

# Financial Statements

April 30, 2002

# PRICEWATERHOUSECOOPERS

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## Report of the Independent Accountants

To the Board of Governors  
of the International Monetary Fund:

In our opinion, the accompanying balance sheets and the related statements of income, changes in resources and cash flows give a true and fair view of the financial condition of the General Department and the SDR Department of the International Monetary Fund (the "IMF") as at April 30, 2002 and 2001, and their respective results of operations and cash flows for the years then ended in conformity with International Accounting Standards. These financial statements are the responsibility of the IMF's management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with International Standards on Auditing, which require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 166 to 171 and 176 to 181 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audits of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

*PricewaterhouseCoopers LLP*

May 24, 2002

**General Department**  
**Balance Sheets**  
**as at April 30, 2002 and 2001**

(In thousands of SDRs)

	2002	2001	2002	2001
<b>Assets of the General Resources Account</b>				
Credit outstanding	52,080,697	42,219,061	Liabilities:	
Usable currencies	102,460,003	109,654,428	Remuneration payable	272,187
Other currencies	54,625,246	56,030,973	Other liabilities	120,750
Total currencies (Notes 3 and 4)	<u>209,165,946</u>	<u>207,904,462</u>	Special Contingent Account (Note 10)	<u>1,307,019</u>
SDR holdings	1,484,927	2,436,744	Total Liabilities	<u>1,699,956</u>
Gold holdings (Note 5)	5,851,771	5,851,771	Members' Resources:	
Receivables (Note 6)	500,670	561,562	Quotas, represented by:	
Other assets (Notes 7 and 14)	752,987	696,043	Reserve tranche positions (Notes 2 and 4)	55,327,139
			Subscription payments: Usable	102,460,003
			Other	<u>54,628,758</u>
			Total quotas	<u>212,415,900</u>
<b>Assets of the Special Disbursement Account</b>				
Investments and cash equivalents (Note 8)	2,537,301	2,405,928	Reserves of the General Resources Account	3,640,445
Structural Adjustment Facility loans (Note 3)	<u>341,692</u>	<u>432,526</u>	Accumulated resources of the Special Disbursement Account	<u>2,878,993</u>
Total Assets	<u>2,878,993</u>	<u>2,838,454</u>	Total Liabilities and Resources	<u>220,635,294</u>
				<u>220,289,036</u>

The accompanying notes are an integral part of these financial statements.

/s/ Eduard Brau  
*Treasurer*

/s/ Horst Köhler  
*Managing Director*

**General Department**  
**Income Statements**  
**for the Years Ended April 30, 2002 and 2001**  
*(In thousands of SDRs)*

	2002	2001
Income of the General Resources Account		
Operational Income		
Interest and charges (Note 6) .....	2,032,921	2,207,100
Interest on SDR holdings .....	41,284	112,514
Other charges and income (Note 6) .....	<u>157,496</u>	<u>68,699</u>
	<u>2,231,701</u>	<u>2,388,313</u>
Operational Expenses		
Remuneration (Note 9) .....	1,246,961	1,734,294
Allocation to the Special Contingent Account .....	<u>94,000</u>	<u>94,000</u>
	<u>1,340,961</u>	<u>1,828,294</u>
Administrative Expenses (Note 13) .....	<u>530,794</u>	<u>384,554</u>
Net Income of the General Resources Account .....	<u>359,946</u>	<u>175,465</u>
Income of the Special Disbursement Account		
Investment income .....	131,372	150,027
Interest on Structural Adjustment Facility loans .....	<u>1,131</u>	<u>1,389</u>
Net Income of the Special Disbursement Account .....	<u>132,503</u>	<u>151,416</u>

The accompanying notes are an integral part of these financial statements.

**General Department**  
**Statements of Changes in Resources**  
**for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	Quotas	General Resources Account		Total Reserves	Special Disbursement Account Accumulated Resources
		Special Reserve	General Reserve		
Balance at April 30, 2000	210,251,400	2,178,382	926,652	3,105,034	2,767,727
Quota subscriptions	2,163,500	—	—	—	—
Net income of the General Resources Account					
transferred to reserves	—	166,600	8,865	175,465	—
Net income of the Special Disbursement Account	—	—	—	—	151,416
Transfers from the Trust Fund	—	—	—	—	131
Transfers from the Supplementary Financing					
Facility Subsidy Account	—	—	—	—	104
Transfers to the PRGF Trust	—	—	—	—	(25,924)
Transfers to the PRGF-HIPC Trust	—	—	—	—	(55,000)
Balance at April 30, 2001	212,414,900	2,344,982	935,517	3,280,499	2,838,454
Quota subscriptions	1,000	—	—	—	—
Net income of General Resources Account					
transferred to reserves	—	46,242	313,704	359,946	—
Net income of the Special Disbursement Account	—	—	—	—	132,503
Transfers from the Trust Fund	—	—	—	—	191
Transfers from the Supplementary Financing					
Facility Subsidy Account	—	—	—	—	103
Transfers to the PRGF Trust	—	—	—	—	(30,658)
Transfers to the PRGF-HIPC Trust	—	—	—	—	(61,600)
Balance at April 30, 2002	212,415,900	2,391,224	1,249,221	3,640,445	2,878,993

The accompanying notes are an integral part of these financial statements.

