



World Council of Credit Unions, Inc.

**Quarterly Report # 27**

**1 April 2002 – 31 June 2002**

**Development of User-Owned Rural  
Financial Institutions in FYR Macedonia**

**USAID #: EPE-A-00-95-00103-00**

Project Director, WOCCU/Macedonia

Martha J. Ninichuk

Mito Hadzivasilev Jasmin 48

1000 Skopje

Macedonia

Telephone #: (389-2) 131-106

Fax #: (389-2) 115-653

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## Table of Contents

Page

Financial Indicators-----	1
Executive Summary -----	2
I. PROJECT IMPLEMENTATION AND RESULTS ACHIEVED -----	4
A. Project Progress VS. Targets-----	4
B. Analysis of Financial Performance of FULM Savings House-----	4
C. Summary of Ranking of FULM Savings House-----	5
D. Summary of Other Key Activities Implemented During the Reporting Period -----	6
E. Problems Encountered -----	7
II. SUMMARY OF ACTIVITIES FOR THE NEXT PERIOD-----	7

### Attachments:

- A. PEARLS Consolidated Reports
- B. FSH Member Statistics Report
- C. FULM Savings House 2001 Annual Report

## List of Acronyms/Abbreviations

AC FULM	Association of Citizens <i>Financial Services for the People of Macedonia</i> — The not-for-profit organization created as WOCCU's local counterpart and the sole owner of the savings house company.
FSH	FULM Savings House — The local financial institution created by WOCCU to provide the intended savings & lending services. Licensed as a limited services savings bank under local law, the company was fully capitalized by a grant from project funds.
NBRM	National Bank of the Republic of Macedonia
USAID	United States Agency for International Development
WOCCU	World Council of Credit Unions, Inc.

Financial Indicators: Actual vs. Target

Financial Indicators	Actual as of 06/30/2002	Actual as of 03/31/2002	Actual as of 12/31/2001	Target (For 2002)	Target LOP 08.30.2002	On Track (Y/N)
Number of Loans Outstanding	868	449	490	650	650	Y
Number of Loans Disbursed since Inception	1,213	961	Information Not Available	1300	1300	Y
Loan Volume	669,881	517,974	368,069	900,000	602,000.00	Y
# Of Savers	1,722	1,547	1,273	2200	4,400	Y
Saving Volume	234,199	178,265	155,545	370,000	860,000.00	N
Member Shares	46,172	36,987	31,222			
Loan Loss Rate	2.09%	2.00%	2.00%	2.00%	2.00%	Y
Portfolio at Risk > 30 days	0	0	0	3%		Y
Return on Operations	213%	215%	149%	200%	200%	Y
% Women	29%	23%	21%	30%	25%	Y
<b>Other Indicators</b>						
Distribution of portfolio by economic activity (e.g., ag, micro-enterprise, housing, etc.)	Information Not Available					
# And volume of micro-enterprise loans	790	449	490	600	600	Y
ROA	5.60%	5.59%	2.80%	5.00%	5.00%	Y

\* Portfolio at Risk: (>30 days overdue)

\*\* Loan Loss: Loan Loss Provision/Loans Outstanding

\*\*\* Return on Operations: Total Client Revenues (interest income + Fee Income)/Total Expenses (Non-financial Expenses + Adjusted Financial Expenses)

## Executive Summary

The WOCCU/Macedonia Project, "Development of User-Owned Rural Financial Institutions in FYR Macedonia," has just been given official word from USAID of its no-cost extension date to December 31, 2002. This is great news for the project due to the outstanding issues still faced for FULM Savings House. By extending our project end date from August 31, 2002 to December 31, 2002 WOCCU will have additional time to find answers to the following outstanding major concerns:

### **1. External Credit**

**Major Concern:** Even though FSH has achieved a member savings balance of US\$280,371.00, savings mobilization is growing at a slower rate than its membership demand for loans. Therefore, FSH is in a position in which in the short term (the next 2-3 months) the savings house will experience a liquidity shortage. This shortage if not addressed by finding external credit will have to be managed by limiting loans to FSH members. WOCCU, along with FSH, is concerned with the resulting message of "rationing of loans to members" will have on the continued effort of building trust with the citizens of Macedonia.

**Proposed Solution:** An immediate effort will be made in finding a solution of external credit for FSH. The solution includes drawing up a formal proposal for external credit to be submitted to local banks within Macedonia. This proposal will request an open line of credit for the savings house in the amount of \$200,000.00 to \$500,000.00 with the FSH member loan portfolio offered as collateral in case of non-payment by FSH. (Even though many banks in Macedonia are experiencing a heavy liquid position, it is not a routine practice of banks in Macedonia to provide open lines of credit to other financial institutions.) It is believed that finding a bank that would be willing to provide an open line of credit loan to the savings house will be difficult.

Other solutions would include: seeking other donor organizations to provide grants in the amount stated above and/or alternate lines of credit provided within the international financial services industry.

### **2. Savings House or Non Bank Financial Institution Development**

**Major Concern:** Savings Houses in Macedonia are still operating within a legislative and regulatory framework that does not support further growth of savings house institutions. No further development of savings house legislation has been seen nor will it be seen in the future. The Ministry of Finance along with the National Bank of Macedonia has always been very open in their belief that an alternative solution to savings house financial institutions must be found in Macedonia. Further it has been a concern of WOCCU and FULM Savings House that the government of Macedonia could outlaw savings houses completely without fallback legislation for FSH to continue operations.

During April 2002, the Ministry of Finance of Macedonia had been reviewing different ways to develop their Non Bank Financial Institution structure, but due to government elections to be

held during September 2002 no further work has been seen in this area of legislative and regulatory development.

Proposed Solution: Continue to address the Ministry of Finance regarding the importance of the development of Macedonia's NBFIs sector. This will be done through meetings with the Ministry of Finance and the NBRM with WOCCU upper management and board of directors. As much pressure as possible will be applied to find a solution for NBFIs legislation prior to the project end date of December 2002.

Note: FULM Savings House has just completed an intensive 3-week examination performed by the National Bank of Macedonia. During the examination period it became evident that the NBRM was looking for any information that could be brought back to the Ministry of Finance (MOF) to display any inefficiencies within the FULM Savings House system. It is a concern of WOCCU that the NBRM is pressuring the MOF to close the Macedonia savings house financial institutions.

### **3. People to People Program (PTP)**

WOCCU has been successful in introducing its People to People Program (PTP) to the Michigan Credit Union League (MCUL) in the United States. The program will afford the MCUL to work with a country developing its first credit union system and FULM Savings House will be able to learn from an organization that is proactive in credit union legislative development and lobbying activity. MCUL also will provide a wealth of educational opportunities and support for the FULM Savings House. It is WOCCU's hope that "After Project Support" can be established for FSH with the MCUL to be carried on after the official project end date of December 2002.

## I. PROJECT IMPLEMENTATION AND RESULTS ACHIEVED

### A. Project Progress vs. Targets

As of June 30, 2002, the following targets are to be achieved as a result of project work:

- 1) FSH must have mobilized total member savings in the amount of \$860,000;
- 2) Total outstanding member loans must equal \$602,000;
- 3) And a total membership of 4,400.

The following progress has been made towards achieving targets:

1. Savings Mobilization of \$860,000 (21.08% complete). As of June 30, 2002, membership savings is at a balance of \$280,371.
2. Total loans outstanding of \$602,000 (111% complete). As of June 30, 2002 the total outstanding loan balance for FSH is at \$669,881. This surpasses the USAID stated goal for the WOCCU/FULM Savings House Project.
3. Total membership of 4400 (39.14% complete). Total members of FSH as of June 30, 2002 are 1,722, up 2% from May 31, 2002.

### B. Analysis of Financial Performance of FULM Savings House

1. Protection—Protection is maintained for FSH as of June 2002. Delinquency is still at 0% of total loan portfolio. Solvency of FSH is above the minimum PEARLS prudential standards of 100%.
2. Effective Financial Structure – As the demand for member loans continues in FSH the Financial Structure of the Savings House is seen moving its investments into the loan portfolio of its membership. By using liquid funds for lending purposes FSH increases its earning capacity—i.e., FSH earns more in interest income from loans than from investments in banks and provides essential services to its membership.

Even though savings growth remains slow, membership savings balances are still reflecting a positive growth trend.

3. Asset Quality—Total Delinquency for FSH remains at 0% as of end of June 2002.

Non-Earning Assets/Total Assets has increased slightly to 8.10% in response to additional liquidity needed for member cash demands for the holiday season, as well as lending needs.

Net-Zero-Cost Funds/Non-earning Assets is good at 884.10%. These funds are the USAID donor capital provided to FULM Savings House and are money, which is held as capital. This money is a source in which loans are provided to members due to the liquidity shortage faced by FULM Savings House.

4. Rates of Return and Costs – Net-Loan Income/Average-Net-Loan Portfolio is increasing at 28.62% as the member loan balances increase.

Gross Margin is adequate to cover operational and Provision-for-Risk-Asset expenses at 18.62%.

Net Income continues to improve at 5.60% of Average Assets.

5. Liquidity—Liquidity is the main concern for FULM Savings House. At 15.23% Liquid Assets-ST Payables/Total Deposits is right at the minimum level of the PEARLS standard requirement of 15% for this category. The liquidity issue reflects the difficulty FSH is having in mobilizing member savings. A solution to the liquid funds problem must be resolved or FSH will be forced to limit member borrowing and overall member service will suffer.

6. Signs of Growth

- Positive growth trends are seen in all of the pertinent areas over the last 6 months: loans, savings, member shares and membership numbers.
- Assets are growing at a faster rate than the 7% inflation rate in Macedonia, which is preserving the savings value of FSH members.

C. Summary of Ranking of FULM Savings House

Ranking—Within this section, WOCCU has developed a credit union ranking system consisting of 13 crucial ratios (see Table below). FULM Savings House has scored 7 points out of a maximum of 13 on their consolidated branch report.

During the remainder of the project period, work will be focused to further improve the Standards of Excellence ratios.

Table 1: WOCCU Standards of Excellence-FULM Savings House Consolidated Branch Report

Ratio	P2	P3	E1	E5	E9	A1	A2	R7	R9	R12	L1	S10	S11	
Goal	100%	Yes	70 to 80%	70 to 80%	10% or more	5% or less	5% or less	Equal or more than R5	3 to 10%	Reach goal in E8	15%	Membership Growth	Asset Growth	Score
12/31/01	100	Yes	49.32	20.84	5.08	0	4.33	0	14.75	2.79	1.43	117.24	677.16	8
03/31/02	100	Yes	66.19	23.25	4.97	0	5.70	0	10.28	5.59	13.10	21.52	2.20	7
06/30/02	100	Yes	71.02%	25.36	6.70%	0	8.10	0	11.35	5.60	15.23	35.27	23.07	10

\*Note: Due to the FSH development of a centrally operated facility, the consolidated financial reports were used to create Table 1. Individual branch ranking reports are available upon request.

## D. Summary of Other Key Activities Implemented During the Reporting Period

### New Branch Development

The sixth branch of the FULM Savings House in Bitola held its 1<sup>st</sup> Annual Assembly on June 13, 2002. The name of the Branch was determined (Bitola Region Branch), and credit committee members were chosen.

A location has been found for the Bitola Region Branch, furniture has been ordered and the location is to be fully outfitted by July 28, 2002. The registration process has been slowed due to court and attorney strikes in Macedonia over the period of May-July 2002.

While the branch will become member operational as of August 2002, an official grand opening will not take place until after the summer holiday season. Once the holiday season is over it is hoped we will be able to have attendees from the US Embassy and USAID representatives of Macedonia as well as PTP participants from the Michigan Credit Union League.

### Relocation of Branch

During May 2002, the board of directors of AC FULM and FULM Savings House voted to move the branch of Nerashte to the city of Tetovo. The Nerashte branch has been non-performing for over a 12-month period as a result of the conflict within that region. It is hoped that moving the branch from Nerashte to the more active city of Tetovo will improve financial performance for this branch.

A location was found for the branch that is on the bus route from Nerashte directly into the city of Tetovo. This has made the branch members of Nerashte very happy since most people living in Nerashte travel to Tetovo once monthly via bus.

The Nerashte branch has been moved to Tetovo effective July 19, 2002, and the branch has been renamed Polog which is the name of the general region.

### Marketing

The following marketing has been designed to promote the FULM Savings House over the 2<sup>nd</sup> Quarter 2002:

- An article was prepared for Land O'Lakes regarding FSH to be inserted in the Land O'Lakes newsletter.
- FULM Annual Report 2001
- An Easter/Spring marketing campaign was kicked off in April of 2002. The campaign was designed as a lucky draw for non-members, which were distributed in firms, schools and other areas of FSH branches. If the member pulls a candy bag that is a "winner" they will be given a 400 Denar coupon to open an account at the FSH.
- Coupon mailing for AC FULM members encouraging AC FULM members to become FULM Savings House members.

### Legislative Development

On April 8<sup>th</sup> and 9<sup>th</sup>, Lucy Ito, VP WOCCU, visited Macedonia to assist in a presentation to the Ministry of Finance and the National Bank of Macedonia, which 9 people attended. The presentation was held on April 9<sup>th</sup> at the Central offices of WOCCU/FSH.

The presentation was held due to the request of Mr. Dragi Tasevski, Head of Financial System Department of the Ministry of Finance. The presentation included information as follows: differences between credit unions and cooperative banks, case study of credit union development in Poland, examples of what is needed in Macedonia to develop a safe and sound Non Bank Financial Institution system (NBFI), and what WOCCU has been contributing to NBFI development through the FULM Savings House in Macedonia.

The presentation went well with many questions asked by the Ministry and the NBRM. At the end of the presentation the Ministry had stated they received good information that they would review. As stated earlier in the report the Ministry of Finance has not worked any further in NBFI development. This may be due to scheduled elections for September 2002.

### IT Development

Meetings were held to look at the existing software of Moznociti/Opportunity International. After viewing the software it was evident that the software being used at Moznociti was comparable to the software currently used by FULM Savings House. Therefore, Moznociti's software is not a solution to the software needs of FSH.

Megatrend is a software company that we are currently reviewing as a possible solution to FSH software. Export Bank of Macedonia is currently using Megatrend software. The FULM Savings House Director along with the IT Project officer of WOCCU viewed the software at Export Bank during the month of June 2002. It has now been agreed with MegaTrend that we will be able to obtain a demo of the software to test FSH accounts and see how the MegaTrend software calculates specific commands given by WOCCU and FULM Savings House employees. Testing of the demo will continue through the first part of August 2002. If all testing goes well and an agreed price can be reached with MegaTrend it is hopeful that software development for FSH can begin during the month of September 2002.

### Major Concern

The growth of FULM Savings House is being affected due to the concern of liquidity shortages in the short term. Even though goals are set to achieve 2,200 members by December 31, 2002, a membership drive should not be undertaken until the liquidity issue is resolved.

## **II. Summary of Activities for the Next Period:**

- A. Design PTP program with the Michigan Credit Union League
  - 1. Come to an agreement as to what short-term consultancies Michigan CU Leaders can provide for FSH.
  - 2. Dates for consultancies

3. Design and come to an agreement on form of "after project support" with the MCUL for FSH.
  - B. Prepare Project Close Out Handover
  - C. Official Opening of Bitola Region Branch
  - D. Further trainings as needed for FSH
  - E. Choose financial software package for FSH

**FSH PEARLS Reports**  
**As of June 30, 2002**

**Stedilnica FULM Consolidated**

**P-E-A-R-L-S RATIOS**

Based on USS

**P-E-A-R-L-S RATIOS**

Number of Credit Unions in this Report

**P PROTECTION**

	Goals	31-Dec-99	31-Dec-00	31-Dec-01	31-Mar-02	30-Jun-02	Annual Goal	% Complete
1. Loan Loss Allowances / Delinq. >12 Mo.	100%	NA	100.00%	100.00%	100.00%	100.00%	0.00%	NA
2. Net Loan Loss Allow. / Allow. Required for Delinq. 1-12 Mo.	100% of Goal	NA	100.00%	100.00%	100.00%	100.00%	0.00%	NA
3. Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	NA	Yes	Yes	Yes	Yes	0	NA
4. Annual Loan Charge-offs / Average Loan Portfolio	Minimized	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
5. Accum. Charge-Offs Recovered / Accum Charge-Offs	100%	NA	NA	NA	NA	NA	0.00%	NA
6. Solvency	Min 100%	NA	80.91%	119.92%	121.78%	123.30%	0.00%	NA
7. Allowance for Investment Losses/ Non-Regulated Investments	NA	NA	0.00%	1.99%	1.96%	1.95%	0.00%	NA

**E EFFECTIVE FINANCIAL STRUCTURE**

1. Net Loans / Total Assets	Between 70 - 80%	NA	68.05%	49.75%	66.19%	71.02%	0.00%	NA
2. Liquid Investments / Total Assets	Max 20 %	NA	28.78%	0.30%	0.52%	0.52%	0.00%	NA
3. Financial Investments / Total Assets	Max 10 %	NA	0.00%	46.50%	27.60%	20.37%	0.00%	NA
4. Non-Financial Investments / Total Assets	0%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
5. Savings Deposits / Total Assets	Between 70 - 80%	NA	35.11%	21.04%	23.25%	25.36%	0.00%	NA
6. External Credit / Total Assets	Max 5%	NA	23.12%	0.00%	0.00%	0.00%	0.00%	NA
7. Member Share Capital / Total Assets	Max 20 %	NA	14.57%	4.22%	4.82%	5.00%	0.00%	NA
8. Institutional Capital / Total Assets	Minimum 10%	NA	-10.89%	3.01%	2.84%	4.74%	0.00%	NA
9. Net Institutional Capital / Total Assets	Minimum 10%	NA	-9.48%	5.03%	4.77%	6.70%	0.00%	NA

**A ASSET QUALITY**

1. Total Delinquency / Gross Loan Portfolio	Less Than or Equal To 5%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
2. Non-Earning Assets / Total Assets	Less Than or Equal To 5%	NA	3.17%	3.45%	5.70%	3.10%	0.00%	NA
3. Net Zero Cost Funds / Non-earning. Assets	Greater Than or Equal To 100%	NA	902.32%	2225.01%	1296.77%	884.10%	0.00%	NA

