-	-	-	60
Fixed assets, net	1,189	-	-	-	1,189
Intangible assets, net	72	-	-	-	72
Income tax receivable	13	-	-	-	13
Other assets, net	510	-	35	(250)	295
TOTAL ASSETS	**16,377**	**354**	**4,920**	**(954)**	**20,697**
LIABILITIES					
Customer accounts	10,303	62	1,286	-	11,651
Income tax liability	15	-	-	-	15
Other liabilities	95	5	-	-	100
TOTAL LIABILITIES	**10,413**	**67**	**1,286**	**-**	**11,766**
NET BALANCE SHEET POSITION	**5,964**	**287**	**3,634**		