**General Department**  
**Statements of Cash Flows**  
**for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	2002	2001
<b>Usable currencies and SDRs from operating activities</b>		
Net income of the General Resources Account .....	359,946	175,465
Net income of the Special Disbursement Account .....	132,503	151,416
Adjustments to reconcile net income to usable resources generated by operations		
Changes in receivables and other assets .....	3,948	(153,434)
Changes in remuneration payable and other liabilities .....	(149,227)	(6,529)
Allocation to the Special Contingent Account .....	94,000	94,000
Unrealized losses (gains) on investments .....	24,415	(28,587)
<b>Net usable currencies and SDRs provided by operating activities</b> .....	<b>465,585</b>	<b>232,331</b>
<b>Usable currencies and SDRs from investment activities</b>		
Net acquisition of investments by the Special Disbursement Account .....	(155,788)	(121,252)
<b>Net usable currencies and SDRs used by investment activities</b> .....	<b>(155,788)</b>	<b>(121,252)</b>
<b>Usable currencies and SDRs from credit to members</b>		
Purchases in currencies and SDRs, including reserve tranche purchases .....	(29,194,497)	(9,599,529)
Repurchases in currencies and SDRs .....	19,207,036	11,243,299
Repayments of Structural Adjustment Facility loans .....	90,834	79,112
<b>Net usable currencies and SDRs from credit to members</b> .....	<b>(9,896,627)</b>	<b>1,722,882</b>
<b>Usable currencies and SDRs from financing activities</b>		
Subscription payments in SDRs and usable currencies .....	250	1,746,500
Changes in composition of usable currencies .....	1,532,302	367,228
Transfers from SDA to the PRGF Trust, PRGF-HIPC Trust, and other accounts .....	(91,964)	(80,689)
<b>Net usable currencies and SDRs provided by financing activities</b> .....	<b>1,440,588</b>	<b>2,033,039</b>
Net (decrease) increase in usable currencies and SDRs .....	(8,146,242)	3,867,000
Usable currencies and SDRs, beginning of period .....	112,091,172	108,224,172
<b>Usable currencies and SDRs, end of period</b> .....	<b>103,944,930</b>	<b>112,091,172</b>

The accompanying notes are an integral part of these financial statements.

**General Department**  
**Notes to the Financial Statements**  
**as at April 30, 2002 and 2001**

**1. Purpose and Organization**

The IMF is an international organization of 183 member countries. It was established, among other purposes, to promote international monetary cooperation and exchange stability and to maintain orderly exchange arrangements among members; to foster economic growth and high levels of employment; and to provide temporary financial assistance to countries under adequate safeguards to help ease balance of payments adjustment. The IMF conducts its operations and transactions through the General Department and the Special Drawing Rights Department (the SDR Department). The General Department consists of the General Resources Account (GRA), the Special Disbursement Account (SDA), and the Investment Account. The latter has not been activated. The IMF also administers trusts and accounts established to perform financial and technical services and financial operations consistent with the purposes of the IMF. The resources of these trusts and accounts are contributed by members or the IMF through the SDA. The financial statements of the SDR Department and these trusts and accounts are presented separately.

**General Resources Account**

The GRA holds the general resources of the IMF. Its resources reflect the receipt of quota subscriptions, use and repayment of IMF credit, collection of charges on the use of credit, payment of remuneration on creditor positions, borrowings, and payment of interest and repayment of borrowings.

**Special Disbursement Account**

The assets and resources of the SDA are held separately from other accounts of the General Department. Resources of the SDA include transfers received from the Trust Fund, an account administered by the IMF, and part of the proceeds from the sales of the IMF's gold. There were no gold sales in financial year 2002 or 2001. Income from the investment of gold profits in the SDA is to be transferred, as needed, to the Poverty Reduction and Growth Facility–Heavily Indebted Poor Countries Trust (PRGF-HIPC Trust), in accordance with decisions of the IMF. The SDA also holds outstanding claims on loans extended under the Structural Adjustment Facility (SAF), which was established in March 1986 to provide balance of payments assistance on concessional terms to qualifying low-income developing country members.

Assets that exceed the financing needs of the SDA, excluding investments arising from the sales of gold undertaken pursuant to the 1999 decision on gold sales by the IMF, are transferred to the Reserve Account of the Poverty Reduction and Growth Facility Trust (PRGF Trust), which is administered separately by the IMF as trustee.

**2. Summary of Significant Accounting Policies**

**Basis of Presentation**

The financial statements of the IMF are prepared in accordance with International Accounting Standards (IAS).

Specific accounting principles and disclosure practices are explained further below. The preparation of financial statements in conformity with IAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

In financial year 2001, the IMF elected early adoption of IAS 39, *Financial Instruments: Recognition and Measurement*. The adoption of IAS 39 had no material effect on the IMF's financial statements.

**Revenue and Expense Recognition**

The financial statements are prepared on the accrual basis; accordingly, income is recognized as it is earned, and expenses are recorded as they are incurred.