**R RATES OF RETURN AND COSTS (ANNUALIZED)**

1. Net Loan Income / Average Net Loan Portfolio	Enterprenurial Rate	NA	6.32%	21.86%	26.39%	28.62%	0.00%	NA
2. Liquid Inv. Income / Avg. Liquid Investments	Market Rates	NA	8.35%	78.69%	916.62%	988.91%	0.00%	NA
3. Fin. Investment Income / Avg. Fin. Investments	Market Rates	NA	NA	21.37%	8.20%	7.52%	0.00%	NA
4. Non-Fin. Inv. Income / Avg. Non-Fin. Investmnts	Greater Than or Equal to R1	NA	NA	NA	NA	NA	0.00%	NA
5. Fin Costs: Savings Deposits / Avg. Savings	Market Rates	NA	5.37%	9.43%	10.98%	11.62%	0.00%	NA
6. Fin Costs: External Credit / Avg. External Credit	Less Than or Equal to R5	NA	1.60%	88.33%	28458524.7	NA	0.00%	NA
7. Fin Costs: Member Shares / Avg. Member Shares	Greater Than or Equal to R5	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
8. Gross Margin / Average Assets	Amount Needed to Cover R9, R10	NA	4.45%	18.40%	16.95%	18.62%	0.00%	NA
9. Operating Expenses / Average Assets	3 -10%	NA	13.76%	15.42%	10.28%	11.55%	0.00%	NA
10. Provisions for Risk Assets / Average Assets	Sufficient for Estimated Losses	NA	1.41%	0.83%	1.08%	1.67%	0.00%	NA
11. Other Income or Expense / Average Assets	Amount Needed	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
12. Net Income / Average Assets	Enough to reach the goal for E8	NA	-10.72%	2.16%	5.59%	5.60%	0.00%	NA

**L LIQUIDITY**

1. Liquid Assets - ST Payables / Total Deposits	Minimum 15%	NA	83.78%	9.89%	13.10%	15.23%	0.00%	NA
2. Liquidity Reserves / Total Savings Deposits	10%	NA	0.00%	1.43%	2.22%	2.05%	0.00%	NA
3. Non-Earning Liquid Assets / Total Assets	Less Than 1 %	NA	2.33%	2.77%	4.68%	5.61%	0.00%	NA

**S SIGNS OF GROWTH (YEAR-TO-DATE GROWTH)**

1. Net Loans	Sufficient to Achieve Goal in E1	NA	NA	454.20%	35.97%	75.68%	0.00%	NA
2. Liquid Investments	Sufficient to Achieve Goal in E2	NA	NA	-92.07%	75.24%	112.16%	0.00%	NA
3. Financial Investments	Sufficient to Achieve Goal in E3	NA	NA	100.00%	-39.35%	-46.09%	0.00%	NA
4. Non-Financial Investments	Sufficient to Achieve Goal in E4	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
5. Savings Deposits	Sufficient to Achieve Goal in E5	NA	NA	354.29%	12.90%	48.32%	0.00%	NA
6. External Credit	0%	NA	NA	-100.00%	100.00%	0.00%	0.00%	NA
7. Member Shares	Sufficient to Achieve Goal in E7	NA	NA	119.73%	16.70%	45.67%	0.00%	NA
8. Institutional Capital	Sufficient to Achieve Goal in E8	NA	NA	309.64%	-3.77%	93.84%	0.00%	NA
9. Net Institutional Capital	Sufficient to Achieve Goal in E9	NA	NA	502.39%	-3.20%	63.72%	0.00%	NA
10. Membership	Minimum 5%	NA	NA	12.26%	21.52%	35.27%	0.00%	NA
11. Total Assets	More Than Inflation	NA	NA	658.07%	2.20%	23.07%	0.00%	NA
Inflation Rate (Annualized)		6.00%	6.00%	7.00%	6.00%	7.00%		

**Stedilnica FULM Consolidated**  
Based on US\$

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
Number of Credit Unions in this Report	0	1	1	1	1		0
<b>Assets</b>							
<b>Earning Assets</b>							
<i>Loans to Members</i>							
Short Term (<=1 Year)	0	68,737	381,272	102,452	141,957	0	NA
Medium-Term (1-3 Years)	0	0	0	415,522	527,924	0	NA
Long-Term (> 3 Years)	0	0	0	0	0	0	NA
Other Special Loans	0	0	0	0	0	0	NA
Loan Loss Allowances	0	(1,375)	(7,952)	(10,359)	(14,029)	0	NA
<b>Total Net Loans</b>	<b>0</b>	<b>67,362</b>	<b>373,321</b>	<b>507,615</b>	<b>655,852</b>	<b>0</b>	<b>NA</b>
<i>Liquid Investments</i>							
<i>Non-Regulated Liquid Investments</i>							
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	2,259	3,958	4,792	0	NA
Short-Term CFF Deposits	0	0	0	0	0	0	NA
Short-Term Bank Deposits	0	0	0	0	0	0	NA
Short-Term Securities and Investments	0	0	0	0	0	0	NA
Other Liquid Investments 1	0	28,489	0	0	0	0	NA
Other Liquid Investments 2	0	0	0	0	0	0	NA
Other Liquid Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Liquid Investments</b>	<b>0</b>	<b>28,489</b>	<b>2,259</b>	<b>3,958</b>	<b>4,792</b>	<b>0</b>	<b>NA</b>
<i>Regulated Liquid Investments</i>							
Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
ST Government or Regulated Securities and	0	0	0	0	0	0	NA
<b>Total Regulated Liquid Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Liquid Investments Allowances	0	0	0	0	0	0	NA
<b>Total Liquid Investments</b>	<b>0</b>	<b>28,489</b>	<b>2,259</b>	<b>3,958</b>	<b>4,792</b>	<b>0</b>	<b>NA</b>
<i>Financial Investments</i>							
<i>Non-Regulated Financial Investments</i>							
Shares - League/Affiliation	0	0	0	0	0	0	NA
Long-Term CFF Deposit	0	0	0	0	0	0	NA
Long-Term Bank Deposits	0	0	356,061	215,942	191,935	0	NA
Long-Term Securities & Investments	0	0	0	0	0	0	NA
Other Financial Investments 1	0	0	0	0	0	0	NA
Other Financial Investments 2	0	0	0	0	0	0	NA
Other Financial Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Financial Investments</b>	<b>0</b>	<b>0</b>	<b>356,061</b>	<b>215,942</b>	<b>191,935</b>	<b>0</b>	<b>NA</b>
<i>Regulated Financial Investments</i>							
Shares in Financial Institutions	0	0	0	0	0	0	NA
Long-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
LT Government or Regulated Securities and	0	0	0	0	0	0	NA
InterBranch Investments	0	0	0	0	0	0	NA
<b>Total Regulated Financial Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Financial Investments Allowances	0	0	(7,121)	(4,319)	(3,839)	0	NA
<b>Total Financial Investments</b>	<b>0</b>	<b>0</b>	<b>348,939</b>	<b>211,623</b>	<b>188,097</b>	<b>0</b>	<b>NA</b>
<i>Non-Financial Investments</i>							
Various	0	0	0	0	0	0	NA
Non-Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Non-Financial Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<b>Total Earning Assets</b>	<b>0</b>	<b>95,851</b>	<b>724,519</b>	<b>723,197</b>	<b>848,741</b>	<b>0</b>	<b>NA</b>
<b>Additional Loan Portfolio Information</b>							
Delinquency Based on Outstanding Balance of Loan?	Payment	Balance	Balance	Balance	Balance	Payment	
<i>Delinquency</i>							
1 TO 12 Months	0	0	0	0	0	0	NA
More Than 12 Months	0	0	0	0	0	0	NA
<b>Total Balance Of Delinquent Loans</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Loans to Members (Gross)	0	68,737	381,272	517,975	669,881	0	NA
Accumulated Charge-Offs (Historical)	0	0	0	0	0	0	NA
Recovery of Loans Charged-Off (Historical)	0	0	0	0	0	0	NA

**Stedilnica FULM Consolidated**

Based on USS

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>Non-Earning Assets</b>							
<i>Liquid Assets</i>							
Cash & Equivalents	0	659	2,977	9,797	9,883	0	NA
Current Accounts (Checking)	0	1,644	17,805	21,525	41,883	0	NA
Foreign Currency	0	0	0	0	0	0	NA
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Other Liquid Assets	0	0	0	0	0	0	NA
<u>Total Liquid Assets</u>	<u>0</u>	<u>2,303</u>	<u>20,782</u>	<u>31,322</u>	<u>51,766</u>	<u>0</u>	<u>NA</u>
<i>Accounts Receivable</i>							
Debtors	0	0	0	0	0	0	NA
Interest Receivable	0	851	5,209	12,173	22,173	0	NA
Notes Receivable	0	0	0	0	0	0	NA
Payroll Deductions Receivable	0	0	0	0	0	0	NA
Other Accounts Receivable	0	0	0	0	94	0	NA
Receivable Loss Allowances	0	(17)	(104)	(143)	(176)	0	NA
<u>Total Accounts Receivable</u>	<u>0</u>	<u>834</u>	<u>5,105</u>	<u>12,029</u>	<u>22,092</u>	<u>0</u>	<u>NA</u>
<i>Fixed Assets</i>							
Land	0	0	0	0	0	0	NA
Buildings (Cost)	0	0	0	0	0	0	NA
Leasehold Improvements	0	0	0	0	0	0	NA
Furniture & Equipment	0	0	0	0	0	0	NA
Accumulated Depreciation - Buildings	0	0	0	0	0	0	NA
Accum. Depreciation - Leasehold Improv.	0	0	0	0	0	0	NA
Accum. Depreciation - Furniture & Equip.	0	0	0	0	0	0	NA
<u>Total Net Fixed Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Other Assets</i>							
Assets in Liquidation	0	0	0	0	0	0	NA
Organization Expenses	0	0	0	0	0	0	NA
Prepaid Expenses	0	0	0	330	930	0	NA
Other Deferred Assets	0	0	0	0	0	0	NA
Accumulated Amortization	0	0	0	0	0	0	NA
<u>Total Other Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>330</u>	<u>930</u>	<u>0</u>	<u>NA</u>
<i>Problem Assets</i>							
Doubtful Assets	0	0	0	0	0	0	NA
Accounting Discrepancy - Assets	0	0	0	0	0	0	NA
Other Problem Assets	0	0	0	0	0	0	NA
<u>Total Problem Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Non-Earning Assets</b>	<b>0</b>	<b>3,138</b>	<b>25,887</b>	<b>43,682</b>	<b>74,788</b>	<b>0</b>	<b>NA</b>
<b>Total Assets</b>	<b>0</b>	<b>98,989</b>	<b>750,406</b>	<b>766,878</b>	<b>923,529</b>	<b>0</b>	<b>NA</b>
<b>Number Of CU Members</b>							
Men	0	925	1,015	1,195	1,315	0	NA
Women	0	209	258	352	407	0	NA
Gender not Reported	0	0	0	0	0	0	NA
<u>Total Number Of Members</u>	<u>0</u>	<u>1,134</u>	<u>1,273</u>	<u>1,547</u>	<u>1,722</u>	<u>0</u>	<u>NA</u>
<b>Number of Other Service Users</b>							
Youth	0	0	0	0	0	0	NA
Third Parties	0	0	0	0	0	0	NA
<u>Total Number of Other CU Service Users</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Number Of Members &amp; Other CU Service</b>	<b>0</b>	<b>1,134</b>	<b>1,273</b>	<b>1,547</b>	<b>1,722</b>	<b>0</b>	<b>NA</b>

12

**Stedilnica FULM Consolidated**

Based on USS

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>LIABILITIES</b>							
<b>INTEREST BEARING LIABILITIES</b>							
<i>Savings Deposits</i>							
Regular Savings	0	276	4,620	4,597	6,729	0	NA
Term/Fixed Savings	0	22,236	10,927	14,885	12,731	0	NA
Youth Savings	0	0	119	782	1,144	0	NA
Special Savings	0	0	111,760	122,274	174,635	0	NA
Pledged Savings	0	12,246	30,477	35,727	38,959	0	NA
<u>Total Savings Deposits</u>	<u>0</u>	<u>34,758</u>	<u>157,902</u>	<u>178,265</u>	<u>234,199</u>	<u>0</u>	<u>NA</u>
<i>External Credit</i>							
External Credit - CFF (<= 1 Year)	0	22,887	0	0	0	0	NA
External Credit - CFF (> 1 Year)	0	0	0	0	0	0	NA
External Credit - Banks	0	0	0	0	0	0	NA
Other External Credit - External Institutions	0	0	0	0	0	0	NA
InterBranch Loans	0	0	0	0	0	0	NA
<u>Total External Credit</u>	<u>0</u>	<u>22,887</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<u>Total Interest Bearing Liabilities</u>	<u>0</u>	<u>57,645</u>	<u>157,902</u>	<u>178,265</u>	<u>234,199</u>	<u>0</u>	<u>NA</u>
<i>Non-Interest Bearing Liabilities</i>							
Short-Term Accounts Payable (<=30 Days)	0	1,673	7,425	11,931	20,886	0	NA
External Credit Payments (<=30 Days)	0	0	0	0	0	0	NA
Provisions (e.g. Employee Benefits)	0	0	90	3	0	0	NA
Accounting Discrepancy - Liabilities	0	0	0	0	0	0	NA
Other Liabilities	0	36,025	530,696	507,623	574,986	0	NA
<u>Total Non-Interest Bearing Liabilities</u>	<u>0</u>	<u>37,698</u>	<u>538,211</u>	<u>519,556</u>	<u>595,873</u>	<u>0</u>	<u>NA</u>
<b>Total Liabilities</b>	<b>0</b>	<b>95,343</b>	<b>696,113</b>	<b>697,821</b>	<b>830,071</b>	<b>0</b>	<b>NA</b>
<b>CAPITAL</b>							
<i>Share Capital</i>							
Mandatory Shares	0	14,425	31,695	36,987	46,172	0	NA
Voluntary Shares	0	0	0	0	0	0	NA
<u>Total Member Share Capital</u>	<u>0</u>	<u>14,425</u>	<u>31,695</u>	<u>36,987</u>	<u>46,172</u>	<u>0</u>	<u>NA</u>
<i>Transitory Capital</i>							
Asset Appreciation Over Cost	0	0	0	0	0	0	NA
Education & Social Reserves	0	0	0	0	0	0	NA
Monetary Reserves	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Accounting Discrepancy - Capital	0	0	0	0	0	0	NA
Undistributed Net Income	0	0	0	8,756	0	0	NA
YTD Net Income (loss)	0	0	0	1,568	3,485	0	NA
<u>Total Transitory Capital</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>10,325</u>	<u>3,485</u>	<u>0</u>	<u>NA</u>
<i>Institutional Capital</i>							
Statutory & Legal Reserves	0	0	2,525	0	0	0	NA
Retained Earnings	0	0	10,918	12,859	24,055	0	NA
Other Reserves	0	0	0	0	0	0	NA
Donations	0	0	0	0	0	0	NA
Undistributed Losses	0	(172)	0	0	0	0	NA
YTD Net Income (Loss)	0	(10,607)	9,154	8,887	19,746	0	NA
<u>Total Institutional Capital</u>	<u>0</u>	<u>-10,779</u>	<u>22,597</u>	<u>21,745</u>	<u>43,801</u>	<u>0</u>	<u>NA</u>
<b>Total Capital</b>	<b>0</b>	<b>3,645</b>	<b>54,293</b>	<b>69,057</b>	<b>93,458</b>	<b>0</b>	<b>NA</b>
<b>Total Liabilities and Capital</b>	<b>0</b>	<b>98,989</b>	<b>750,406</b>	<b>766,878</b>	<b>923,529</b>	<b>0</b>	<b>NA</b>

**Stedilnica FULM Consolidated**

**Income Statement**  
Based on US\$

	Annual Goal						
	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02		%
Number of Credit Unions in this Report	0	1	1	1	1	0	
<b>INCOME</b>							
<b>INCOME FROM LOANS</b>							
Interest Income from Loans	0	4,118	41,225	23,369	62,091	0	NA
Delinquent Penalty Interest Income from Loans	0	0	0	0	0	0	NA
Commissions/Fees from Loans	0	140	6,939	5,292	10,934	0	NA
Insurance Premiums for Loans	0	0	0	0	0	0	NA
<b>NET LOAN INCOME</b>	<u>0</u>	<u>4,259</u>	<u>48,163</u>	<u>28,661</u>	<u>73,025</u>	<u>0</u>	<u>NA</u>
Income from Liquid Investments	0	2,380	12,098	7,026	17,289	0	NA
Income from Financial Investments	0	0	37,285	5,668	10,009	0	NA
Income from Non-Financial Investments	0	0	0	0	0	0	NA
Income from Grants	0	0	0	0	0	0	NA
Income from Other Sources	0	0	4	36	144	0	NA
<b>Gross Income</b>	0	6,638	97,551	41,392	100,467	0	NA
<b>COSTS/EXPENSES</b>							
<b>FINANCIAL COSTS</b>							
Interest Expense on Savings Deposits	0	1,865	8,185	4,055	10,096	0	NA
Insurance Premiums for Savings	0	0	896	495	1,204	0	NA
Taxes on Interest Paid For Savings	0	0	0	0	0	0	NA
<i>Financial Cost - Savings Deposits</i>	<i>0</i>	<i>1,865</i>	<i>9,081</i>	<i>4,550</i>	<i>11,300</i>	<i>0</i>	<i>NA</i>
Financial Cost on External Credit	0	367	0	0	0	0	NA
Financial Costs on Interbranch Leans	0	0	10,108	5,087	11,747	0	NA
Dividend Expense on Shares	0	0	0	0	0	0	NA
Insurance Premiums for Shares	0	0	0	0	0	0	NA
Taxes on Interest Paid for Shares	0	0	0	0	0	0	NA
<i>Financial Cost - Shares</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>
Other Financial Costs	0	0	226	51	132	0	NA
<b>TOTAL FINANCIAL COSTS</b>	<u>0</u>	<u>2,232</u>	<u>19,415</u>	<u>9,688</u>	<u>23,172</u>	<u>0</u>	<u>NA</u>
<b>GROSS MARGIN</b>	0	4,407	78,136	31,704	77,288	0	NA
<b>OPERATING EXPENSES</b>							
Personnel	0	11,939	43,110	11,304	28,614	0	NA
Governance	0	0	1,577	314	873	0	NA
Marketing	0	185	1,528	166	605	0	NA
Administration	0	1,497	19,262	7,450	17,022	0	NA
Depreciation	0	0	0	0	0	0	NA
<b>TOTAL OPERATING EXPENSES</b>	<u>0</u>	<u>13,622</u>	<u>65,478</u>	<u>19,234</u>	<u>47,114</u>	<u>0</u>	<u>NA</u>
Provision for Risk Assets	0	1,392	3,504	2,014	6,943	0	NA
<b>NET INCOME FROM OPERATIONS</b>	0	(10,607)	9,154	10,455	23,231	0	NA
<b>OTHER INCOME / EXPENSE</b>							
Previous periods adjustments (Net)	0	0	0	0	0	0	NA
Extraordinary income (Net)	0	0	0	0	0	0	NA
<b>TOTAL OTHER INCOME/EXPENSE</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Income Tax	0	0	0	0	0	0	NA
<b>Net Income/Loss</b>	0	(10,607)	9,154	10,455	23,231	0	NA