**Unit of Account**

The financial statements are expressed in terms of SDRs. The value of the SDR is determined by the IMF each day by summing the values in U.S. dollars, based on market exchange rates, of the currencies in the SDR valuation basket. The IMF reviews the SDR valuation basket every five years. The latest review was completed in October 2000, and the new composition of the SDR valuation basket became effective on January 1, 2001. The value of the SDR in terms of U.S. dollars on the last business day prior to the change (December 29, 2000) was identical under both valuation baskets. The currencies in the basket as of April 30, 2002 and 2001 and their amounts were as follows:

Currency	Amount
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of April 30, 2002, one SDR was equal to 1.26771 U.S. dollars (one SDR was equal to 1.26579 U.S. dollars as of April 30, 2001).

**Credit Outstanding**

The IMF provides balance of payments assistance in accordance with established policies by selling to members, in exchange for their own currencies, SDRs or currencies of other members. When members make purchases, they incur obligations to repurchase the IMF's holdings of their currencies arising from the purchases within specified periods by payments in SDRs or other currencies, as determined by the IMF. Fund credit is subject to specific repayment schedules over periods which vary depending on the type of facility used. Repayment schedules comprise two elements: (i) repurchase expectations, aimed at securing early repayment from

members in a position to do so, in keeping with a long-standing principle of the IMF that its resources should be used only as long as there is a balance of payments need, and (ii) repurchase obligations. Repayments on the *expectation* schedules can be extended by a period of up to one year for Stand-By and Supplemental Reserve Facility (SRF) purchases or three years for Extended Fund Facility (EFF) purchases, upon a member's request if its external position is not sufficiently strong. The IMF approved two such requests from Argentina to extend by one year SRF repayments due on January 17, 2002 for an amount of SDR 741 million and, subsequent to year-end, on May 22, 2002 an amount of SDR 106 million. A member is considered overdue after failure to make payment at the date of a repurchase expectation if a waiver is not granted, or after failure to make payment on a repurchase obligation. Failure to obtain a waiver for payment according to the repurchase expectations schedule date without the granting of a waiver by the IMF would result, *inter alia*, in a suspension of the right to make further purchases, including prospective purchases under an existing arrangement. The IMF's policies on the use of its general resources are intended to ensure that their use is temporary and will be reversed within agreed-upon repurchase periods.

A member is entitled to repurchase, at any time, the IMF's holdings of its currency on which charges are levied and is expected to make repurchases as and when its balance of payments and reserve position improve.

**Overdue Obligations and the First Special Contingent Account**  
It is the policy of the IMF to exclude from current income, charges due by members that are six months or more overdue in meeting payments to the IMF, unless these members are current in the payment of charges.

Debtor and creditor members share equally the financial consequences of overdue obligations under a mechanism referred to as burden sharing. The IMF generates compensating income equal to unpaid and deferred charges, excluding special charges, by adjusting the rates of charge and remuneration. Members that have borne the financial consequences of overdue charges will receive refunds only to the extent that overdue charges that had given rise to burden sharing adjustments are settled, and these amounts are therefore not presented as liabilities. In view of the risk resulting from overdue credit, the IMF also accumulates precautionary balances in the first Special Contingent Account (SCA-1). Allocations to the SCA-1 are financed by further adjustments to the rates of charge and remuneration and charged to the Income Statement (see Note 10).

#### Currencies

Currencies consist of members' currencies and securities held by the IMF. Each member has the option to substitute non-negotiable and non-interest-bearing securities for the IMF's holdings of its currency that exceed  $\frac{1}{4}$  of 1 percent of the member's quota. These securities are encashable by the IMF on demand.

Each member is required to pay to the IMF its initial quota and subsequent quota increases partly in its own currency, with the remainder to be paid in usable currencies prescribed by the IMF, or SDRs. One exception was the quota increase of 1978, which was paid entirely in members' own currencies.

#### Usable Currencies

Usable currencies consist of currencies of members considered by the IMF to have strong balance of payment and reserve positions. These currencies are included in the IMF's financial transactions plan to finance purchases and other transfers of the IMF. Participation in the financial transactions plan is reviewed on a quarterly basis.

#### Valuation of Currencies

Currencies, including securities, are valued in terms of the SDR on the basis of the currency/SDR exchange rate determined for each currency. Securities are not marketable, but can be converted into cash on demand. Each member is obligated to maintain, in terms of the SDR, the SDR value of the balances of its currency held by the IMF in the GRA. This requirement is referred to as the maintenance-of-value obligation. Whenever the IMF revalues its holdings of a member's currency, a receivable or a payable is established for the amount required to maintain the SDR value of the IMF's holdings of that currency. The currency balances in the balance sheet include these receivables and payables. All currencies were revalued in terms of the SDR on April 30, 2002 and 2001.

#### SDR Holdings

Although SDRs are not allocated to the IMF, the IMF may acquire, hold, and dispose of SDRs through the GRA. The IMF receives SDRs from members in the settlement of their financial obligations to the IMF and uses SDRs in transactions and operations with members. The IMF earns interest on its SDR holdings at the same rate as all other holders of SDRs.

#### SDR Interest Rate

The SDR interest rate is determined weekly by reference to a combined market interest rate, which is a weighted average of yields on short-term instruments in the capital markets of the euro area, Japan, the United Kingdom, and the United States.

#### Gold Holdings

The Articles of Agreement limit the use of gold in the IMF's operations and transactions. Any use provided for in the Articles requires a decision supported by an 85 percent majority of the total voting power. In accordance with the provisions of the Articles, whenever the IMF sells gold held on the date of the Second Amendment of the IMF's Articles of Agreement (April 1, 1978), the portion of the proceeds equivalent at the time of sale to one SDR per 0.888671 gram of fine gold, which is equal to SDR 35 per fine troy ounce, must be placed in the GRA. Any excess over this value will be held in the SDA or transferred to the Investment Account. The IMF may also sell gold held on the date of the Second Amendment to those members that were members on August 31, 1975, in proportion to their quotas on that date, in exchange for their own currencies, at a price equivalent at the time of sale to one SDR per 0.888671 gram of fine gold.

The IMF values its gold holdings at historical cost using the specific identification method (see Note 5).

#### SAF Loans in the Special Disbursement Account

SAF loans in the SDA are held at historical cost. Allowances for loan losses would be established if and when the IMF expected to incur a loss; no losses have been incurred in the

past, and it is the current expectation that no losses will be incurred in the future. Repayments of all SAF loans are transferred to the PRGF Trust Reserve Account when received.

#### *Investments in the Special Disbursement Account*

The resources of the SDA are invested pending their use. Investments are made in debt securities, medium-term instruments which are fixed-income securities, and fixed-term deposits, either directly or by participation in an investment pool. Debt securities comprise securities issued by national financial organizations and domestic government bonds in the euro area, Japan, the United Kingdom and the United States; and securities issued by certain international financial institutions. Medium-term instruments offer a spread over domestic government bonds in the euro, Japanese yen, U.S. dollar and pound sterling. Investments are marked to market on the last business day of the accounting period. Purchases are valued and reflected on the trade date basis and sales are based on the actual settlement date valuations. Investment income comprises interest earned on investments, realized and unrealized gains and losses on investments, and currency valuation differences arising from exchange rate movements against the SDR.

Interest rate risk is managed by limiting the investment portfolio to a weighted average effective duration that does not exceed three years. Currency risk is minimized by investing in securities denominated in SDRs or in the constituent currencies of the SDR valuation basket. Risk is further minimized by ensuring that the currency composition of the investment portfolio matches, as closely as possible, the currency composition of the SDR valuation basket.

#### *Fixed Assets*

Fixed assets with a cost in excess of a threshold amount are capitalized at cost. Buildings and equipment are depreciated using the straight-line method over the estimated useful lives of the assets, which range from 3 years for equipment to 30 years for buildings.

#### *Quotas*

Each member is assigned a quota that forms the basis of its financial and organizational relationship with the IMF. A member's quota is related to, but not strictly determined by, economic factors such as national income, the value of external trade and payments, and the level of official reserves. Quotas determine members' subscriptions to the IMF, their relative voting power, access to financing, and their share in SDR allocations. Should a member withdraw from the Fund, quotas are repayable to the extent they are not needed to settle other net obligations of the member to the Fund.

#### *Reserve Tranche Position*

A member has a reserve tranche in the IMF when the IMF's holdings of its currency, excluding holdings that reflect the member's use of IMF credit, are less than the member's quota. A member's reserve tranche is considered a part of the member's external reserves and the member may draw on the reserve tranche at any time when it represents that it has a balance of payments need. Reserve tranche purchases are not considered a use of IMF credit and are not subject to repurchase obligations or charges.

#### *Reserves*

The IMF determines annually what part of its net income will be retained and placed to the General Reserve or the Special Reserve, and what part, if any, will be distributed. The Articles of Agreement permit the IMF to use the Special Reserve for any purpose for which it may use the General Reserve, except distribution. After meeting the expenses of conducting the PRGF Trust, net operational income generated from the surcharges on purchases under the SRF, the credit tranches, and the EFF, have been transferred to the General Reserve. All other income has been transferred to the Special Reserve.

#### *Charges*

The IMF levies periodic charges on members' use of IMF credit. The rate of charge is set as a proportion of the SDR interest rate. For financial year 2002, the basic rate of charge after the retroactive reduction in charges was 116.4 percent (113.7 percent during financial year ended April 30, 2001) of the SDR interest rate. The basic rate of charge is increased to offset the effect on the IMF's income of the deferral of unpaid charges and to finance the additions to the SCA-1. The average adjusted rate of charge before applicable surcharges for financial year 2002 was 3.44 percent (for financial year 2001 the average rate was 5.26 percent). A surcharge progressing from 150 to 500 basis points above the rate of charge applies to use of credit under the SRF and the Contingent Credit Lines (CCL). In addition, credit outstanding in excess of 200 percent of quota, resulting from purchases after November 28, 2000 in the credit tranches and under the EFF (other than those under the SRF and CCL), is subject to a surcharge of 100–200 basis points. Special charges are levied on members' currency holdings that are not repurchased when due and on overdue charges. Special charges do not apply to members that are six months or more overdue to the IMF. A service charge is levied by the IMF on all purchases, except reserve tranche purchases. A refundable commitment fee is charged on Stand-By and Extended Arrangements. At the expiration or cancellation of an arrangement, the unrefunded portion of the commitment fee is taken into income.