# Central-Skopje

# P-E-A-R-L-S RATIOS

Based on USS

P-E-A-R-L-S RATIOS	Goals	Annual					% Complete	
		31-Dec-99	31-Dec-00	31-Dec-01	31-Mar-02	30-Jun-02		
Number of Credit Unions in this Report								
		0	1	1	1	1	0	
<b>P PROTECTION</b>								
1. Loan Loss Allowances / Delinq. >12 Mo.	100%	NA	NA	100.00%	100.00%	100.00%	0.00%	NA
2. Net Loan Loss Allow. / Allow. Required for Delinq. 1-12 Mo.	100% of Goal	NA	NA	100.00%	100.00%	100.00%	0.00%	NA
3. Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	NA	NA	Yes	Yes	Yes	0	NA
4. Annual Loan Charge-offs / Average Loan Portfolio	Minimized	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
5. Accum. Charge-Offs Recovered / Accum Charge-Offs	100%	NA	NA	NA	NA	NA	0.00%	NA
6. Solvency	Min 100%	NA	NA	467.64%	306.94%	254.92%	0.00%	NA
7. Allowance for Investment Losses/ Non-Regulated Investments	NA	NA	NA	1.99%	1.96%	1.95%	0.00%	NA
<b>E EFFECTIVE FINANCIAL STRUCTURE</b>								
1. Net Loans / Total Assets	Between 70 - 80%	NA	NA	5.68%	12.54%	18.79%	0.00%	NA
2. Liquid Investments / Total Assets	Max 20 %	NA	NA	0.41%	0.72%	0.78%	0.00%	NA
3. Financial Investments / Total Assets	Max 10 %	NA	NA	92.12%	82.30%	73.12%	0.00%	NA
4. Non-Financial Investments / Total Assets	0%	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
5. Savings Deposits / Total Assets	Between 70 - 80%	NA	NA	1.41%	3.11%	4.60%	0.00%	NA
6. External Credit / Total Assets	Max 5%	NA	NA	3.10%	3.13%	0.00%	0.00%	NA
7. Member Share Capital / Total Assets	Max 20 %	NA	NA	0.73%	1.07%	1.29%	0.00%	NA
8. Institutional Capital / Total Assets	Minimum 10%	NA	NA	6.45%	5.87%	7.89%	0.00%	NA
9. Net Institutional Capital / Total Assets	Minimum 10%	NA	NA	7.85%	6.92%	8.91%	0.00%	NA
<b>A ASSET QUALITY</b>								
1. Total Delinquency / Gross Loan Portfolio	Less Than or Equal To 5%	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
2. Non-Earning Assets / Total Assets	Less Than or Equal To 5%	NA	NA	1.79%	4.43%	7.31%	0.00%	NA
3. Net Zero Cost Funds / Non-earning. Assets	Greater Than or Equal To 100%	NA	NA	5371.28%	2115.17%	1301.38%	0.00%	NA
<b>R RATES OF RETURN AND COSTS (ANNUALIZED)</b>								
1. Net Loan Income / Average Net Loan Portfolio	Entrepreneurial Rate	NA	NA	3.84%	31.54%	31.43%	0.00%	NA
2. Liquid Inv. Income / Avg. Liquid Investments	Market Rates	NA	NA	535.59%	916.62%	988.91%	0.00%	NA
3. Fin. Investment Income / Avg. Fin. Investments	Market Rates	NA	NA	7.30%	4.72%	4.14%	0.00%	NA
4. Non-Fin. Inv. Income / Avg. Non-Fin. Investments	Greater Than or Equal to R1	NA	NA	NA	NA	NA	0.00%	NA
5. Fin Costs: Savings Deposits / Avg. Savings	Market Rates	NA	NA	12.51%	26.11%	24.50%	0.00%	NA
6. Fin Costs: External Credit / Avg. External Credit	Less Than or Equal to R5	NA	NA	5.24%	3.34%	4.67%	0.00%	NA
7. Fin Costs: Member Shares / Avg. Member Shares	Greater Than or Equal to R5	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
8. Gross Margin / Average Assets	Amount Needed to Cover R9, R10	NA	NA	8.78%	11.46%	12.50%	0.00%	NA
9. Operating Expenses / Average Assets	3 -10%	NA	NA	7.13%	5.92%	7.91%	0.00%	NA
10. Provisions for Risk Assets / Average Assets	Sufficient for Estimated Losses	NA	NA	-0.45%	0.00%	0.53%	0.00%	NA
11. Other Income or Expense / Average Assets	Amount Needed	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
12. Net Income / Average Assets	Enough to reach the goal for E8	NA	NA	2.11%	5.54%	4.05%	0.00%	NA
<b>L LIQUIDITY</b>								
1. Liquid Assets - ST Payables / Total Deposits	Minimum 15%	NA	NA	75.00%	106.92%	110.58%	0.00%	NA
2. Liquidity Reserves / Total Savings Deposits	10%	NA	NA	28.94%	23.21%	16.95%	0.00%	NA
3. Non-Earning Liquid Assets / Total Assets	Less Than 1 %	NA	NA	1.48%	3.07%	4.65%	0.00%	NA
<b>S SIGNS OF GROWTH (YEAR-TO-DATE GROWTH)</b>								
1. Net Loans	Sufficient to Achieve Goal in E1	NA	NA	NA	118.47%	266.72%	0.00%	NA
2. Liquid Investments	Sufficient to Achieve Goal in E2	NA	NA	NA	75.24%	112.16%	0.00%	NA
3. Financial Investments	Sufficient to Achieve Goal in E3	NA	NA	NA	-11.64%	-12.03%	0.00%	NA
4. Non-Financial Investments	Sufficient to Achieve Goal in E4	NA	NA	NA	0.00%	0.00%	0.00%	NA
5. Savings Deposits	Sufficient to Achieve Goal in E5	NA	NA	NA	118.56%	262.30%	0.00%	NA
6. External Credit	0%	NA	NA	NA	-0.13%	-100.00%	0.00%	NA
7. Member Shares	Sufficient to Achieve Goal in E7	NA	NA	NA	45.63%	95.64%	0.00%	NA
8. Institutional Capital	Sufficient to Achieve Goal in E8	NA	NA	NA	-9.87%	35.66%	0.00%	NA
9. Net Institutional Capital	Sufficient to Achieve Goal in E9	NA	NA	NA	-12.81%	25.72%	0.00%	NA
10. Membership	Minimum 5%	NA	NA	NA	51.50%	77.25%	0.00%	NA
11. Total Assets	More Than Inflation	NA	NA	NA	-1.09%	10.83%	0.00%	NA
Inflation Rate (Annualized)		6.00%	6.00%	7.00%	6.00%	7.00%		

15

**Central-Skopje**  
Based on US\$

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
Number of Credit Unions in this Report	0	1	1	1	1	0	
<b>Assets</b>							
<b>Earning Assets</b>							
<i>Loans to Members</i>							
Short Term (<=1 Year)	0	0	32,118	3,414	7,766	0	NA
Medium-Term (1-3 Years)	0	0	0	66,748	110,020	0	NA
Long-Term (> 3 Years)	0	0	0	0	0	0	NA
Other Special Loans	0	0	0	0	0	0	NA
Loan Loss Allowances	0	0	(642)	(1,397)	(2,361)	0	NA
<b>Total Net Loans</b>	<u>0</u>	<u>0</u>	<u>31,475</u>	<u>68,765</u>	<u>115,426</u>	<u>0</u>	<u>NA</u>
<i>Liquid Investments</i>							
<i>Non-Regulated Liquid Investments</i>							
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	2,259	3,958	4,792	0	NA
Short-Term CFF Deposits	0	0	0	0	0	0	NA
Short-Term Bank Deposits	0	0	0	0	0	0	NA
Short-Term Securities and Investments	0	0	0	0	0	0	NA
Other Liquid Investments 1	0	0	0	0	0	0	NA
Other Liquid Investments 2	0	0	0	0	0	0	NA
Other Liquid Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>2,259</u>	<u>3,958</u>	<u>4,792</u>	<u>0</u>	<u>NA</u>
<i>Regulated Liquid Investments</i>							
Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
ST Government or Regulated Securities and	0	0	0	0	0	0	NA
<b>Total Regulated Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Liquid Investments Allowances	0	0	0	0	0	0	NA
<b>Total Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>2,259</u>	<u>3,958</u>	<u>4,792</u>	<u>0</u>	<u>NA</u>
<i>Financial Investments</i>							
<i>Non-Regulated Financial Investments</i>							
Shares - League/Affiliation	0	0	0	0	0	0	NA
Long-Term CFF Deposit	0	0	0	0	0	0	NA
Long-Term Bank Deposits	0	0	356,061	215,942	191,935	0	NA
Long-Term Securities & Investments	0	0	0	0	0	0	NA
Other Financial Investments 1	0	0	0	0	0	0	NA
Other Financial Investments 2	0	0	0	0	0	0	NA
Other Financial Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>356,061</u>	<u>215,942</u>	<u>191,935</u>	<u>0</u>	<u>NA</u>
<i>Regulated Financial Investments</i>							
Shares in Financial Institutions	0	0	0	0	0	0	NA
Long-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
LT Government or Regulated Securities and	0	0	0	0	0	0	NA
InterBranch Investments	0	0	161,701	239,598	261,096	0	NA
<b>Total Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>161,701</u>	<u>239,598</u>	<u>261,096</u>	<u>0</u>	<u>NA</u>
Financial Investments Allowances	0	0	(7,121)	(4,319)	(3,839)	0	NA
<b>Total Financial Investments</b>	<u>0</u>	<u>0</u>	<u>510,640</u>	<u>451,221</u>	<u>449,193</u>	<u>0</u>	<u>NA</u>
<i>Non-Financial Investments</i>							
Various	0	0	0	0	0	0	NA
Non-Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Non-Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Earning Assets</b>	<u>0</u>	<u>0</u>	<u>544,374</u>	<u>523,944</u>	<u>569,411</u>	<u>0</u>	<u>NA</u>
<b>Additional Loan Portfolio Information</b>							
Delinquency Based on Outstanding Balance of Loan?	Payment	Balance	Balance	Balance	Balance	Payment	
<b>Delinquency</b>							
1 TO 12 Months	0	0	0	0	0	0	NA
More Than 12 Months	0	0	0	0	0	0	NA
<b>Total Balance Of Delinquent Loans</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Loans to Members (Gross)	0	0	32,118	70,162	117,787	0	NA
Accumulated Charge-Offs (Historical)	0	0	0	0	0	0	NA
Recovery of Loans Charged-Off (Historical)	0	0	0	0	0	0	NA

Central-Skopje  
Based on USS

BALANCE SHEET

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>Non-Earning Assets</b>							
<i>Liquid Assets</i>							
Cash & Equivalents	0	0	611	4,928	2,129	0	NA
Current Accounts (Checking)	0	0	7,587	11,927	26,429	0	NA
Foreign Currency	0	0	0	0	0	0	NA
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Other Liquid Assets	0	0	0	0	0	0	NA
<u>Total Liquid Assets</u>	<u>0</u>	<u>0</u>	<u>8,198</u>	<u>16,855</u>	<u>28,558</u>	<u>0</u>	<u>NA</u>
<i>Accounts Receivable</i>							
Debtors	0	0	0	0	0	0	NA
Interest Receivable	0	0	1,762	7,144	15,471	0	NA
Notes Receivable	0	0	0	0	0	0	NA
Payroll Deductions Receivable	0	0	0	0	0	0	NA
Other Accounts Receivable	0	0	0	0	0	0	NA
Receivable Loss Allowances	0	0	(35)	(33)	(53)	0	NA
<u>Total Accounts Receivable</u>	<u>0</u>	<u>0</u>	<u>1,727</u>	<u>7,111</u>	<u>15,418</u>	<u>0</u>	<u>NA</u>
<i>Fixed Assets</i>							
Land	0	0	0	0	0	0	NA
Buildings (Cost)	0	0	0	0	0	0	NA
Leasehold Improvements	0	0	0	0	0	0	NA
Furniture & Equipment	0	0	0	0	0	0	NA
Accumulated Depreciation - Buildings	0	0	0	0	0	0	NA
Accum. Depreciation - Leasehold Improv.	0	0	0	0	0	0	NA
Accum. Depreciation - Furniture & Equip.	0	0	0	0	0	0	NA
<u>Total Net Fixed Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Other Assets</i>							
Assets in Liquidation	0	0	0	0	0	0	NA
Organization Expenses	0	0	0	0	0	0	NA
Prepaid Expenses	0	0	0	330	930	0	NA
Other Deferred Assets	0	0	0	0	0	0	NA
Accumulated Amortization	0	0	0	0	0	0	NA
<u>Total Other Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>330</u>	<u>930</u>	<u>0</u>	<u>NA</u>
<i>Problem Assets</i>							
Doubtful Assets	0	0	0	0	0	0	NA
Accounting Discrepancy - Assets	0	0	0	0	0	0	NA
Other Problem Assets	0	0	0	0	0	0	NA
<u>Total Problem Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Non-Earning Assets</b>	<b>0</b>	<b>0</b>	<b>9,925</b>	<b>24,296</b>	<b>44,906</b>	<b>0</b>	<b>NA</b>
<b>Total Assets</b>	<b>0</b>	<b>0</b>	<b>554,299</b>	<b>548,240</b>	<b>614,317</b>	<b>0</b>	<b>NA</b>
<b>Number Of CU Members</b>							
Men	0	0	113	183	211	0	NA
Women	0	0	54	70	85	0	NA
Gender not Reported	0	0	0	0	0	0	NA
<u>Total Number Of Members</u>	<u>0</u>	<u>0</u>	<u>167</u>	<u>253</u>	<u>296</u>	<u>0</u>	<u>NA</u>
<b>Number of Other Service Users</b>							
Youth	0	0	0	0	0	0	NA
Third Parties	0	0	0	0	0	0	NA
<u>Total Number of Other CU Service Users</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Number Of Members &amp; Other CU Service</b>	<b>0</b>	<b>0</b>	<b>167</b>	<b>253</b>	<b>296</b>	<b>0</b>	<b>NA</b>

17

**Central-Skopje**  
Based on US\$

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>LIABILITIES</b>							
<b>INTEREST BEARING LIABILITIES</b>							
<i>Savings Deposits</i>							
Regular Savings	0	0	883	399	640	0	NA
Term/Fixed Savings	0	0	990	1,457	2,782	0	NA
Youth Savings	0	0	0	96	117	0	NA
Special Savings	0	0	5,765	15,106	24,318	0	NA
Pledged Savings	0	0	167	0	419	0	NA
<u>Total Savings Deposits</u>	<u>0</u>	<u>0</u>	<u>7,805</u>	<u>17,058</u>	<u>28,277</u>	<u>0</u>	<u>NA</u>
<i>External Credit</i>							
External Credit - CFF (<= 1 Year)	0	0	0	0	0	0	NA
External Credit - CFF (> 1 Year)	0	0	0	0	0	0	NA
External Credit - Banks	0	0	0	0	0	0	NA
Other External Credit - External Institutions	0	0	0	0	0	0	NA
InterBranch Loans	0	0	17,181	17,159	0	0	NA
<u>Total External Credit</u>	<u>0</u>	<u>0</u>	<u>17,181</u>	<u>17,159</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<u>Total Interest Bearing Liabilities</u>	<u>0</u>	<u>0</u>	<u>24,986</u>	<u>34,217</u>	<u>28,277</u>	<u>0</u>	<u>NA</u>
<i>Non-Interest Bearing Liabilities</i>							
Short-Term Accounts Payable (<=30 Days)	0	0	4,603	2,575	2,083	0	NA
External Credit Payments (<=30 Days)	0	0	0	0	0	0	NA
Provisions (e.g. Employee Benefits)	0	0	3	3	0	0	NA
Accounting Discrepancy - Liabilities	0	0	0	0	0	0	NA
Other Liabilities	0	0	484,936	463,852	526,274	0	NA
<u>Total Non-Interest Bearing Liabilities</u>	<u>0</u>	<u>0</u>	<u>489,542</u>	<u>466,430</u>	<u>528,357</u>	<u>0</u>	<u>NA</u>
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>514,528</b>	<b>500,647</b>	<b>556,634</b>	<b>0</b>	<b>NA</b>
<b>CAPITAL</b>							
<i>Share Capital</i>							
Mandatory Shares	0	0	4,036	5,878	7,897	0	NA
Voluntary Shares	0	0	0	0	0	0	NA
<u>Total Member Share Capital</u>	<u>0</u>	<u>0</u>	<u>4,036</u>	<u>5,878</u>	<u>7,897</u>	<u>0</u>	<u>NA</u>
<i>Transitory Capital</i>							
Asset Appreciation Over Cost	0	0	0	0	0	0	NA
Education & Social Reserves	0	0	0	0	0	0	NA
Monetary Reserves	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Accounting Discrepancy - Capital	0	0	0	0	0	0	NA
Undistributed Net Income	0	0	0	8,756	0	0	NA
YTD Net Income (loss)	0	0	0	752	1,309	0	NA
<u>Total Transitory Capital</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>9,508</u>	<u>1,309</u>	<u>0</u>	<u>NA</u>
<i>Institutional Capital</i>							
Statutory & Legal Reserves	0	0	2,525	0	0	0	NA
Retained Earnings	0	0	10,918	12,859	24,055	0	NA
Other Reserves	0	0	0	0	0	0	NA
Donations	0	0	0	0	0	0	NA
Undistributed Losses	0	0	10,616	12,566	13,984	0	NA
YTD Net Income (Loss)	0	0	11,675	6,782	10,438	0	NA
<u>Total Institutional Capital</u>	<u>0</u>	<u>0</u>	<u>35,734</u>	<u>32,206</u>	<u>48,477</u>	<u>0</u>	<u>NA</u>
<b>Total Capital</b>	<b>0</b>	<b>0</b>	<b>39,770</b>	<b>47,593</b>	<b>57,683</b>	<b>0</b>	<b>NA</b>
<b>Total Liabilities and Capital</b>	<b>0</b>	<b>0</b>	<b>554,299</b>	<b>548,240</b>	<b>614,317</b>	<b>0</b>	<b>NA</b>

Central-Skopje

Income Statement

Based on US\$

	Annual Goal						%
	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02		
Number of Credit Unions in this Report	0	1	1	1	1	1	0
<b>INCOME</b>							
<b>INCOME FROM LOANS</b>							
Interest Income from Loans	0	0	340	2,856	9,085	0	NA
Delinquent Penalty Interest Income from Loans	0	0	0	0	0	0	NA
Commissions/Fees from Loans	0	0	868	1,042	2,364	0	NA
Insurance Premiums for Loans	0	0	0	0	0	0	NA
<b>NET LOAN INCOME</b>	<u>0</u>	<u>0</u>	<u>1,209</u>	<u>3,898</u>	<u>11,448</u>	<u>0</u>	<u>NA</u>
Income from Liquid Investments	0	0	12,098	7,026	17,289	0	NA
Income from Financial Investments	0	0	37,254	5,602	9,858	0	NA
Income from Non-Financial Investments	0	0	0	0	0	0	NA
Income from Grants	0	0	0	0	0	0	NA
Income from Other Sources	0	0	0	0	0	0	NA
<b>Gross Income</b>	<b>0</b>	<b>0</b>	<b>50,561</b>	<b>16,526</b>	<b>38,596</b>	<b>0</b>	<b>NA</b>
<b>COSTS/EXPENSES</b>							
<b>FINANCIAL COSTS</b>							
Interest Expense on Savings Deposits	0	0	80	305	987	0	NA
Insurance Premiums for Savings	0	0	896	495	1,204	0	NA
Taxes on Interest Paid For Savings	0	0	0	0	0	0	NA
<i>Financial Cost - Savings Deposits</i>	<i>0</i>	<i>0</i>	<i>977</i>	<i>800</i>	<i>2,191</i>	<i>0</i>	<i>NA</i>
Financial Cost on External Credit	0	0	0	0	0	0	NA
Financial Costs on Interbranch Loans	0	0	900	141	199	0	NA
Dividend Expense on Shares	0	0	0	0	0	0	NA
Insurance Premiums for Shares	0	0	0	0	0	0	NA
Taxes on Interest Paid for Shares	0	0	0	0	0	0	NA
<i>Financial Cost - Shares</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>
Other Financial Costs	0	0	0	0	0	0	NA
<b>TOTAL FINANCIAL COSTS</b>	<u>0</u>	<u>0</u>	<u>1,877</u>	<u>942</u>	<u>2,391</u>	<u>0</u>	<u>NA</u>
<b>GROSS MARGIN</b>	<b>0</b>	<b>0</b>	<b>48,684</b>	<b>15,584</b>	<b>36,205</b>	<b>0</b>	<b>NA</b>
<b>OPERATING EXPENSES</b>							
Personnel	0	0	23,911	4,840	13,634	0	NA
Governance	0	0	1,577	314	873	0	NA
Marketing	0	0	1,290	32	373	0	NA
Administration	0	0	12,735	2,864	8,031	0	NA
Depreciation	0	0	0	0	0	0	NA
<b>TOTAL OPERATING EXPENSES</b>	<u>0</u>	<u>0</u>	<u>39,513</u>	<u>8,050</u>	<u>22,910</u>	<u>0</u>	<u>NA</u>
Provision for Risk Assets	0	0	(2,504)	0	1,548	0	NA
<b>NET INCOME FROM OPERATIONS</b>	<b>0</b>	<b>0</b>	<b>11,675</b>	<b>7,534</b>	<b>11,747</b>	<b>0</b>	<b>NA</b>
<b>OTHER INCOME / EXPENSE</b>							
Previous periods adjustments (Net)	0	0	0	0	0	0	NA
Extraordinary income (Net)	0	0	0	0	0	0	NA
<b>TOTAL OTHER INCOME/EXPENSE</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Income Tax	0	0	0	0	0	0	NA
<b>Net Income/Loss</b>	<b>0</b>	<b>0</b>	<b>11,675</b>	<b>7,534</b>	<b>11,747</b>	<b>0</b>	<b>NA</b>

Based on USS

**P-E-A-R-L-S RATIOS**

Number of Credit Unions in this Report

**P PROTECTION**

Goals	31-Dec-99	31-Dec-00	31-Dec-01	31-Mar-02	30-Jun-02	Annual Goal	% Complete	
	0	1	1	1	1	0		
1. Loan Loss Allowances / Delinq. >12 Mo.	100%	NA	100.00%	100.00%	100.00%	100.00%	0.00%	NA
2. Net Loan Loss Allow. / Allow. Required for Delinq. 1-12 Mo.	100% of Goal	NA	100.00%	100.00%	100.00%	100.00%	0.00%	NA
3. Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	NA	Yes	Yes	Yes	Yes	0	NA
4. Annual Loan Charge-offs / Average Loan Portfolio	Minimized	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
5. Accum. Charge-Offs Recovered / Accum Charge-Offs	100%	NA	NA	NA	NA	NA	0.00%	NA
6. Solvency	Min 100%	NA	98.40%	109.68%	113.46%	118.01%	0.00%	NA
7. Allowance for Investment Losses/ Non-Regulated Investments	NA	NA	NA	NA	NA	NA	0.00%	NA

**E EFFECTIVE FINANCIAL STRUCTURE**

1. Net Loans / Total Assets	Between 70 - 80%	NA	98.28%	97.02%	97.19%	96.22%	0.00%	NA
2. Liquid Investments / Total Assets	Max 20 %	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
3. Financial Investments / Total Assets	Max 10 %	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
4. Non-Financial Investments / Total Assets	0%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
5. Savings Deposits / Total Assets	Between 70 - 80%	NA	37.98%	37.73%	36.39%	36.03%	0.00%	NA
6. External Credit / Total Assets	Max 5%	NA	33.83%	49.00%	48.48%	46.44%	0.00%	NA
7. Member Share Capital / Total Assets	Max 20 %	NA	11.03%	5.17%	4.89%	4.81%	0.00%	NA
8. Institutional Capital / Total Assets	Minimum 10%	NA	-2.82%	2.15%	3.28%	4.77%	0.00%	NA
9. Net Institutional Capital / Total Assets	Minimum 10%	NA	-0.79%	-4.15%	5.31%	6.81%	0.00%	NA

**A ASSET QUALITY**

1. Total Delinquency / Gross Loan Portfolio	Less Than or Equal To 5%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
2. Non-Earning Assets / Total Assets	Less Than or Equal To 5%	NA	1.72%	2.98%	2.81%	3.78%	0.00%	NA
3. Net Zero Cost Funds / Non-earning Assets	Greater Than or Equal To 100%	NA	1117.79%	338.42%	436.56%	390.58%	0.00%	NA

**R RATES OF RETURN AND COSTS (ANNUALIZED)**

1. Net Loan Income / Average Net Loan Portfolio	Entrepreneurial Rate	NA	6.34%	24.62%	24.20%	26.20%	0.00%	NA
2. Liquid Inv. Income / Avg. Liquid Investments	Market Rates	NA	NA	NA	NA	NA	0.00%	NA
3. Fin. Investment Income / Avg. Fin. Investments	Market Rates	NA	NA	NA	NA	NA	0.00%	NA
4. Non-Fin. Inv. Income / Avg. Non-Fin. Investments	Greater Than or Equal to R1	NA	NA	NA	NA	NA	0.00%	NA
5. Fin Costs: Savings Deposits / Avg. Savings	Market Rates	NA	4.37%	10.11%	10.11%	10.84%	0.00%	NA
6. Fin Costs: External Credit / Avg. External Credit	Less Than or Equal to R5	NA	1.60%	12.28%	10.50%	11.81%	0.00%	NA
7. Fin Costs: Member Shares / Avg. Member Shares	Greater Than or Equal to R5	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
8. Gross Margin / Average Assets	Amount Needed to Cover R9, R10	NA	4.72%	14.40%	14.67%	15.71%	0.00%	NA
9. Operating Expenses / Average Assets	3 -10%	NA	5.51%	7.58%	6.56%	6.35%	0.00%	NA
10. Provisions for Risk Assets / Average Assets	Sufficient for Estimated Losses	NA	2.03%	2.25%	1.13%	1.05%	0.00%	NA
11. Other Income or Expense / Average Assets	Amount Needed	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
12. Net Income / Average Assets	Enough to reach the goal for E8	NA	-2.82%	4.57%	6.97%	8.32%	0.00%	NA

**L LIQUIDITY**

1. Liquid Assets - ST Payables / Total Deposits	Minimum 15%	NA	-2.39%	2.86%	-1.66%	-1.95%	0.00%	NA
2. Liquidity Reserves / Total Savings Deposits	10%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
3. Non-Earning Liquid Assets / Total Assets	Less Than 1 %	NA	0.50%	1.87%	1.60%	2.63%	0.00%	NA

**S SIGNS OF GROWTH (YEAR-TO-DATE GROWTH)**

1. Net Loans	Sufficient to Achieve Goal in E1	NA	NA	250.95%	9.31%	32.89%	0.00%	NA
2. Liquid Investments	Sufficient to Achieve Goal in E2	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
3. Financial Investments	Sufficient to Achieve Goal in E3	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
4. Non-Financial Investments	Sufficient to Achieve Goal in E4	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
5. Savings Deposits	Sufficient to Achieve Goal in E5	NA	NA	253.20%	5.22%	27.93%	0.00%	NA
6. External Credit	0%	NA	NA	414.90%	7.95%	26.98%	0.00%	NA
7. Member Shares	Sufficient to Achieve Goal in E7	NA	NA	66.76%	3.26%	24.50%	0.00%	NA
8. Institutional Capital	Sufficient to Achieve Goal in E8	NA	NA	371.45%	66.69%	197.19%	0.00%	NA
9. Net Institutional Capital	Sufficient to Achieve Goal in E9	NA	NA	1980.47%	39.47%	119.82%	0.00%	NA
10. Membership	Minimum 5%	NA	NA	-7.12%	7.66%	16.33%	0.00%	NA
11. Total Assets	More Than Inflation	NA	NA	255.53%	9.12%	33.99%	0.00%	NA
Inflation Rate (Annualized)		6.00%	6.00%	7.00%	6.00%	7.00%		

20

BALANCE SHEET

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
Number of Credit Unions in this Report	0	1	1	1	1	0	
<b>Assets</b>							
<b>Earning Assets</b>							
<i>Loans to Members</i>							
Short Term (<=1 Year)	0	67,842	238,087	11,026	16,840	0	NA
Medium-Term (1-3 Years)	0	0	0	249,246	299,731	0	NA
Long-Term (> 3 Years)	0	0	0	0	0	0	NA
Other Special Loans	0	0	0	0	0	0	NA
Loan Loss Allowances	0	(1,357)	(4,762)	(5,214)	(6,513)	0	NA
<b>Total Net Loans</b>	<u>0</u>	<u>66,485</u>	<u>233,326</u>	<u>255,057</u>	<u>310,059</u>	<u>0</u>	<u>NA</u>
<i>Liquid Investments</i>							
<i>Non-Regulated Liquid Investments</i>							
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term CFF Deposits	0	0	0	0	0	0	NA
Short-Term Bank Deposits	0	0	0	0	0	0	NA
Short-Term Securities and Investments	0	0	0	0	0	0	NA
Other Liquid Investments 1	0	0	0	0	0	0	NA
Other Liquid Investments 2	0	0	0	0	0	0	NA
Other Liquid Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Regulated Liquid Investments</i>							
Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
ST Government or Regulated Securities and	0	0	0	0	0	0	NA
<b>Total Regulated Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Liquid Investments Allowances	0	0	0	0	0	0	NA
<b>Total Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Financial Investments</i>							
<i>Non-Regulated Financial Investments</i>							
Shares - League/Affiliation	0	0	0	0	0	0	NA
Long-Term CFF Deposit	0	0	0	0	0	0	NA
Long-Term Bank Deposits	0	0	0	0	0	0	NA
Long-Term Securities & Investments	0	0	0	0	0	0	NA
Other Financial Investments 1	0	0	0	0	0	0	NA
Other Financial Investments 2	0	0	0	0	0	0	NA
Other Financial Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Regulated Financial Investments</i>							
Shares in Financial Institutions	0	0	0	0	0	0	NA
Long-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
LT Government or Regulated Securities and	0	0	0	0	0	0	NA
InterBranch Investments	0	0	0	0	0	0	NA
<b>Total Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Non-Financial Investments</i>							
Various	0	0	0	0	0	0	NA
Non-Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Non-Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Earning Assets</b>	<u>0</u>	<u>66,485</u>	<u>233,326</u>	<u>255,057</u>	<u>310,059</u>	<u>0</u>	<u>NA</u>
<b>Additional Loan Portfolio Information</b>							
Delinquency Based on Outstanding Balance of Loan?	Payment	Balance	Balance	Balance	Balance	Payment	
<i>Delinquency</i>							
1 TO 12 Months	0	0	0	0	0	0	NA
More Than 12 Months	0	0	0	0	0	0	NA
<b>Total Balance Of Delinquent Loans</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Loans to Members (Gross)	0	67,842	238,087	260,272	316,572	0	NA
Accumulated Charge-Offs (Historical)	0	0	0	0	0	0	NA
Recovery of Loans Charged-Off (Historical)	0	0	0	0	0	0	NA

21

**JSP**

Based on USS

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>Non-Earning Assets</b>							
<i>Liquid Assets</i>							
Cash & Equivalents	0	125	834	2,078	5,194	0	NA
Current Accounts (Checking)	0	211	3,661	2,123	3,285	0	NA
Foreign Currency	0	0	0	0	0	0	NA
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Other Liquid Assets	0	0	0	0	0	0	NA
<u>Total Liquid Assets</u>	<u>0</u>	<u>336</u>	<u>4,495</u>	<u>4,201</u>	<u>8,479</u>	<u>0</u>	<u>NA</u>
<i>Accounts Receivable</i>							
Debtors	0	0	0	0	0	0	NA
Interest Receivable	0	842	2,735	3,269	3,784	0	NA
Notes Receivable	0	0	0	0	0	0	NA
Payroll Deductions Receivable	0	0	0	0	0	0	NA
Other Accounts Receivable	0	0	0	0	0	0	NA
Receivable Loss Allowances	0	(17)	(55)	(96)	(74)	0	NA
<u>Total Accounts Receivable</u>	<u>0</u>	<u>825</u>	<u>2,681</u>	<u>3,173</u>	<u>3,710</u>	<u>0</u>	<u>NA</u>
<i>Fixed Assets</i>							
Land	0	0	0	0	0	0	NA
Buildings (Cost)	0	0	0	0	0	0	NA
Leasehold Improvements	0	0	0	0	0	0	NA
Furniture & Equipment	0	0	0	0	0	0	NA
Accumulated Depreciation - Buildings	0	0	0	0	0	0	NA
Accum. Depreciation - Leasehold Improv.	0	0	0	0	0	0	NA
Accum. Depreciation - Furniture & Equip.	0	0	0	0	0	0	NA
<u>Total Net Fixed Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Other Assets</i>							
Assets in Liquidation	0	0	0	0	0	0	NA
Organization Expenses	0	0	0	0	0	0	NA
Prepaid Expenses	0	0	0	0	0	0	NA
Other Deferred Assets	0	0	0	0	0	0	NA
Accumulated Amortization	0	0	0	0	0	0	NA
<u>Total Other Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Problem Assets</i>							
Doubtful Assets	0	0	0	0	0	0	NA
Accounting Discrepancy - Assets	0	0	0	0	0	0	NA
Other Problem Assets	0	0	0	0	0	0	NA
<u>Total Problem Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Non-Earning Assets</b>	<b>0</b>	<b>1,161</b>	<b>7,175</b>	<b>7,374</b>	<b>12,189</b>	<b>0</b>	<b>NA</b>
<b>Total Assets</b>	<b>0</b>	<b>67,646</b>	<b>240,501</b>	<b>262,432</b>	<b>322,248</b>	<b>0</b>	<b>NA</b>
<b>Number Of CU Members</b>							
Men	0	455	431	455	486	0	NA
Women	0	79	65	79	91	0	NA
Gender not Reported	0	0	0	0	0	0	NA
<u>Total Number Of Members</u>	<u>0</u>	<u>534</u>	<u>496</u>	<u>534</u>	<u>577</u>	<u>0</u>	<u>NA</u>
<b>Number of Other Service Users</b>							
Youth	0	0	0	0	0	0	NA
Third Parties	0	0	0	0	0	0	NA
<u>Total Number of Other CU Service Users</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Number Of Members &amp; Other CU Service</b>	<b>0</b>	<b>534</b>	<b>496</b>	<b>534</b>	<b>577</b>	<b>0</b>	<b>NA</b>