#### *Remuneration*

The IMF pays interest, referred to as remuneration, on a member's reserve tranche position. The rate of remuneration is equal to the SDR interest rate, adjusted downward to finance a share of the nonpayment of charges and additions to the SCA-1. The average adjusted rate of remuneration for the financial year ended April 30, 2002 was 2.65 percent (4.30 percent for the financial year 2001). A portion of the reserve tranche is unremunerated and is equal to 25 percent of the member's quota on April 1, 1978—that part of the quota that was paid in gold prior to the Second Amendment of the Fund's Articles. For a member that joined the Fund after that date, the unremunerated reserve tranche is the same percentage of its initial quota as the average unremunerated reserve tranche was as a percentage of the quotas of all other members when the new member joined the Fund. The unremunerated reserve tranche remains fixed for each member in nominal terms, but because of subsequent quota increases, it is now significantly lower when expressed as a percentage of quota. The average is equal to 3.8 percent of

quota at April 30, 2002 and 2001, but the actual percentage is different for each member.

#### Pension and Other Post-Retirement Obligations

The IMF operates two defined-benefit pension plans and provides post-retirement benefits to retired staff.

The pension plans are funded by payments from the staff and the IMF, taking into account the recommendations of independent actuaries. Assets of the plans are held in separate trustee-managed funds and are measured at fair value as of the balance sheet date. Pension obligations are measured using the Projected Unit Credit Method, which measures the present value of the estimated future cash outflows, using interest rates of government securities that have maturities approximating the terms of the pension liabilities.

The assets set aside for the provision of post-retirement benefits are held in an investment account administered by the IMF. This account is funded by contributions from the IMF. The expected costs of the post-retirement medical and life insurance benefits are accrued over the period of employment using the Projected Unit Credit Method. Valuations of these obligations are carried out by independent actuaries.

#### Comparatives

When necessary, comparative figures have been reclassified to conform with changes in the presentation of the current year.

### 3. Credit Outstanding

Changes in the outstanding use of IMF credit under the various facilities of the GRA during the years ended April 30, 2002 and 2001 were as follows:

	April 30, 2000		April 30, 2001		April 30, 2002	
	Purchases	Repurchases	Purchases	Repurchases	Purchases	Repurchases
<i>In millions of SDRs</i>						
Regular facilities	20,968	4,396	(8,058)	16,706	17,219	(5,698)
Extended Fund Facility	16,361	1,013	(1,417)	15,957	959	(1,425)
Supplemental Reserve Facility	—	4,085	—	4,085	10,891	(9,101)
Systemic Transformation Facility	2,718	—	(785)	1,933	—	(622)
Enlarged Access	752	—	(322)	430	—	(109)
Compensatory and Contingency Financing Facility	3,032	—	(40)	2,992	—	(2,246)
Supplementary Financing Facility	137	—	(21)	116	—	(6)
Total credit outstanding	<u>43,968</u>	<u>9,494</u>	<u>(11,243)</u>	<u>42,219</u>	<u>29,069</u>	<u>(19,207)</u>
	<u><u>52,081</u></u>					

As of April 30, 2002 and 2001, SDA loans and interest receivable computed at 0.5 percent a year, consisted of the following:

	2002		2001		
	<i>In millions of SDRs</i>				
<i>In millions of SDRs</i>					
Structural Adjustment Facility loans	341		432		
Interest accrued	8		8		
Less: interest deferred	(8)		(7)		
	<u>341</u>		<u>433</u>		

Scheduled repurchases in the GRA and repayments of SAF loans in the SDA are summarized below:

Financial Year Ending April 30	General Resources Account	Special Disbursement Account
<i>In millions of SDRs</i>		
2003	12,882	62
2004	9,649	51
2005	13,801	40
2006	8,906	36
2007	2,462	—
2008 and beyond	3,500	—
Overdue	<u>881</u>	<u>152</u>
Total	<u><u>52,081</u></u>	<u><u>341</u></u>

As of April 30, 2002 and 2001, use of credit in the GRA by the largest users was as follows:

	2002		2001	
	<i>In millions of SDRs and as a percent of total GRA credit outstanding</i>			
Largest user of credit	14,510	27.9%	8,546	20.2%
Three largest users of credit	32,337	62.1%	22,308	52.8%
Five largest users of credit	41,143	79.0%	28,728	68.0%

#### Overdue Obligations

At April 30, 2002, seven members (as of April 30, 2001, six members) were six months or more overdue in settling their financial obligations to the IMF. Five (four members as of April 30, 2001) of these members were overdue to the General Department.

GRA repurchases, GRA charges, SAF loan repayments, and SAF interest that are six or more months overdue in the General Department were as follows:

	Repurchases and SAF Loans		Charges and SAF Interest	
	2002	2001	2002	2001
<i>In millions of SDRs</i>				
Total overdue	1,033	1,011	1,055	1,017
Overdue for six months or more	1,010	1,011	1,039	992
Overdue for three years or more	977	985	930	886

The type and duration of the overdue amounts in the General Department as of April 30, 2002, were as follows:

	Repurchases and SAF Loans	Charges and SAF Interest	Total	Longest Overdue Obligation
	2002	2001	2002	2001
<i>In millions of SDRs</i>				
Congo, Democratic Republic of	300	83	383	May 1991
Liberia	201	240	441	May 1985
Somalia	106	91	197	July 1987
Sudan	379	636	1,015	July 1985
Zimbabwe	47	5	52	February 2001
Total	<u>1,033</u>	<u>1,055</u>	<u>2,088</u>	

#### 4. Currencies

Changes in the IMF's holdings of members' currencies for the years ended April 30, 2002 and 2001 were as follows:

	April 30, 2000	Net Change	April 30, 2001	Net Change	April 30, 2002
<i>In millions of SDRs</i>					
Members' quotas	210,251	2,164	212,415	1	212,416
Members' outstanding use of IMF credit in the GRA	43,913	(1,694)	42,219	9,862	52,081
Members' reserve tranche positions in the GRA	(48,872)	2,139	(46,733)	(8,594)	(55,327)
Administrative currency balances	<u>(3)</u>	<u>6</u>	<u>3</u>	<u>(7)</u>	<u>(4)</u>
Currencies	<u>205,289</u>	<u>2,615</u>	<u>207,904</u>	<u>1,262</u>	<u>209,166</u>

Receivables and payables arising from valuation adjustments at April 30, 2002, when all holdings of currencies of members were last revalued, amounted to SDR 17,953 million and SDR 3,648 million, respectively (SDR 14,736 million and SDR 3,886 million, respectively, at April 30, 2001). Settlements of these receivables or payables are required to be made promptly after the end of each financial year.

Other currency holdings, other than those resulting from the use of credit or usable currencies, amounted to SDR 54,625 million (SDR 56,031 million as of April 30, 2001); of this amount SDR 28,996 million (SDR 33,129 million as of April 30, 2001) represents currencies of members that use IMF credit.

#### 5. Gold Holdings

At April 30, 2002 and April 30, 2001, the IMF held 3,217,341 kilograms of gold, equal to 103,439,916 fine ounces of gold, at designated depositories. As of April 30, 2002, the value of the IMF's holdings of gold calculated at the market price was SDR 25.1 billion (SDR 21.5 billion at April 30, 2001).

#### 6. Interest and Charges

As of April 30, 2002, the total holdings on which the IMF levies charges amounted to SDR 52,081 million (SDR 42,219 million as of April 30, 2001). Charges and other receivables due to the IMF as of April 30, 2002 and 2001 were as follows:

	2002	2001
<i>In millions of SDRs</i>		
Periodic charges	1,546	1,560
<i>Less: deferred income</i>	<u>(1,053)</u>	<u>(1,020)</u>
	493	540
Other receivables	<u>8</u>	<u>22</u>
Receivables	<u>501</u>	<u>562</u>

Periodic charges for the years ended April 30, 2002 and 2001 consisted of the following:

	2002	2001
<i>In millions of SDRs</i>		
Periodic charges	2,002	2,174
<i>Add: adjustments for deferred charges, net of refunds, and for contributions to the SCA-1</i>	64	60
<i>Less: income deferred, net of settlements</i>	<u>(33)</u>	<u>(27)</u>
Total periodic charges	<u>2,033</u>	<u>2,207</u>

Special charges, service charges and the unrefunded commitment fees are included in *Other Charges and Income* which amounted to SDR 157 million (SDR 69 million for the year ended April 30, 2001).

#### 7. Fixed Assets

Other assets include capital assets, which at April 30, 2002 and 2001 amounted to SDR 238 million and SDR 223 million, respectively, and consisted of:

	2002	2001
<i>In millions of SDRs</i>		
Land and buildings	314	307
Equipment	<u>45</u>	<u>46</u>
Total fixed assets	359	353
<i>Less: accumulated depreciation</i>	<u>(121)</u>	<u>(130)</u>
Net fixed assets	<u>238</u>	<u>223</u>

#### 8. Investments and Cash Equivalents

As at April 30, the investments in the SDA consisted of the following:

	2002	2001
<i>In millions of SDRs</i>		
Fixed-term deposits	2,537	39
Medium-term instruments	—	1,601
Debt securities	—	766
Total	<u>2,537</u>	<u>2,406</u>

Included in fixed-term deposits are cash equivalents amounting to SDR 2,166 million (SDR 39 million as at April 30, 2001) comprising short-term deposits with maturities of less than ninety days.

As at April 30, the maturity profile of the investments is summarized below:

	2002	2001
<i>In millions of SDRs</i>		
Less than 1 year	2,537	39
1–3 years	—	2,247
3–5 years	—	117
Over 5 years	—	3
Total	<u>2,537</u>	<u>2,406</u>

Investment income for the years ended April 30 included the following:

	2002	2001
<i>In millions of SDRs</i>		
Interest income	96	110
Realized gains	60	11
Unrealized (losses)/gains	<u>(25)</u>	<u>29</u>
Total income	<u>131</u>	<u>150</u>

#### 9. Remuneration

At April 30, 2002, total creditor positions on which the IMF paid remuneration amounted to SDR 48,817 million (SDR 40,176 million at April 30, 2001). Remuneration for the years ended April 30, 2002 and 2001 consisted of the following:

	2002	2001
	<i>In millions of SDRs</i>	
Remuneration	1,311	1,794
<i>Less: adjustments for deferred charges net of refunds, and for contributions to the SCA-1</i>	<u>(64)</u>	<u>(60)</u>
	<u>1,247</u>	<u>1,734</u>

### 10. Deferred Income and the First Special Contingent Account

The SCA-1 is financed by quarterly adjustments to the rate of charge and the rate of remuneration. Balances in the SCA-1 are to be distributed to the members that shared the cost of its financing when there are no outstanding overdue repurchases and charges, or at such earlier time as the IMF may decide. At April 30, 2002, the balances held in the SCA-1 amounted to SDR 1,307 million (SDR 1,213 million at April 30, 2001).