22

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>LIABILITIES</b>							
<b>INTEREST BEARING LIABILITIES</b>							
<i>Savings Deposits</i>							
Regular Savings	0	22	696	2,083	3,421	0	NA
Term/Fixed Savings	0	13,426	5,846	4,559	4,994	0	NA
Youth Savings	0	0	0	303	307	0	NA
Special Savings	0	0	53,898	52,817	68,839	0	NA
Pledged Savings	0	12,246	30,310	35,727	38,540	0	NA
<b><u>Total Savings Deposits</u></b>	<b><u>0</u></b>	<b><u>25,694</u></b>	<b><u>90,751</u></b>	<b><u>95,489</u></b>	<b><u>116,101</u></b>	<b><u>0</u></b>	<b><u>NA</u></b>
<i>External Credit</i>							
External Credit - CFF (<= 1 Year)	0	22,887	0	0	0	0	NA
External Credit - CFF (> 1 Year)	0	0	0	0	0	0	NA
External Credit - Banks	0	0	0	0	0	0	NA
Other External Credit - External Institutions	0	0	0	0	0	0	NA
InterBranch Loans	0	0	117,846	127,215	149,643	0	NA
<b><u>Total External Credit</u></b>	<b><u>0</u></b>	<b><u>22,887</u></b>	<b><u>117,846</u></b>	<b><u>127,215</u></b>	<b><u>149,643</u></b>	<b><u>0</u></b>	<b><u>NA</u></b>
<b><u>Total Interest Bearing Liabilities</u></b>	<b><u>0</u></b>	<b><u>48,581</u></b>	<b><u>208,597</u></b>	<b><u>222,704</u></b>	<b><u>265,743</u></b>	<b><u>0</u></b>	<b><u>NA</u></b>
<i>Non-Interest Bearing Liabilities</i>							
Short-Term Accounts Payable (<=30 Days)	0	951	1,904	5,785	10,746	0	NA
External Credit Payments (<=30 Days)	0	0	0	0	0	0	NA
Provisions (e.g. Employee Benefits)	0	0	23	0	0	0	NA
Accounting Discrepancy - Liabilities	0	0	0	0	0	0	NA
Other Liabilities	0	12,560	12,370	11,832	13,168	0	NA
<b><u>Total Non-Interest Bearing Liabilities</u></b>	<b><u>0</u></b>	<b><u>13,511</u></b>	<b><u>14,296</u></b>	<b><u>17,617</u></b>	<b><u>23,914</u></b>	<b><u>0</u></b>	<b><u>NA</u></b>
<b>Total Liabilities</b>	<b>0</b>	<b>62,092</b>	<b>222,893</b>	<b>240,322</b>	<b>289,657</b>	<b>0</b>	<b>NA</b>
<b>CAPITAL</b>							
<i>Share Capital</i>							
Mandatory Shares	0	7,458	12,438	12,844	15,485	0	NA
Voluntary Shares	0	0	0	0	0	0	NA
<b><u>Total Member Share Capital</u></b>	<b><u>0</u></b>	<b><u>7,458</u></b>	<b><u>12,438</u></b>	<b><u>12,844</u></b>	<b><u>15,485</u></b>	<b><u>0</u></b>	<b><u>NA</u></b>
<i>Transitory Capital</i>							
Asset Appreciation Over Cost	0	0	0	0	0	0	NA
Education & Social Reserves	0	0	0	0	0	0	NA
Monetary Reserves	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Accounting Discrepancy - Capital	0	0	0	0	0	0	NA
Undistributed Net Income	0	0	0	0	0	0	NA
YTD Net Income (loss)	0	0	0	648	1,740	0	NA
<b><u>Total Transitory Capital</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>648</u></b>	<b><u>1,740</u></b>	<b><u>0</u></b>	<b><u>NA</u></b>
<i>Institutional Capital</i>							
Statutory & Legal Reserves	0	0	0	0	0	0	NA
Retained Earnings	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Donations	0	0	0	0	0	0	NA
Undistributed Losses	0	0	(1,876)	4,946	5,504	0	NA
YTD Net Income (Loss)	0	(1,905)	7,046	3,673	9,862	0	NA
<b><u>Total Institutional Capital</u></b>	<b><u>0</u></b>	<b><u>-1,905</u></b>	<b><u>5,170</u></b>	<b><u>8,618</u></b>	<b><u>15,366</u></b>	<b><u>0</u></b>	<b><u>NA</u></b>
<b>Total Capital</b>	<b>0</b>	<b>5,554</b>	<b>17,608</b>	<b>22,110</b>	<b>32,590</b>	<b>0</b>	<b>NA</b>
<b>Total Liabilities and Capital</b>	<b>0</b>	<b>67,646</b>	<b>240,501</b>	<b>262,432</b>	<b>322,248</b>	<b>0</b>	<b>NA</b>

	Annual Goal					
	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	%
Number of Credit Unions in this Report	0	1	1	1	1	0
<b>INCOME</b>						
<b>INCOME FROM LOANS</b>						
Interest Income from Loans	0	4,075	33,308	12,675	31,068	0 NA
Delinquent Penalty Interest Income from Loans	0	0	0	0	0	0 NA
Commissions/Fees from Loans	0	138	3,595	1,895	4,229	0 NA
Insurance Premiums for Loans	0	0	0	0	0	0 NA
<b>NET LOAN INCOME</b>	<u>0</u>	<u>4,212</u>	<u>36,903</u>	<u>14,570</u>	<u>35,298</u>	<u>0</u> <u>NA</u>
Income from Liquid Investments	0	472	0	0	0	0 NA
Income from Financial Investments	0	0	31	67	150	0 NA
Income from Non-Financial Investments	0	0	0	0	0	0 NA
Income from Grants	0	0	0	0	0	0 NA
Income from Other Sources	0	0	0	1	2	0 NA
<b>Gross Income</b>	<b>0</b>	<b>4,684</b>	<b>36,934</b>	<b>14,638</b>	<b>35,450</b>	<b>0</b> <b>NA</b>
<b>COSTS/EXPENSES</b>						
<b>FINANCIAL COSTS</b>						
Interest Expense on Savings Deposits	0	1,123	5,886	2,321	5,561	0 NA
Insurance Premiums for Savings	0	0	0	0	0	0 NA
Taxes on Interest Paid For Savings	0	0	0	0	0	0 NA
<b>Financial Cost - Savings Deposits</b>	<b>0</b>	<b>1,123</b>	<b>5,886</b>	<b>2,321</b>	<b>5,561</b>	<b>0</b> <b>NA</b>
Financial Cost on External Credit	0	367	0	0	0	0 NA
Financial Costs on Interbranch Leans	0	0	8,639	3,172	7,834	0 NA
Dividend Expense on Shares	0	0	0	0	0	0 NA
Insurance Premiums for Shares	0	0	0	0	0	0 NA
Taxes on Interest Paid for Shares	0	0	0	0	0	0 NA
<b>Financial Cost - Shares</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b> <b>NA</b>
Other Financial Costs	0	0	226	51	132	0 NA
<b>TOTAL FINANCIAL COSTS</b>	<b>0</b>	<b>1,490</b>	<b>14,751</b>	<b>5,544</b>	<b>13,527</b>	<b>0</b> <b>NA</b>
<b>GROSS MARGIN</b>	<b>0</b>	<b>3,194</b>	<b>22,183</b>	<b>9,093</b>	<b>21,924</b>	<b>0</b> <b>NA</b>
<b>OPERATING EXPENSES</b>						
Personnel	0	3,397	7,960	2,462	5,332	0 NA
Governance	0	0	0	0	0	0 NA
Marketing	0	25	158	131	205	0 NA
Administration	0	304	3,555	1,476	3,325	0 NA
Depreciation	0	0	0	0	0	0 NA
<b>TOTAL OPERATING EXPENSES</b>	<b>0</b>	<b>3,725</b>	<b>11,674</b>	<b>4,069</b>	<b>8,862</b>	<b>0</b> <b>NA</b>
Provision for Risk Assets	0	1,374	3,464	703	1,460	0 NA
<b>NET INCOME FROM OPERATIONS</b>	<b>0</b>	<b>(1,905)</b>	<b>7,046</b>	<b>4,321</b>	<b>11,602</b>	<b>0</b> <b>NA</b>
<b>OTHER INCOME / EXPENSE</b>						
Previous periods adjustments (Net)	0	0	0	0	0	0 NA
Extraordinary income (Net)	0	0	0	0	0	0 NA
<b>TOTAL OTHER INCOME/EXPENSE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b> <b>NA</b>
Income Tax	0	0	0	0	0	0 NA
<b>Net Income/Loss</b>	<b>0</b>	<b>(1,905)</b>	<b>7,046</b>	<b>4,321</b>	<b>11,602</b>	<b>0</b> <b>NA</b>

24

**Kavadarci**

**P-E-A-R-L-S RATIOS**

Based on USS

P-E-A-R-L-S RATIOS	Goals	31-Dec-99	31-Dec-00	31-Dec-01	31-Mar-02	30-Jun-02	Annual	%	
							Goal	Complete	
Number of Credit Unions in this Report								0	
<b>P PROTECTION</b>									
1. Loan Loss Allowances / Delinq. >12 Mo.	100%	NA	NA	100.00%	100.00%	100.00%	0.00%	NA	
2. Net Loan Loss Allow. / Allow. Required for Delinq. 1-12 Mo.	100% of Goal	NA	NA	100.00%	100.00%	100.00%	0.00%	NA	
3. Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	NA	NA	Yes	Yes	Yes	0	NA	
4. Annual Loan Charge-offs / Average Loan Portfolio	Minimized	NA	NA	0.00%	0.00%	0.00%	0.00%	NA	
5. Accum. Charge-Offs Recovered / Accum Charge-Offs	100%	NA	NA	NA	NA	NA	0.00%	NA	
6. Solvency	Min 100%	NA	NA	90.28%	94.47%	100.86%	0.00%	NA	
7. Allowance for Investment Losses/ Non-Regulated Investments	NA	NA	NA	NA	NA	NA	0.00%	NA	
<b>E EFFECTIVE FINANCIAL STRUCTURE</b>									
1. Net Loans / Total Assets	Between 70 - 80%	NA	NA	50.14%	91.97%	94.33%	0.00%	NA	
2. Liquid Investments / Total Assets	Max 20 %	NA	NA	0.00%	0.00%	0.00%	0.00%	NA	
3. Financial Investments / Total Assets	Max 10 %	NA	NA	47.71%	0.00%	0.00%	0.00%	NA	
4. Non-Financial Investments / Total Assets	0%	NA	NA	0.00%	0.00%	0.00%	0.00%	NA	
5. Savings Deposits / Total Assets	Between 70 - 80%	NA	NA	13.54%	21.93%	29.95%	0.00%	NA	
6. External Credit / Total Assets	Max 5%	NA	NA	0.00%	54.02%	48.12%	0.00%	NA	
7. Member Share Capital / Total Assets	Max 20 %	NA	NA	15.52%	7.48%	7.04%	0.00%	NA	
8. Institutional Capital / Total Assets	Minimum 10%	NA	NA	-3.86%	-3.50%	-1.63%	0.00%	NA	
9. Net Institutional Capital / Total Assets	Minimum 10%	NA	NA	-2.83%	-1.63%	0.32%	0.00%	NA	
<b>A ASSET QUALITY</b>									
1. Total Delinquency / Gross Loan Portfolio	Less Than or Equal To 5%	NA	NA	0.00%	0.00%	0.00%	0.00%	NA	
2. Non-Earning Assets / Total Assets	Less Than or Equal To 5%	NA	NA	2.15%	8.03%	5.67%	0.00%	NA	
3. Net Zero Cost Funds / Non-earning. Assets	Greater Than or Equal To 100%	NA	NA	3355.05%	229.63%	296.85%	0.00%	NA	
<b>R RATES OF RETURN AND COSTS (ANNUALIZED)</b>									
1. Net Loan Income / Average Net Loan Portfolio	Enterpreunarial Rate	NA	NA	2.38%	37.76%	36.86%	0.00%	NA	
2. Liquid Inv. Income / Avg. Liquid Investments	Market Rates	NA	NA	NA	NA	NA	0.00%	NA	
3. Fin. Investment Income / Avg. Fin. Investments	Market Rates	NA	NA	0.31%	1.82%	1.01%	0.00%	NA	
4. Non-Fin. Inv. Income / Avg. Non-Fin. Investments	Greater Than or Equal to R1	NA	NA	NA	NA	NA	0.00%	NA	
5. Fin Costs: Savings Deposits / Avg. Savings	Market Rates	NA	NA	2.81%	9.35%	10.64%	0.00%	NA	
6. Fin Costs: External Credit / Avg. External Credit	Less Than or Equal to R5	NA	NA	NA	11.21%	0.00%	0.00%	NA	
7. Fin Costs: Member Shares / Avg. Member Shares	Greater Than or Equal to R5	NA	NA	0.00%	0.00%	0.00%	0.00%	NA	
8. Gross Margin / Average Assets	Amount Needed to Cover R9, R10	NA	NA	0.96%	24.98%	29.64%	0.00%	NA	
9. Operating Expenses / Average Assets	3 -10%	NA	NA	3.79%	30.66%	20.40%	0.00%	NA	
10. Provisions for Risk Assets / Average Assets	Sufficient for Estimated Losses	NA	NA	1.03%	10.23%	12.34%	0.00%	NA	
11. Other Income or Expense / Average Assets	Amount Needed	NA	NA	0.00%	0.00%	0.00%	0.00%	NA	
12. Net Income / Average Assets	Enough to reach the goal for E8	NA	NA	-3.86%	-15.92%	-3.10%	0.00%	NA	
<b>L LIQUIDITY</b>									
1. Liquid Assets - ST Payables / Total Deposits	Minimum 15%	NA	NA	4.08%	28.27%	5.93%	0.00%	NA	
2. Liquidity Reserves / Total Savings Deposits	10%	NA	NA	0.00%	0.00%	0.00%	0.00%	NA	
3. Non-Earning Liquid Assets / Total Assets	Less Than 1 %	NA	NA	1.89%	7.17%	4.45%	0.00%	NA	
<b>S SIGNS OF GROWTH (YEAR-TO-DATE GROWTH)</b>									
1. Net Loans	Sufficient to Achieve Goal in E1	NA	NA	NA	574.76%	962.19%	0.00%	NA	
2. Liquid Investments	Sufficient to Achieve Goal in E2	NA	NA	NA	0.00%	0.00%	0.00%	NA	
3. Financial Investments	Sufficient to Achieve Goal in E3	NA	NA	NA	-100.00%	-100.00%	0.00%	NA	
4. Non-Financial Investments	Sufficient to Achieve Goal in E4	NA	NA	NA	0.00%	0.00%	0.00%	NA	
5. Savings Deposits	Sufficient to Achieve Goal in E5	NA	NA	NA	495.32%	1148.92%	0.00%	NA	
6. External Credit	0%	NA	NA	NA	100.00%	100.00%	0.00%	NA	
7. Member Shares	Sufficient to Achieve Goal in E7	NA	NA	NA	77.16%	155.96%	0.00%	NA	
8. Institutional Capital	Sufficient to Achieve Goal in E8	NA	NA	NA	-233.62%	-138.85%	0.00%	NA	
9. Net Institutional Capital	Sufficient to Achieve Goal in E9	NA	NA	NA	-111.70%	163.50%	0.00%	NA	
10. Membership	Minimum 5%	NA	NA	NA	77.78%	127.78%	0.00%	NA	
11. Total Assets	More Than Inflation	NA	NA	NA	267.89%	464.64%	0.00%	NA	
Inflation Rate (Annualized)		6.00%	6.00%	7.00%	6.00%	7.00%			

25

**Kavadarci**

Based on USS

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
Number of Credit Unions in this Report	0	1	1	1	1	1	0
<b>Assets</b>							
<b>Earning Assets</b>							
<i>Loans to Members</i>							
Short Term (<=1 Year)	0	0	7,161	48,316	76,064	0	NA
Medium-Term (1-3 Years)	0	0	0	0	0	0	NA
Long-Term (> 3 Years)	0	0	0	0	0	0	NA
Other Special Loans	0	0	0	0	0	0	NA
Loan Loss Allowances	0	0	(143)	(963)	(1,523)	0	NA
<b>Total Net Loans</b>	<u>0</u>	<u>0</u>	<u>7,018</u>	<u>47,353</u>	<u>74,541</u>	<u>0</u>	<u>NA</u>
<i>Liquid Investments</i>							
<i>Non-Regulated Liquid Investments</i>							
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term CFF Deposits	0	0	0	0	0	0	NA
Short-Term Bank Deposits	0	0	0	0	0	0	NA
Short-Term Securities and Investments	0	0	0	0	0	0	NA
Other Liquid Investments 1	0	0	0	0	0	0	NA
Other Liquid Investments 2	0	0	0	0	0	0	NA
Other Liquid Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Regulated Liquid Investments</i>							
Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
ST Government or Regulated Securities and	0	0	0	0	0	0	NA
<b>Total Regulated Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Liquid Investments Allowances	0	0	0	0	0	0	NA
<b>Total Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Financial Investments</i>							
<i>Non-Regulated Financial Investments</i>							
Shares - League/Affiliation	0	0	0	0	0	0	NA
Long-Term CFF Deposit	0	0	0	0	0	0	NA
Long-Term Bank Deposits	0	0	0	0	0	0	NA
Long-Term Securities & Investments	0	0	0	0	0	0	NA
Other Financial Investments 1	0	0	0	0	0	0	NA
Other Financial Investments 2	0	0	0	0	0	0	NA
Other Financial Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Regulated Financial Investments</i>							
Shares in Financial Institutions	0	0	0	0	0	0	NA
Long-Term Deposits in Regulated Fin.Institutions	0	0	0	0	0	0	NA
LT Government or Regulated Securities and	0	0	0	0	0	0	NA
InterBranch Investments	0	0	6,678	0	0	0	NA
<b>Total Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>6,678</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Financial Investments</b>	<u>0</u>	<u>0</u>	<u>6,678</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Non-Financial Investments</i>							
Various	0	0	0	0	0	0	NA
Non-Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Non-Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Earning Assets</b>	<u>0</u>	<u>0</u>	<u>13,695</u>	<u>47,353</u>	<u>74,541</u>	<u>0</u>	<u>NA</u>
<b>Additional Loan Portfolio Information</b>							
Delinquency Based on Outstanding Balance of Loan?	Payment	Balance	Balance	Balance	Balance	Payment	
<i>Delinquency</i>							
1 TO 12 Months	0	0	0	0	0	0	NA
More Than 12 Months	0	0	0	0	0	0	NA
<b>Total Balance Of Delinquent Loans</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Loans to Members (Gross)	0	0	7,161	48,316	76,064	0	NA
Accumulated Charge-Offs (Historical)	0	0	0	0	0	0	NA
Recovery of Loans Charged-Off (Historical)	0	0	0	0	0	0	NA