Cumulative charges, net of settlements, that have been deferred since May 1, 1986 and have resulted in adjustments to charges and remuneration amounted to SDR 865 million at April 30, 2002 (SDR 832 million at April 30, 2001). The cumulative refunds for the same period, resulting from the settlements of deferred charges for which burden sharing adjustments have been made, amounted to SDR 994 million (SDR 993 million at April 30, 2001).

### 11. Borrowings

Under the General Arrangements to Borrow (GAB), the IMF may borrow up to SDR 18.5 billion when supplementary resources are needed, in particular, to forestall or to cope with an impairment of the international monetary system. The GAB became effective on October 24, 1962, and has been extended through December 25, 2003. Interest on borrowings under the GAB is calculated at a rate equal to the SDR interest rate.

Under the New Arrangements to Borrow (NAB), the IMF may borrow up to SDR 34 billion of supplementary resources. The NAB is the facility of first and principal recourse, but it does not replace the GAB, which will remain in force. Outstanding drawings and commitments under these two borrowing arrangements are limited to a combined total of SDR 34 billion. The NAB became effective for a five-year period on November 17, 1998 and was activated on December 2, 1998. Interest on borrowings under the NAB is payable to the participants at the SDR interest rate or any such higher rate as may be agreed between the IMF and participants representing 80 percent of the total credit arrangement.

### 12. Arrangements and Commitments in the General Department

An arrangement is a decision of the IMF that gives a member the assurance that the IMF stands ready to provide SDRs or usable currencies during a specified period and up to a specified amount, in accordance with the terms of the arrangement. Credit under these arrangements is subject to interest and charges that are uniform to all members and that reflect the cost to the IMF of financing such credit, plus a margin. In addition, certain surcharges may apply. At April 30, 2002, the undrawn balances under the 17 arrangements that were in effect in the GRA amounted to SDR 26,908 million (SDR 22,316 million under 25 arrangements at April 30, 2001).

The IMF has committed to lease commercial office space through 2005. Expenditures totaling SDR 32 million will be incurred over this period.

### 13. Administrative Expenses

The administrative expenses for the years ended April 30, 2002 and 2001 were as follows:

	2002	2001
	<i>In millions of SDRs</i>	
Personnel	338	302
Pension and other related expenses/(income)	5	(90)
Travel	73	69
Other	117	106
<i>Less: reimbursements for the administration of the SDR Department</i>	<u>(2)</u>	<u>(2)</u>
Total administrative expenses, net of reimbursements	<u>531</u>	<u>385</u>

The majority of these expenses are incurred in U.S. dollars; exchange gains and losses incurred in the normal course of business are reflected in administrative expenses and are not significant.

The GRA is reimbursed for the cost of administering the SDR Department.

The GRA is to be reimbursed annually for expenses incurred in administering the SDA and the PRGF Trust. Following the establishment of the SRF and CCL and the consequent increase in net operational income, the Executive Board decided to forgo reimbursement of the expenses incurred in administering the PRGF Trust for financial years 2002 and 2001 and to transfer the amounts that would otherwise have been reimbursed to the GRA from the PRGF Trust Reserve Account, through the SDA, to the PRGF-HIPC Trust. These transfers amounted to SDR 61.6 million for financial year 2002 (SDR 55 million for financial year 2001) and have been included under transfers to the PRGF-HIPC Trust in the statement of changes in resources.

### 14. Pension and Other Post-Retirement Benefits

The IMF has a defined-benefit Staff Retirement Plan (SRP) that covers substantially all eligible staff and a Supplemental Retirement Benefits Plan (SRBP) for selected participants of the SRP. Participants contribute a fixed percentage of their pensionable remuneration. The IMF contributes the remainder of the cost of funding the plans and pays certain administrative costs of the plans. In addition, the IMF provides other employment and post-retirement benefits, including medical and life insurance benefits. In 1995, the IMF established a separate account, the Retired Staff Benefits Investment Account (RSBIA), to hold and invest resources set aside to fund the cost of these employment benefits.

On March 23, 2001, the RSBIA was amended to include the funding and administration of all existing long-term benefits, other than pension benefits for regular staff, including separation and repatriation benefits, accrued annual leave up to 60 days, payments in lieu of pension for contractual employees, and associated tax allowances.

The obligations of the SRP, SRBP, and RSBIA are valued by independent actuaries every year using the Projected Unit

Credit Method. The latest actuarial valuations were carried out as at April 30, 2002. The key assumptions used are as shown below. The present value of the defined-benefit obligation and current service cost was calculated using the Projected Unit Credit Method.