26

**Kavadarci**  
Based on USS

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>Non-Earning Assets</b>							
<i>Liquid Assets</i>							
Cash & Equivalents	0	0	164	319	151	0	NA
Current Accounts (Checking)	0	0	100	3,374	3,364	0	NA
Foreign Currency	0	0	0	0	0	0	NA
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Other Liquid Assets	0	0	0	0	0	0	NA
<u>Total Liquid Assets</u>	<u>0</u>	<u>0</u>	<u>264</u>	<u>3,693</u>	<u>3,515</u>	<u>0</u>	<u>NA</u>
<i>Accounts Receivable</i>							
Debtors	0	0	0	0	0	0	NA
Interest Receivable	0	0	37	444	893	0	NA
Notes Receivable	0	0	0	0	0	0	NA
Payroll Deductions Receivable	0	0	0	0	0	0	NA
Other Accounts Receivable	0	0	0	0	91	0	NA
Receivable Loss Allowances	0	0	(1)	(1)	(18)	0	NA
<u>Total Accounts Receivable</u>	<u>0</u>	<u>0</u>	<u>36</u>	<u>443</u>	<u>967</u>	<u>0</u>	<u>NA</u>
<i>Fixed Assets</i>							
Land	0	0	0	0	0	0	NA
Buildings (Cost)	0	0	0	0	0	0	NA
Leasehold Improvements	0	0	0	0	0	0	NA
Furniture & Equipment	0	0	0	0	0	0	NA
Accumulated Depreciation - Buildings	0	0	0	0	0	0	NA
Accum. Depreciation - Leasehold Improv.	0	0	0	0	0	0	NA
Accum. Depreciation - Furniture & Equip.	0	0	0	0	0	0	NA
<u>Total Net Fixed Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Other Assets</i>							
Assets in Liquidation	0	0	0	0	0	0	NA
Organization Expenses	0	0	0	0	0	0	NA
Prepaid Expenses	0	0	0	0	0	0	NA
Other Deferred Assets	0	0	0	0	0	0	NA
Accumulated Amortization	0	0	0	0	0	0	NA
<u>Total Other Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Problem Assets</i>							
Doubtful Assets	0	0	0	0	0	0	NA
Accounting Discrepancy - Assets	0	0	0	0	0	0	NA
Other Problem Assets	0	0	0	0	0	0	NA
<u>Total Problem Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Non-Earning Assets</b>	<b>0</b>	<b>0</b>	<b>300</b>	<b>4,136</b>	<b>4,482</b>	<b>0</b>	<b>NA</b>
<b>Total Assets</b>	<b>0</b>	<b>0</b>	<b>13,995</b>	<b>51,489</b>	<b>79,023</b>	<b>0</b>	<b>NA</b>
<b>Number Of CU Members</b>							
Men	0	0	60	87	112	0	NA
Women	0	0	30	73	93	0	NA
Gender not Reported	0	0	0	0	0	0	NA
<u>Total Number Of Members</u>	<u>0</u>	<u>0</u>	<u>90</u>	<u>160</u>	<u>205</u>	<u>0</u>	<u>NA</u>
<b>Number of Other Service Users</b>							
Youth	0	0	0	0	0	0	NA
Third Parties	0	0	0	0	0	0	NA
<u>Total Number of Other CU Service Users</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Number Of Members &amp; Other CU Service</b>	<b>0</b>	<b>0</b>	<b>90</b>	<b>160</b>	<b>205</b>	<b>0</b>	<b>NA</b>

27

**Kavadarci**  
Based on USS

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>LIABILITIES</b>							
<b>INTEREST BEARING LIABILITIES</b>							
<i>Savings Deposits</i>							
Regular Savings	0	0	0	67	176	0	NA
Term/Fixed Savings	0	0	0	0	0	0	NA
Youth Savings	0	0	0	246	555	0	NA
Special Savings	0	0	1,895	10,977	22,936	0	NA
Pledged Savings	0	0	0	0	0	0	NA
<u>Total Savings Deposits</u>	<u>0</u>	<u>0</u>	<u>1,895</u>	<u>11,291</u>	<u>23,667</u>	<u>0</u>	<u>NA</u>
<i>External Credit</i>							
External Credit - CFF (<= 1 Year)	0	0	0	0	0	0	NA
External Credit - CFF (> 1 Year)	0	0	0	0	0	0	NA
External Credit - Banks	0	0	0	0	0	0	NA
Other External Credit - External Institutions	0	0	0	0	0	0	NA
InterBranch Loans	0	0	0	27,816	38,030	0	NA
<u>Total External Credit</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>27,816</u>	<u>38,030</u>	<u>0</u>	<u>NA</u>
<u>Total Interest Bearing Liabilities</u>	<u>0</u>	<u>0</u>	<u>1,895</u>	<u>39,106</u>	<u>61,697</u>	<u>0</u>	<u>NA</u>
<i>Non-Interest Bearing Liabilities</i>							
Short-Term Accounts Payable (<=30 Days)	0	0	187	501	2,111	0	NA
External Credit Payments (<=30 Days)	0	0	0	0	0	0	NA
Provisions (e.g. Employee Benefits)	0	0	0	0	0	0	NA
Accounting Discrepancy - Liabilities	0	0	0	0	0	0	NA
Other Liabilities	0	0	10,281	9,834	10,944	0	NA
<u>Total Non-Interest Bearing Liabilities</u>	<u>0</u>	<u>0</u>	<u>10,468</u>	<u>10,335</u>	<u>13,055</u>	<u>0</u>	<u>NA</u>
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>12,363</b>	<b>49,441</b>	<b>74,752</b>	<b>0</b>	<b>NA</b>
<b>CAPITAL</b>							
<i>Share Capital</i>							
Mandatory Shares	0	0	2,173	3,849	5,561	0	NA
Voluntary Shares	0	0	0	0	0	0	NA
<u>Total Member Share Capital</u>	<u>0</u>	<u>0</u>	<u>2,173</u>	<u>3,849</u>	<u>5,561</u>	<u>0</u>	<u>NA</u>
<i>Transitory Capital</i>							
Asset Appreciation Over Cost	0	0	0	0	0	0	NA
Education & Social Reserves	0	0	0	0	0	0	NA
Monetary Reserves	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Accounting Discrepancy - Capital	0	0	0	0	0	0	NA
Undistributed Net Income	0	0	0	0	0	0	NA
YTD Net Income (loss)	0	0	0	0	0	0	NA
<u>Total Transitory Capital</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Institutional Capital</i>							
Statutory & Legal Reserves	0	0	0	0	0	0	NA
Retained Earnings	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Donations	0	0	0	0	0	0	NA
Undistributed Losses	0	0	0	(517)	(575)	0	NA
YTD Net Income (Loss)	0	0	(540)	(1,285)	(715)	0	NA
<u>Total Institutional Capital</u>	<u>0</u>	<u>0</u>	<u>-540</u>	<u>-1,802</u>	<u>-1,290</u>	<u>0</u>	<u>NA</u>
<b>Total Capital</b>	<b>0</b>	<b>0</b>	<b>1,633</b>	<b>2,048</b>	<b>4,271</b>	<b>0</b>	<b>NA</b>
<b>Total Liabilities and Capital</b>	<b>0</b>	<b>0</b>	<b>13,995</b>	<b>51,489</b>	<b>79,023</b>	<b>0</b>	<b>NA</b>

28

**Kavadarci**

**Income Statement**

Based on USS

	Annual Goal						
	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02		%
Number of Credit Unions in this Report	0	1	1	1	1	0	
<b>INCOME</b>							
<b>INCOME FROM LOANS</b>							
Interest Income from Loans	0	0	85	1,490	5,577	0	NA
Delinquent Penalty Interest Income from Loans	0	0	0	0	0	0	NA
Commissions/Fees from Loans	0	0	82	1,041	1,876	0	NA
Insurance Premiums for Loans	0	0	0	0	0	0	NA
<u>NET LOAN INCOME</u>	<u>0</u>	<u>0</u>	<u>167</u>	<u>2,531</u>	<u>7,453</u>	<u>0</u>	<u>NA</u>
Income from Liquid Investments	0	0	0	0	0	0	NA
Income from Financial Investments	0	0	21	15	17	0	NA
Income from Non-Financial Investments	0	0	0	0	0	0	NA
Income from Grants	0	0	0	0	0	0	NA
Income from Other Sources	0	0	0	7	40	0	NA
<b>Gross Income</b>	<b>0</b>	<b>0</b>	<b>188</b>	<b>2,553</b>	<b>7,510</b>	<b>0</b>	<b>NA</b>
<b>COSTS/EXPENSES</b>							
<b>FINANCIAL COSTS</b>							
Interest Expense on Savings Deposits	0	0	53	152	674	0	NA
Insurance Premiums for Savings	0	0	0	0	0	0	NA
Taxes on Interest Paid For Savings	0	0	0	0	0	0	NA
<i>Financial Cost - Savings Deposits</i>	<i>0</i>	<i>0</i>	<i>53</i>	<i>152</i>	<i>674</i>	<i>0</i>	<i>NA</i>
Financial Cost on External Credit	0	0	0	0	0	0	NA
Financial Costs on Interbranch Loans	0	0	0	384	0	0	NA
Dividend Expense on Shares	0	0	0	0	0	0	NA
Insurance Premiums for Shares	0	0	0	0	0	0	NA
Taxes on Interest Paid for Shares	0	0	0	0	0	0	NA
<i>Financial Cost - Shares</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>
Other Financial Costs	0	0	0	0	0	0	NA
<u>TOTAL FINANCIAL COSTS</u>	<u>0</u>	<u>0</u>	<u>53</u>	<u>536</u>	<u>674</u>	<u>0</u>	<u>NA</u>
<b>GROSS MARGIN</b>	<b>0</b>	<b>0</b>	<b>135</b>	<b>2,016</b>	<b>6,836</b>	<b>0</b>	<b>NA</b>
<b>OPERATING EXPENSES</b>							
Personnel	0	0	441	1,334	2,844	0	NA
Governance	0	0	0	0	0	0	NA
Marketing	0	0	0	0	0	0	NA
Administration	0	0	90	1,141	1,360	0	NA
Depreciation	0	0	0	0	0	0	NA
<u>TOTAL OPERATING EXPENSES</u>	<u>0</u>	<u>0</u>	<u>530</u>	<u>2,475</u>	<u>4,705</u>	<u>0</u>	<u>NA</u>
Provision for Risk Assets	0	0	145	826	2,846	0	NA
<b>NET INCOME FROM OPERATIONS</b>	<b>0</b>	<b>0</b>	<b>(540)</b>	<b>(1,285)</b>	<b>(715)</b>	<b>0</b>	<b>NA</b>
<b>OTHER INCOME / EXPENSE</b>							
Previous periods adjustments (Net)	0	0	0	0	0	0	NA
Extraordinary income (Net)	0	0	0	0	0	0	NA
<u>TOTAL OTHER INCOME/EXPENSE</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Income Tax	0	0	0	0	0	0	NA
<b>Net Income/Loss</b>	<b>0</b>	<b>0</b>	<b>(540)</b>	<b>(1,285)</b>	<b>(715)</b>	<b>0</b>	<b>NA</b>

Based on USS

		Goals	31-Dec-99	31-Dec-00	31-Dec-01	31-Mar-02	30-Jun-02	Annual Goal	% Complete
<b>P-E-A-R-L-S RATIOS</b>									
Number of Credit Unions in this Report			0	1	1	1	1	0	
<b>P PROTECTION</b>									
1.	Loan Loss Allowances / Delinq. >12 Mo.	100%	NA	100.00%	100.00%	100.00%	100.00%	-0.00%	NA
2.	Net Loan Loss Allow. / Allow. Required for Delinq. 1-12 Mo.	100% of Goal	NA	100.00%	100.00%	100.00%	100.00%	0.00%	NA
3.	Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	NA	Yes	Yes	Yes	Yes	0	NA
4.	Annual Loan Charge-offs / Average Loan Portfolio	Minimized	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
5.	Accum. Charge-Offs Recovered / Accum Charge-Offs	100%	NA	NA	NA	NA	NA	0.00%	NA
6.	Solvency	Min 100%	NA	46.67%	89.78%	92.40%	96.20%	0.00%	NA
7.	Allowance for Investment Losses/ Non-Regulated Investments	NA	NA	0.00%	NA	NA	NA	0.00%	NA
<b>E EFFECTIVE FINANCIAL STRUCTURE</b>									
1.	Net Loans / Total Assets	Between 70 - 80%	NA	1.64%	94.63%	95.04%	92.75%	0.00%	NA
2.	Liquid Investments / Total Assets	Max 20 %	NA	89.01%	0.00%	0.00%	0.00%	0.00%	NA
3.	Financial Investments / Total Assets	Max 10 %	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
4.	Non-Financial Investments / Total Assets	0%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
5.	Savings Deposits / Total Assets	Between 70 - 80%	NA	40.08%	48.81%	32.99%	37.55%	0.00%	NA
6.	External Credit / Total Assets	Max 5%	NA	0.00%	40.76%	56.00%	47.84%	0.00%	NA
7.	Member Share Capital / Total Assets	Max 20 %	NA	21.45%	8.04%	7.05%	7.77%	0.00%	NA
8.	Institutional Capital / Total Assets	Minimum 10%	NA	-32.85%	-8.08%	-5.12%	-4.22%	0.00%	NA
9.	Net Institutional Capital / Total Assets	Minimum 10%	NA	-32.81%	-5.81%	-3.17%	-2.01%	0.00%	NA
<b>A ASSET QUALITY</b>									
1.	Total Delinquency / Gross Loan Portfolio	Less Than or Equal To 5%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
2.	Non-Earning Assets / Total Assets	Less Than or Equal To 5%	NA	9.35%	5.37%	4.96%	7.25%	0.00%	NA
3.	Net Zero Cost Funds / Non-earning. Assets	Greater Than or Equal To 100%	NA	411.70%	86.66%	119.09%	125.00%	0.00%	NA
<b>R RATES OF RETURN AND COSTS (ANNUALIZED)</b>									
1.	Net Loan Income / Average Net Loan Portfolio	Entrepreneurial Rate	NA	4.25%	18.89%	25.96%	29.14%	0.00%	NA
2.	Liquid Inv. Income / Avg. Liquid Investments	Market Rates	NA	7.56%	0.00%	NA	NA	0.00%	NA
3.	Fin. Investment Income / Avg. Fin. Investments	Market Rates	NA	NA	NA	NA	NA	0.00%	NA
4.	Non-Fin. Inv. Income / Avg. Non-Fin. Investments	Greater Than or Equal to R1	NA	NA	NA	NA	NA	0.00%	NA
5.	Fin Costs: Savings Deposits / Avg. Savings	Market Rates	NA	8.00%	5.13%	9.07%	9.02%	0.00%	NA
6.	Fin Costs: External Credit / Avg. External Credit	Less Than or Equal to R5	NA	NA	7.04%	10.54%	13.90%	0.00%	NA
7.	Fin Costs: Member Shares / Avg. Member Shares	Greater Than or Equal to R5	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
8.	Gross Margin / Average Assets	Amount Needed to Cover R9, R10	NA	3.59%	11.02%	15.90%	17.37%	0.00%	NA
9.	Operating Expenses / Average Assets	3 -10%	NA	35.26%	12.87%	10.62%	11.38%	0.00%	NA
10.	Provisions for Risk Assets / Average Assets	Sufficient for Estimated Losses	NA	0.03%	3.95%	1.45%	1.35%	0.00%	NA
11.	Other Income or Expense / Average Assets	Amount Needed	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
12.	Net Income / Average Assets	Enough to reach the goal for E8	NA	-31.70%	-5.80%	3.82%	4.63%	0.00%	NA
<b>L LIQUIDITY</b>									
1.	Liquid Assets - ST Payables / Total Deposits	Minimum 15%	NA	240.50%	8.97%	7.24%	7.10%	0.00%	NA
2.	Liquidity Reserves / Total Savings Deposits	10%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
3.	Non-Earning Liquid Assets / Total Assets	Less Than 1 %	NA	9.33%	4.75%	4.11%	6.17%	0.00%	NA
<b>S SIGNS OF GROWTH (YEAR-TO-DATE GROWTH)</b>									
1.	Net Loans	Sufficient to Achieve Goal in E1	NA	NA	39215.97%	33.39%	43.81%	0.00%	NA
2.	Liquid Investments	Sufficient to Achieve Goal in E2	NA	NA	-100.00%	0.00%	0.00%	0.00%	NA
3.	Financial Investments	Sufficient to Achieve Goal in E3	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
4.	Non-Financial Investments	Sufficient to Achieve Goal in E4	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
5.	Savings Deposits	Sufficient to Achieve Goal in E5	NA	NA	729.44%	-10.24%	12.87%	0.00%	NA
6.	External Credit	0%	NA	NA	100.00%	82.47%	72.20%	0.00%	NA
7.	Member Shares	Sufficient to Achieve Goal in E7	NA	NA	155.43%	16.40%	41.64%	0.00%	NA
8.	Institutional Capital	Sufficient to Achieve Goal in E8	NA	NA	-67.50%	15.88%	23.36%	0.00%	NA
9.	Net Institutional Capital	Sufficient to Achieve Goal in E9	NA	NA	-20.58%	27.58%	49.24%	0.00%	NA
10.	Membership	Minimum 5%	NA	NA	-17.96%	21.88%	33.43%	0.00%	NA
11.	Total Assets	More Than Inflation	NA	NA	581.08%	32.80%	46.72%	0.00%	NA
Inflation Rate (Annualized)			6.00%	6.00%	7.00%	6.00%	7.00%		

30

Murtino  
Based on USS

BALANCE SHEET

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
Number of Credit Unions in this Report	0	1	1	1	1		0
<b>Assets</b>							
<b>Earning Assets</b>							
<i>Loans to Members</i>							
Short Term (<=1 Year)	0	251	99,197	38,070	33,423	0	NA
Medium-Term (1-3 Years)	0	0	0	93,801	109,203	0	NA
Long-Term (> 3 Years)	0	0	0	0	0	0	NA
Other Special Loans	0	0	0	0	0	0	NA
Loan Loss Allowances	0	(5)	(2,310)	(2,637)	(3,290)	0	NA
<b>Total Net Loans</b>	<u>0</u>	<u>246</u>	<u>96,887</u>	<u>129,234</u>	<u>139,336</u>	<u>0</u>	<u>NA</u>
<i>Liquid Investments</i>							
<i>Non-Regulated Liquid Investments</i>							
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term CFF Deposits	0	0	0	0	0	0	NA
Short-Term Bank Deposits	0	0	0	0	0	0	NA
Short-Term Securities and Investments	0	0	0	0	0	0	NA
Other Liquid Investments 1	0	13,381	0	0	0	0	NA
Other Liquid Investments 2	0	0	0	0	0	0	NA
Other Liquid Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Liquid Investments</b>	<u>0</u>	<u>13,381</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Regulated Liquid Investments</i>							
Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term Deposits in Regulated Fin. Institutions	0	0	0	0	0	0	NA
ST Government or Regulated Securities and	0	0	0	0	0	0	NA
<b>Total Regulated Liquid Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Liquid Investments Allowances	0	0	0	0	0	0	NA
<b>Total Liquid Investments</b>	<u>0</u>	<u>13,381</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Financial Investments</i>							
<i>Non-Regulated Financial Investments</i>							
Shares - League/Affiliation	0	0	0	0	0	0	NA
Long-Term CFF Deposit	0	0	0	0	0	0	NA
Long-Term Bank Deposits	0	0	0	0	0	0	NA
Long-Term Securities & Investments	0	0	0	0	0	0	NA
Other Financial Investments 1	0	0	0	0	0	0	NA
Other Financial Investments 2	0	0	0	0	0	0	NA
Other Financial Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Regulated Financial Investments</i>							
Shares in Financial Institutions	0	0	0	0	0	0	NA
Long-Term Deposits in Regulated Fin. Institutions	0	0	0	0	0	0	NA
LT Government or Regulated Securities and	0	0	0	0	0	0	NA
InterBranch Investments	0	0	0	0	0	0	NA
<b>Total Regulated Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Non-Financial Investments</i>							
Various	0	0	0	0	0	0	NA
Non-Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Non-Financial Investments</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Earning Assets</b>	<u>0</u>	<u>13,627</u>	<u>96,887</u>	<u>129,234</u>	<u>139,336</u>	<u>0</u>	<u>NA</u>
<b>Additional Loan Portfolio Information</b>							
Delinquency Based on Outstanding Balance of Loan?	Payment	Balance	Balance	Balance	Balance	Payment	
<b>Delinquency</b>							
1 TO 12 Months	0	0	0	0	0	0	NA
More Than 12 Months	0	0	0	0	0	0	NA
<b>Total Balance Of Delinquent Loans</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Loans to Members (Gross)	0	251	99,197	131,871	142,626	0	NA
Accumulated Charge-Offs (Historical)	0	0	0	0	0	0	NA
Recovery of Loans Charged-Off (Historical)	0	0	0	0	0	0	NA

31

**Murtino**  
Based on USS

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>Non-Earning Assets</b>							
<i>Liquid Assets</i>							
Cash & Equivalents	0	108	677	2,296	1,260	0	NA
Current Accounts (Checking)	0	1,295	4,188	3,292	8,012	0	NA
Foreign Currency	0	0	0	0	0	0	NA
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Other Liquid Assets	0	0	0	0	0	0	NA
<u>Total Liquid Assets</u>	<u>0</u>	<u>1,403</u>	<u>4,864</u>	<u>5,588</u>	<u>9,272</u>	<u>0</u>	<u>NA</u>
<i>Accounts Receivable</i>							
Debtors	0	0	0	0	0	0	NA
Interest Receivable	0	3	652	1,162	1,646	0	NA
Notes Receivable	0	0	0	0	0	0	NA
Payroll Deductions Receivable	0	0	0	0	0	0	NA
Other Accounts Receivable	0	0	0	0	3	0	NA
Receivable Loss Allowances	0	0	(13)	(12)	(30)	0	NA
<u>Total Accounts Receivable</u>	<u>0</u>	<u>3</u>	<u>638</u>	<u>1,150</u>	<u>1,619</u>	<u>0</u>	<u>NA</u>
<i>Fixed Assets</i>							
Land	0	0	0	0	0	0	NA
Buildings (Cost)	0	0	0	0	0	0	NA
Leasehold Improvements	0	0	0	0	0	0	NA
Furniture & Equipment	0	0	0	0	0	0	NA
Accumulated Depreciation - Buildings	0	0	0	0	0	0	NA
Accum. Depreciation - Leasehold Improv.	0	0	0	0	0	0	NA
Accum. Depreciation - Furniture & Equip.	0	0	0	0	0	0	NA
<u>Total Net Fixed Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Other Assets</i>							
Assets in Liquidation	0	0	0	0	0	0	NA
Organization Expenses	0	0	0	0	0	0	NA
Prepaid Expenses	0	0	0	0	0	0	NA
Other Deferred Assets	0	0	0	0	0	0	NA
Accumulated Amortization	0	0	0	0	0	0	NA
<u>Total Other Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Problem Assets</i>							
Doubtful Assets	0	0	0	0	0	0	NA
Accounting Discrepancy - Assets	0	0	0	0	0	0	NA
Other Problem Assets	0	0	0	0	0	0	NA
<u>Total Problem Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Non-Earning Assets</b>	<b>0</b>	<b>1,406</b>	<b>5,503</b>	<b>6,738</b>	<b>10,891</b>	<b>0</b>	<b>NA</b>
<b>Total Assets</b>	<b>0</b>	<b>15,033</b>	<b>102,389</b>	<b>135,972</b>	<b>150,228</b>	<b>0</b>	<b>NA</b>
<b>Number Of CU Members</b>							
Men	0	315	255	315	342	0	NA
Women	0	86	74	86	97	0	NA
Gender not Reported	0	0	0	0	0	0	NA
<u>Total Number Of Members</u>	<u>0</u>	<u>401</u>	<u>329</u>	<u>401</u>	<u>439</u>	<u>0</u>	<u>NA</u>
<b>Number of Other Service Users</b>							
Youth	0	0	0	0	0	0	NA
Third Parties	0	0	0	0	0	0	NA
<u>Total Number of Other CU Service Users</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Number Of Members &amp; Other CU Service</b>	<b>0</b>	<b>401</b>	<b>329</b>	<b>401</b>	<b>439</b>	<b>0</b>	<b>NA</b>

32

Murtino  
Based on US\$

**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>LIABILITIES</b>							
<b>INTEREST BEARING LIABILITIES</b>							
<i>Savings Deposits</i>							
Regular Savings	0	17	1,539	630	800	0	NA
Term/Fixed Savings	0	6,008	588	1,880	2,147	0	NA
Youth Savings	0	0	119	137	165	0	NA
Special Savings	0	0	47,729	42,212	53,291	0	NA
Pledged Savings	0	0	0	0	0	0	NA
<u>Total Savings Deposits</u>	<u>0</u>	<u>6,025</u>	<u>49,974</u>	<u>44,858</u>	<u>56,404</u>	<u>0</u>	<u>NA</u>
<i>External Credit</i>							
External Credit - CFF (<= 1 Year)	0	0	0	0	0	0	NA
External Credit - CFF (> 1 Year)	0	0	0	0	0	0	NA
External Credit - Banks	0	0	0	0	0	0	NA
Other External Credit - External Institutions	0	0	0	0	0	0	NA
InterBranch Loans	0	0	41,733	76,151	71,863	0	NA
<u>Total External Credit</u>	<u>0</u>	<u>0</u>	<u>41,733</u>	<u>76,151</u>	<u>71,863</u>	<u>0</u>	<u>NA</u>
<u>Total Interest Bearing Liabilities</u>	<u>0</u>	<u>6,025</u>	<u>91,707</u>	<u>121,009</u>	<u>128,267</u>	<u>0</u>	<u>NA</u>
<i>Non-Interest Bearing Liabilities</i>							
Short-Term Accounts Payable (<=30 Days)	0	294	383	2,341	5,266	0	NA
External Credit Payments (<=30 Days)	0	0	0	0	0	0	NA
Provisions (e.g. Employee Benefits)	0	0	64	0	0	0	NA
Accounting Discrepancy - Liabilities	0	0	0	0	0	0	NA
Other Liabilities	0	10,428	10,270	9,824	10,933	0	NA
<u>Total Non-Interest Bearing Liabilities</u>	<u>0</u>	<u>10,722</u>	<u>10,717</u>	<u>12,164</u>	<u>16,198</u>	<u>0</u>	<u>NA</u>
<b>Total Liabilities</b>	<b>0</b>	<b>16,747</b>	<b>102,424</b>	<b>133,173</b>	<b>144,466</b>	<b>0</b>	<b>NA</b>
<b>CAPITAL</b>							
<i>Share Capital</i>							
Mandatory Shares	0	3,225	8,237	9,588	11,666	0	NA
Voluntary Shares	0	0	0	0	0	0	NA
<u>Total Member Share Capital</u>	<u>0</u>	<u>3,225</u>	<u>8,237</u>	<u>9,588</u>	<u>11,666</u>	<u>0</u>	<u>NA</u>
<i>Transitory Capital</i>							
Asset Appreciation Over Cost	0	0	0	0	0	0	NA
Education & Social Reserves	0	0	0	0	0	0	NA
Monetary Reserves	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Accounting Discrepancy - Capital	0	0	0	0	0	0	NA
Undistributed Net Income	0	0	0	0	0	0	NA
YTD Net Income (loss)	0	0	0	168	435	0	NA
<u>Total Transitory Capital</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>168</u>	<u>435</u>	<u>0</u>	<u>NA</u>
<i>Institutional Capital</i>							
Statutory & Legal Reserves	0	0	0	0	0	0	NA
Retained Earnings	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Donations	0	0	0	0	0	0	NA
Undistributed Losses	0	(172)	(4,863)	(7,912)	(8,805)	0	NA
YTD Net Income (Loss)	0	(4,766)	(3,408)	954	2,466	0	NA
<u>Total Institutional Capital</u>	<u>0</u>	<u>-4,938</u>	<u>-8,271</u>	<u>-6,958</u>	<u>-6,339</u>	<u>0</u>	<u>NA</u>
<b>Total Capital</b>	<b>0</b>	<b>-1,713</b>	<b>-35</b>	<b>2,798</b>	<b>5,762</b>	<b>0</b>	<b>NA</b>
<b>Total Liabilities and Capital</b>	<b>0</b>	<b>15,033</b>	<b>102,389</b>	<b>135,972</b>	<b>150,228</b>	<b>0</b>	<b>NA</b>

33

**Murtino**

**Income Statement**

Based on US\$

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	%
Number of Credit Unions in this Report	0	1	1	1	1	0	
<b>INCOME</b>							
<b>INCOME FROM LOANS</b>							
Interest Income from Loans	0	10	6,923	6,057	15,037	0	NA
Delinquent Penalty Interest Income from Loans	0	0	0	0	0	0	NA
Commissions/Fees from Loans	0	1	2,253	1,179	2,032	0	NA
Insurance Premiums for Loans	0	0	0	0	0	0	NA
<b>NET LOAN INCOME</b>	<u>0</u>	<u>10</u>	<u>9,176</u>	<u>7,236</u>	<u>17,069</u>	<u>0</u>	<u>NA</u>
Income from Liquid Investments	0	1,012	0	0	0	0	NA
Income from Financial Investments	0	0	194	0	0	0	NA
Income from Non-Financial Investments	0	0	0	0	0	0	NA
Income from Grants	0	0	0	0	0	0	NA
Income from Other Sources	0	0	4	28	102	0	NA
<b>Gross Income</b>	<b>0</b>	<b>1,022</b>	<b>9,374</b>	<b>7,264</b>	<b>17,171</b>	<b>0</b>	<b>NA</b>
<b>COSTS/EXPENSES</b>							
<b>FINANCIAL COSTS</b>							
Interest Expense on Savings Deposits	0	482	1,437	1,061	2,380	0	NA
Insurance Premiums for Savings	0	0	0	0	0	0	NA
Taxes on Interest Paid For Savings	0	0	0	0	0	0	NA
<b>Financial Cost - Savings Deposits</b>	<b>0</b>	<b>482</b>	<b>1,437</b>	<b>1,061</b>	<b>2,380</b>	<b>0</b>	<b>NA</b>
Financial Cost on External Credit	0	0	0	0	0	0	NA
Financial Costs on Interbranch Leans	0	0	1,469	1,532	3,914	0	NA
Dividend Expense on Shares	0	0	0	0	0	0	NA
Insurance Premiums for Shares	0	0	0	0	0	0	NA
Taxes on Interest Paid for Shares	0	0	0	0	0	0	NA
<b>Financial Cost - Shares</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Other Financial Costs	0	0	0	0	0	0	NA
<b>TOTAL FINANCIAL COSTS</b>	<b>0</b>	<b>482</b>	<b>2,905</b>	<b>2,593</b>	<b>6,294</b>	<b>0</b>	<b>NA</b>
<b>GROSS MARGIN</b>	<b>0</b>	<b>540</b>	<b>6,468</b>	<b>4,671</b>	<b>10,878</b>	<b>0</b>	<b>NA</b>
<b>OPERATING EXPENSES</b>							
Personnel	0	4,670	5,617	1,400	4,000	0	NA
Governance	0	0	0	0	0	0	NA
Marketing	0	86	81	4	27	0	NA
Administration	0	546	1,861	1,718	3,103	0	NA
Depreciation	0	0	0	0	0	0	NA
<b>TOTAL OPERATING EXPENSES</b>	<b>0</b>	<b>5,301</b>	<b>7,558</b>	<b>3,121</b>	<b>7,130</b>	<b>0</b>	<b>NA</b>
Provision for Risk Assets	0	5	2,318	428	847	0	NA
<b>NET INCOME FROM OPERATIONS</b>	<b>0</b>	<b>(4,766)</b>	<b>(3,408)</b>	<b>1,123</b>	<b>2,901</b>	<b>0</b>	<b>NA</b>
<b>OTHER INCOME / EXPENSE</b>							
Previous periods adjustments (Net)	0	0	0	0	0	0	NA
Extraordinary income (Net)	0	0	0	0	0	0	NA
<b>TOTAL OTHER INCOME/EXPENSE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Income Tax	0	0	0	0	0	0	NA
<b>Net Income/Loss</b>	<b>0</b>	<b>(4,766)</b>	<b>(3,408)</b>	<b>1,123</b>	<b>2,901</b>	<b>0</b>	<b>NA</b>

34

Based on USS

P-E-A-R-L-S RATIOS

Number of Credit Unions in this Report

**P PROTECTION**

Goals	31-Dec-99	31-Dec-00	31-Dec-01	31-Mar-02	30-Jun-02	Annual Goal	% Complete
1. Loan Loss Allowances / Delinq. >12 Mo.	NA	100.00%	100.00%	100.00%	100.00%	0.00%	NA
2. Net Loan Loss Allow. / Allow. Required for Delinq. 1-12 Mo.	100% of Goal	NA	100.00%	100.00%	100.00%	100.00%	0.00%
3. Complete Loan Charge-Off of Delinquency > 12 Mo.	Yes	NA	Yes	Yes	Yes	0	NA
4. Annual Loan Charge-offs / Average Loan Portfolio	Minimized	NA	0.00%	0.00%	0.00%	0.00%	NA
5. Accum. Charge-Offs Recovered / Accum Charge-Offs	100%	NA	NA	NA	NA	0.00%	NA
6. Solvency	Min 100%	NA	42.13%	23.50%	29.35%	21.18%	0.00%
7. Allowance for Investment Losses/ Non-Regulated Investments	NA	NA	0.00%	NA	NA	NA	0.00%

**E EFFECTIVE FINANCIAL STRUCTURE**

1. Net Loans / Total Assets	Between 70 - 80%	NA	3.87%	28.88%	42.18%	87.67%	0.00%	NA
2. Liquid Investments / Total Assets	Max 20 %	NA	92.64%	0.00%	0.00%	0.00%	0.00%	NA
3. Financial Investments / Total Assets	Max 10 %	NA	0.00%	52.45%	51.17%	0.00%	0.00%	NA
4. Non-Financial Investments / Total Assets	0%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
5. Savings Deposits / Total Assets	Between 70 - 80%	NA	18.63%	46.79%	56.00%	51.84%	0.00%	NA
6. External Credit / Total Assets	Max 5%	NA	0.00%	0.00%	0.00%	8.30%	0.00%	NA
7. Member Share Capital / Total Assets	Max 20 %	NA	22.94%	30.11%	28.26%	29.58%	0.00%	NA
8. Institutional Capital / Total Assets	Minimum 10%	NA	-24.14%	-59.41%	-60.40%	-65.99%	0.00%	NA
9. Net Institutional Capital / Total Assets	Minimum 10%	NA	-24.06%	-58.82%	-59.53%	-64.17%	0.00%	NA

**A ASSET QUALITY**

1. Total Delinquency / Gross Loan Portfolio	Less Than or Equal To 5%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
2. Non-Earning Assets / Total Assets	Less Than or Equal To 5%	NA	3.50%	18.67%	6.66%	12.33%	0.00%	NA
3. Net Zero Cost Funds / Non-earning. Assets	Greater Than or Equal To 100%	NA	1673.20%	126.92%	249.52%	98.19%	0.00%	NA

**R RATES OF RETURN AND COSTS (ANNUALIZED)**

1. Net Loan Income / Average Net Loan Portfolio	Enterprenurial Rate	NA	5.70%	27.01%	29.26%	33.56%	0.00%	NA
2. Liquid Inv. Income / Avg. Liquid Investments	Market Rates	NA	5.93%	0.00%	NA	NA	0.00%	NA
3. Fin. Investment Income / Avg. Fin. Investments	Market Rates	NA	NA	16.35%	6.04%	8.83%	0.00%	NA
4. Non-Fin. Inv. Income / Avg. Non-Fin. Investments	Greater Than or Equal to R1	NA	NA	NA	NA	NA	0.00%	NA
5. Fin Costs: Savings Deposits / Avg. Savings	Market Rates	NA	8.56%	13.85%	10.24%	11.57%	0.00%	NA
6. Fin Costs: External Credit / Avg. External Credit	Less Than or Equal to R5	NA	NA	NA	NA	0.00%	0.00%	NA
7. Fin Costs: Member Shares / Avg. Member Shares	Greater Than or Equal to R5	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
8. Gross Margin / Average Assets	Amount Needed to Cover R9, R10	NA	4.12%	4.12%	3.31%	16.76%	0.00%	NA
9. Operating Expenses / Average Assets	3 -10%	NA	28.18%	38.42%	37.23%	40.66%	0.00%	NA
10. Provisions for Risk Assets / Average Assets	Sufficient for Estimated Losses	NA	0.08%	0.51%	1.42%	2.80%	0.00%	NA
11. Other Income or Expense / Average Assets	Amount Needed	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
12. Net Income / Average Assets	Enough to reach the goal for E8	NA	-24.14%	-34.80%	-30.34%	-26.71%	0.00%	NA

**L LIQUIDITY**

1. Liquid Assets - ST Payables / Total Deposits	Minimum 15%	NA	501.66%	34.93%	2.68%	12.94%	0.00%	NA
2. Liquidity Reserves / Total Savings Deposits	10%	NA	0.00%	0.00%	0.00%	0.00%	0.00%	NA
3. Non-Earning Liquid Assets / Total Assets	Less Than 1 %	NA	3.46%	18.52%	5.77%	10.32%	0.00%	NA

**S SIGNS OF GROWTH (YEAR-TO-DATE GROWTH)**

1. Net Loans	Sufficient to Achieve Goal in E1	NA	NA	631.67%	56.14%	257.26%	0.00%	NA
2. Liquid Investments	Sufficient to Achieve Goal in E2	NA	NA	-100.00%	0.00%	0.00%	0.00%	NA
3. Financial Investments	Sufficient to Achieve Goal in E3	NA	NA	100.00%	-4.30%	-100.00%	0.00%	NA
4. Non-Financial Investments	Sufficient to Achieve Goal in E4	NA	NA	0.00%	0.00%	0.00%	0.00%	NA
5. Savings Deposits	Sufficient to Achieve Goal in E5	NA	NA	146.09%	27.96%	30.39%	0.00%	NA
6. External Credit	0%	NA	NA	0.00%	0.00%	100.00%	0.00%	NA
7. Member Shares	Sufficient to Achieve Goal in E7	NA	NA	28.61%	0.34%	15.62%	0.00%	NA
8. Institutional Capital	Sufficient to Achieve Goal in E8	NA	NA	-141.23%	-8.68%	-30.71%	0.00%	NA
9. Net Institutional Capital	Sufficient to Achieve Goal in E9	NA	NA	-139.61%	-8.19%	-28.39%	0.00%	NA
10. Membership	Minimum 5%	NA	NA	-4.02%	-4.19%	7.35%	0.00%	NA
11. Total Assets	More Than Inflation	NA	NA	-2.01%	6.91%	17.69%	0.00%	NA
Inflation Rate (Annualized)		6.00%	6.00%	7.00%	6.00%	7.00%		

35

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**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
Number of Credit Unions in this Report	0	1	1	1	1	0	
<b>Assets</b>							
<b>Earning Assets</b>							
<i>Loans to Members</i>							
Short Term (<=1 Year)	0	644	4,710	1,627	7,863	0	NA
Medium-Term (1-3 Years)	0	0	0	5,727	8,969	0	NA
Long-Term (> 3 Years)	0	0	0	0	0	0	NA
Other Special Loans	0	0	0	0	0	0	NA
Loan Loss Allowances	0	(13)	(94)	(148)	(342)	0	NA
<b>Total Net Loans</b>	<b>0</b>	<b>631</b>	<b>4,615</b>	<b>7,207</b>	<b>16,489</b>	<b>0</b>	<b>NA</b>
<i>Liquid Investments</i>							
<i>Non-Regulated Liquid Investments</i>							
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term CFF Deposits	0	0	0	0	0	0	NA
Short-Term Bank Deposits	0	0	0	0	0	0	NA
Short-Term Securities and Investments	0	0	0	0	0	0	NA
Other Liquid Investments 1	0	15,108	0	0	0	0	NA
Other Liquid Investments 2	0	0	0	0	0	0	NA
Other Liquid Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Liquid Investments</b>	<b>0</b>	<b>15,108</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<i>Regulated Liquid Investments</i>							
Liquidity Reserves	0	0	0	0	0	0	NA
Short-Term Deposits in Regulated Fin. Institutions	0	0	0	0	0	0	NA
ST Government or Regulated Securities and	0	0	0	0	0	0	NA
<b>Total Regulated Liquid Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Liquid Investments Allowances	0	0	0	0	0	0	NA
<b>Total Liquid Investments</b>	<b>0</b>	<b>15,108</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<i>Financial Investments</i>							
<i>Non-Regulated Financial Investments</i>							
Shares - League/Affiliation	0	0	0	0	0	0	NA
Long-Term CFF Deposit	0	0	0	0	0	0	NA
Long-Term Bank Deposits	0	0	0	0	0	0	NA
Long-Term Securities & Investments	0	0	0	0	0	0	NA
Other Financial Investments 1	0	0	0	0	0	0	NA
Other Financial Investments 2	0	0	0	0	0	0	NA
Other Financial Investments 3	0	0	0	0	0	0	NA
<b>Total Non-Regulated Financial Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<i>Regulated Financial Investments</i>							
Shares in Financial Institutions	0	0	0	0	0	0	NA
Long-Term Deposits in Regulated Fin. Institutions	0	0	0	0	0	0	NA
LT Government or Regulated Securities and	0	0	0	0	0	0	NA
InterBranch Investments	0	0	8,383	8,743	0	0	NA
<b>Total Regulated Financial Investments</b>	<b>0</b>	<b>0</b>	<b>8,383</b>	<b>8,743</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Financial Investments</b>	<b>0</b>	<b>0</b>	<b>8,383</b>	<b>8,743</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<i>Non-Financial Investments</i>							
Various	0	0	0	0	0	0	NA
Non-Financial Investments Allowances	0	0	0	0	0	0	NA
<b>Total Non-Financial Investments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<b>Total Earning Assets</b>	<b>0</b>	<b>15,739</b>	<b>12,998</b>	<b>15,949</b>	<b>16,489</b>	<b>0</b>	<b>NA</b>
<b>Additional Loan Portfolio Information</b>							
Delinquency Based on Outstanding Balance of Loan?	Payment	Balance	Balance	Balance	Balance	Payment	
Delinquency							
1 TO 12 Months	0	0	0	0	0	0	NA
More Than 12 Months	0	0	0	0	0	0	NA
<b>Total Balance Of Delinquent Loans</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
Loans to Members (Gross)	0	644	4,710	7,355	16,832	0	NA
Accumulated Charge-Offs (Historical)	0	0	0	0	0	0	NA
Recovery of Loans Charged-Off (Historical)	0	0	0	0	0	0	NA

36

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**BALANCE SHEET**

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>Non-Earning Assets</b>							
<i>Liquid Assets</i>							
Cash & Equivalents	0	426	691	176	1,149	0	NA
Current Accounts (Checking)	0	138	2,270	810	793	0	NA
Foreign Currency	0	0	0	0	0	0	NA
Liquidity Reserves - CFF	0	0	0	0	0	0	NA
Other Liquidity Reserves	0	0	0	0	0	0	NA
Other Liquid Assets	0	0	0	0	0	0	NA
<u>Total Liquid Assets</u>	<u>0</u>	<u>564</u>	<u>2,961</u>	<u>985</u>	<u>1,942</u>	<u>0</u>	<u>NA</u>
<i>Accounts Receivable</i>							
Debtors	0	0	0	0	0	0	NA
Interest Receivable	0	7	24	153	379	0	NA
Notes Receivable	0	0	0	0	0	0	NA
Payroll Deductions Receivable	0	0	0	0	0	0	NA
Other Accounts Receivable	0	0	0	0	0	0	NA
Receivable Loss Allowances	0	0	0	0	(1)	0	NA
<u>Total Accounts Receivable</u>	<u>0</u>	<u>6</u>	<u>23</u>	<u>152</u>	<u>378</u>	<u>0</u>	<u>NA</u>
<i>Fixed Assets</i>							
Land	0	0	0	0	0	0	NA
Buildings (Cost)	0	0	0	0	0	0	NA
Leasehold Improvements	0	0	0	0	0	0	NA
Furniture & Equipment	0	0	0	0	0	0	NA
Accumulated Depreciation - Buildings	0	0	0	0	0	0	NA
Accum. Depreciation - Leasehold Improv.	0	0	0	0	0	0	NA
Accum. Depreciation - Furniture & Equip.	0	0	0	0	0	0	NA
<u>Total Net Fixed Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Other Assets</i>							
Assets in Liquidation	0	0	0	0	0	0	NA
Organization Expenses	0	0	0	0	0	0	NA
Prepaid Expenses	0	0	0	0	0	0	NA
Other Deferred Assets	0	0	0	0	0	0	NA
Accumulated Amortization	0	0	0	0	0	0	NA
<u>Total Other Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<i>Problem Assets</i>							
Doubtful Assets	0	0	0	0	0	0	NA
Accounting Discrepancy - Assets	0	0	0	0	0	0	NA
Other Problem Assets	0	0	0	0	0	0	NA
<u>Total Problem Assets</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Non-Earning Assets</b>	<b>0</b>	<b>570</b>	<b>2,984</b>	<b>1,138</b>	<b>2,320</b>	<b>0</b>	<b>NA</b>
<b>Total Assets</b>	<b>0</b>	<b>16,309</b>	<b>15,982</b>	<b>17,087</b>	<b>18,809</b>	<b>0</b>	<b>NA</b>
<b>Number Of CU Members</b>							
Men	0	155	156	155	164	0	NA
Women	0	44	35	44	41	0	NA
Gender not Reported	0	0	0	0	0	0	NA
<u>Total Number Of Members</u>	<u>0</u>	<u>199</u>	<u>191</u>	<u>199</u>	<u>205</u>	<u>0</u>	<u>NA</u>
<b>Number of Other Service Users</b>							
Youth	0	0	0	0	0	0	NA
Third Parties	0	0	0	0	0	0	NA
<u>Total Number of Other CU Service Users</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
<b>Total Number Of Members &amp; Other CU Service</b>	<b>0</b>	<b>199</b>	<b>191</b>	<b>199</b>	<b>205</b>	<b>0</b>	<b>NA</b>

	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02	Annual Goal	% Complete
<b>LIABILITIES</b>							
<b>INTEREST BEARING LIABILITIES</b>							
<i>Savings Deposits</i>							
Regular Savings	0	237	1,501	1,418	1,691	0	NA
Term/Fixed Savings	0	2,802	3,503	6,989	2,808	0	NA
Youth Savings	0	0	0	0	0	0	NA
Special Savings	0	0	2,473	1,161	5,252	0	NA
Pledged Savings	0	0	0	0	0	0	NA
<b>Total Savings Deposits</b>	<b>0</b>	<b>3,039</b>	<b>7,478</b>	<b>9,568</b>	<b>9,750</b>	<b>0</b>	<b>NA</b>
<i>External Credit</i>							
External Credit - CFF (<= 1 Year)	0	0	0	0	0	0	NA
External Credit - CFF (> 1 Year)	0	0	0	0	0	0	NA
External Credit - Banks	0	0	0	0	0	0	NA
Other External Credit - External Institutions	0	0	0	0	0	0	NA
InterBranch Loans	0	0	0	0	1,560	0	NA
<b>Total External Credit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,560</b>	<b>0</b>	<b>NA</b>
<b>Total Interest Bearing Liabilities</b>	<b>0</b>	<b>3,039</b>	<b>7,478</b>	<b>9,568</b>	<b>11,311</b>	<b>0</b>	<b>NA</b>
<i>Non-Interest Bearing Liabilities</i>							
Short-Term Accounts Payable (<=30 Days)	0	429	349	729	680	0	NA
External Credit Payments (<=30 Days)	0	0	0	0	0	0	NA
Provisions (e.g. Employee Benefits)	0	0	0	0	0	0	NA
Accounting Discrepancy - Liabilities	0	0	0	0	0	0	NA
Other Liabilities	0	13,037	12,839	12,281	13,668	0	NA
<b>Total Non-Interest Bearing Liabilities</b>	<b>0</b>	<b>13,466</b>	<b>13,188</b>	<b>13,010</b>	<b>14,348</b>	<b>0</b>	<b>NA</b>
<b>Total Liabilities</b>	<b>0</b>	<b>16,504</b>	<b>20,666</b>	<b>22,578</b>	<b>25,658</b>	<b>0</b>	<b>NA</b>
<b>CAPITAL</b>							
<i>Share Capital</i>							
Mandatory Shares	0	3,742	4,812	4,829	5,563	0	NA
Voluntary Shares	0	0	0	0	0	0	NA
<b>Total Member Share Capital</b>	<b>0</b>	<b>3,742</b>	<b>4,812</b>	<b>4,829</b>	<b>5,563</b>	<b>0</b>	<b>NA</b>
<i>Transitory Capital</i>							
Asset Appreciation Over Cost	0	0	0	0	0	0	NA
Education & Social Reserves	0	0	0	0	0	0	NA
Monetary Reserves	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Accounting Discrepancy - Capital	0	0	0	0	0	0	NA
Undistributed Net Income	0	0	0	0	0	0	NA
YTD Net Income (loss)	0	0	0	0	0	0	NA
<b>Total Transitory Capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>NA</b>
<i>Institutional Capital</i>							
Statutory & Legal Reserves	0	0	0	0	0	0	NA
Retained Earnings	0	0	0	0	0	0	NA
Other Reserves	0	0	0	0	0	0	NA
Donations	0	0	0	0	0	0	NA
Undistributed Losses	0	0	(3,877)	(9,083)	(10,108)	0	NA
YTD Net Income (Loss)	0	(3,936)	(5,619)	(1,237)	(2,304)	0	NA
<b>Total Institutional Capital</b>	<b>0</b>	<b>-3,936</b>	<b>-9,496</b>	<b>-10,320</b>	<b>-12,412</b>	<b>0</b>	<b>NA</b>
<b>Total Capital</b>	<b>0</b>	<b>-195</b>	<b>-4,684</b>	<b>-5,491</b>	<b>-6,849</b>	<b>0</b>	<b>NA</b>
<b>Total Liabilities and Capital</b>	<b>0</b>	<b>16,309</b>	<b>15,982</b>	<b>17,087</b>	<b>18,809</b>	<b>0</b>	<b>NA</b>

38

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Income Statement

Based on USS

	Annual Goal						%
	12/31/99	12/31/00	12/31/01	3/31/02	6/30/02		
Number of Credit Unions in this Report	0	1	1	1	1	1	0
<b>INCOME</b>							
<b>INCOME FROM LOANS</b>							
Interest Income from Loans	0	34	568	290	1,324	0	NA
Delinquent Penalty Interest Income from Loans	0	0	0	0	0	0	NA
Commissions/Fees from Loans	0	2	140	136	432	0	NA
Insurance Premiums for Loans	0	0	0	0	0	0	NA
<b>NET LOAN INCOME</b>	<u>0</u>	<u>36</u>	<u>709</u>	<u>426</u>	<u>1,756</u>	<u>0</u>	<u>NA</u>
Income from Liquid Investments	0	896	0	0	0	0	NA
Income from Financial Investments	0	0	685	127	184	0	NA
Income from Non-Financial Investments	0	0	0	0	0	0	NA
Income from Grants	0	0	0	0	0	0	NA
Income from Other Sources	0	0	0	0	0	0	NA
<b>Gross Income</b>	<b>0</b>	<b>932</b>	<b>1,394</b>	<b>554</b>	<b>1,940</b>	<b>0</b>	<b>NA</b>
<b>COSTS/EXPENSES</b>							
<b>FINANCIAL COSTS</b>							
Interest Expense on Savings Deposits	0	260	728	215	494	0	NA
Insurance Premiums for Savings	0	0	0	0	0	0	NA
Taxes on Interest Paid For Savings	0	0	0	0	0	0	NA
<i>Financial Cost - Savings Deposits</i>	<i>0</i>	<i>260</i>	<i>728</i>	<i>215</i>	<i>494</i>	<i>0</i>	<i>NA</i>
Financial Cost on External Credit	0	0	0	0	0	0	NA
Financial Costs on Interbranch Leans	0	0	0	0	0	0	NA
Dividend Expense on Shares	0	0	0	0	0	0	NA
Insurance Premiums for Shares	0	0	0	0	0	0	NA
Taxes on Interest Paid for Shares	0	0	0	0	0	0	NA
<i>Financial Cost - Shares</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>NA</i>
Other Financial Costs	0	0	0	0	0	0	NA
<b>TOTAL FINANCIAL COSTS</b>	<u>0</u>	<u>260</u>	<u>728</u>	<u>215</u>	<u>494</u>	<u>0</u>	<u>NA</u>
<b>GROSS MARGIN</b>	<b>0</b>	<b>672</b>	<b>665</b>	<b>339</b>	<b>1,446</b>	<b>0</b>	<b>NA</b>
<b>OPERATING EXPENSES</b>							
Personnel	0	3,873	5,181	1,268	2,805	0	NA
Governance	0	0	0	0	0	0	NA
Marketing	0	75	0	0	0	0	NA
Administration	0	648	1,021	250	703	0	NA
Depreciation	0	0	0	0	0	0	NA
<b>TOTAL OPERATING EXPENSES</b>	<u>0</u>	<u>4,595</u>	<u>6,202</u>	<u>1,518</u>	<u>3,508</u>	<u>0</u>	<u>NA</u>
Provision for Risk Assets	0	13	82	58	242	0	NA
<b>NET INCOME FROM OPERATIONS</b>	<b>0</b>	<b>(3,936)</b>	<b>(5,619)</b>	<b>(1,237)</b>	<b>(2,304)</b>	<b>0</b>	<b>NA</b>
<b>OTHER INCOME / EXPENSE</b>							
Previous periods adjustments (Net)	0	0	0	0	0	0	NA
Extraordinary income (Net)	0	0	0	0	0	0	NA
<b>TOTAL OTHER INCOME/EXPENSE</b>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>NA</u>
Income Tax	0	0	0	0	0	0	NA
<b>Net Income/Loss</b>	<b>0</b>	<b>(3,936)</b>	<b>(5,619)</b>	<b>(1,237)</b>	<b>(2,304)</b>	<b>0</b>	<b>NA</b>

Joe,

USAID and the World Council of Credit Unions (WOCCU) are entering into negotiations for the proposed project—CREDIT UNION EMPOWERMENT AND STRENGTHENING (CUES) II: Restructuring the Philippine Credit Union System. WOCCU requests a pre-award cost authorization for the proposed project as set forth under Attachment B—Circular A-122, Selected Items of Cost, Number 38. WOCCU understands that pre-award costs are incurred at the recipient's risk and that USAID is under no obligation to reimburse such costs, if for any reason, the recipient does not receive funding for the proposed project.

The amount of the request is for \$40,842, and covers costs effective July 1 through September 30, 2002. Detail is provided below.

The approval of this request for pre-award costs would permit WOCCU to continue project activities that are currently being undertaken by CUES I; these activities are, to a significant degree, the same as being proposed under CUES II—Credit Union Restructuring Technical Program. Without approval of this request, CUES I will have to shutdown its operations. CUES II would then begin its operations with Project start-up activities, and this would unduly delay implementation of the CUES II technical programs to no one's benefit.

Salaries	\$ 5,806	
Benefits	1,684	
Local travel/vehicle operations	555	
Office rent/utilities	1,200	
Office/computer supplies	200	
Telecommunications		800
Delivery/postage	100	
Temporary services	250	
Bank fees/other	50	
Indirect costs	<u>2,969</u>	
Total		\$13,614 x 3 months = \$40,842

Thank you for your consideration of this request.

Curtis Slover  
WOCCU  
Business Development and Technical Services Manager

**FSH Savings House  
Membership Statistics  
As of June 30, 2002**

# Membership Data

As of June 30, 2002

FULM Savings House Regions	Male	Female	Total Full-Members
Central Office (0)	81	41	122
Kavadarci (5)	112	93	205
Nerashte (2)	164	41	205
Murtino (1)	342	97	439
JSP (3)	486	91	577
Shtip (8)	2	9	11
Debar (9)	5	0	5
Gostivar (4)	54	13	67
Kocani (6)	2	4	6
Bitola (7)	59	17	76
Kumanovo (12)	5	0	5
Prilep (13)	2	1	3
Gevgelija (14)	1	0	1
Ohrid (11)	0	0	0
	1315	407	1722
Percentages	76.36	23.64	