Amounts recognized in the balance sheets are as follows:

	2002	2001
	<i>In millions of SDRs</i>	
Fair value of plan assets	3,099	3,200
Present value of the defined-benefit obligation	(2,884)	(2,538)
Unrecognized actuarial (losses)/gains	242	(231)
Unrecognized prior service cost	13	—
Net balance sheet asset	<u>470</u>	<u>431</u>

Movement in the net balance sheets asset:

	2002	2001
	<i>In millions of SDRs</i>	
Net balance sheet asset, beginning of year	431	223
Reclassification of related liability	—	(6)
Income/(expense) recognized in income statement	(5)	90
Contributions paid	<u>44</u>	<u>124</u>
Net balance sheet asset, end of year	<u>470</u>	<u>431</u>

The amounts recognized in the income statements are as follows:

	2002	2001
	<i>In millions of SDRs</i>	
Current service cost	116	90
Interest cost	186	184
Expected return on assets	(295)	(321)
Amortization of actuarial gain	(2)	(43)
Total expense/(gain) recognized in income statement	<u>5</u>	<u>(90)</u>
Actual (loss)/return on assets	<u>(79)</u>	<u>315</u>

Principal actuarial assumptions used:

	2002	2001
	<i>In percent</i>	
Discount rate	7.5	7.5
Expected return on plan assets	9.3	9.3
Future salary increases	6.4–10.8	6.6–11.0
Ultimate health care costs growth rates	5.5	5.5

## Schedule 1

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,  
and Members' Use of Resources**  
**as at April 30, 2002**

*(In thousands of SDRs)*

Member	General Resources Account				Use of Resources				
	Quota	IMF's holdings of currencies <sup>1</sup>		Reserve tranche position	GRA		PRGF Trust <sup>4</sup>		
		Total	Percent of quota		(A)	Amount Percent <sup>2</sup>	SDA <sup>3</sup>	+	Total <sup>5</sup>
Afghanistan, Islamic State of	120,400	115,488	95.9	4,928	—	—	—	—	—
Albania	48,700	48,659	99.9	3,355	3,309	0.01	—	59,441	62,750
Algeria	1,254,700	2,328,433	185.6	85,082	1,158,813	2.23	—	—	1,158,813
Angola	286,300	286,445	100.1	—	—	—	—	—	—
Antigua and Barbuda	13,500	13,499	100.0	1	—	—	—	—	—
Argentina	2,117,100	12,966,922	612.5	11	10,849,821	20.83	—	—	10,849,821
Armenia, Republic of	92,000	110,286	119.9	—	18,281	0.04	—	114,287	132,568
Australia	3,236,400	2,098,119	64.8	1,138,329	—	—	—	—	—
Austria	1,872,300	1,233,300	65.9	638,949	—	—	—	—	—
Azerbaijan	160,900	294,811	183.2	10	133,911	0.26	—	98,000	231,911
Bahamas, The	130,300	124,063	95.2	6,239	—	—	—	—	—
Bahrain, Kingdom of	135,000	67,463	50.0	67,568	—	—	—	—	—
Bangladesh	533,300	618,978	116.1	186	85,859	0.16	—	14,375	100,234
Barbados	67,500	62,758	93.0	4,752	—	—	—	—	—
Belarus, Republic of	386,400	438,975	113.6	20	52,575	0.10	—	—	52,575
Belgium	4,605,200	3,080,484	66.9	1,524,724	—	—	—	—	—
Belize	18,800	14,562	77.5	4,239	—	—	—	—	—
Benin	61,900	59,721	96.5	2,188	—	—	1,750	55,547	57,297
Bhutan	6,300	5,280	83.8	1,020	—	—	—	—	—
Bolivia	171,500	162,638	94.8	8,875	—	—	—	161,793	161,793
Bosnia and Herzegovina	169,100	254,435	150.5	—	85,330	0.16	—	—	85,330
Botswana	63,000	40,833	64.8	22,177	—	—	—	—	—
Brazil	3,036,100	6,285,891	207.0	—	3,249,138	6.24	—	—	3,249,138
Brunei Darussalam	150,000	114,727	76.5	35,285	—	—	—	—	—
Bulgaria	640,200	1,434,866	224.1	32,778	827,424	1.59	—	—	827,424
Burkina Faso	60,200	52,957	88.0	7,246	—	—	6,636	89,005	95,641
Burundi	77,000	76,641	99.5	360	—	—	—	1,934	1,934
Cambodia	87,500	89,063	101.8	—	1,563	—	—	66,985	68,548
Cameroon	185,700	185,152	99.7	553	—	—	—	209,880	209,880
Canada	6,369,200	4,154,014	65.2	2,215,117	—	—	—	—	—
Cape Verde	9,600	9,598	100.0	2	—	—	—	1,230	1,230
Central African Republic	55,700	55,584	99.8	116	—	—	—	24,480	24,480
Chad	56,000	55,719	99.5	282	—	—	—	77,230	77,230
Chile	856,100	550,495	64.3	305,605	—	—	—	—	—
China	6,369,200	4,420,415	69.4	1,948,831	—	—	—	—	—
Colombia	774,000	488,202	63.1	285,803	—	—	—	—	—
Comoros	8,900	8,362	94.0	540	—	—	540	—	540
Congo, Democratic Republic of	291,000	448,109	154.0	—	157,109	0.30	142,910	—	300,019
Congo, Republic of	84,600	99,178	117.2	536	15,100	0.03	—	12,506	27,606
Costa Rica	164,100	144,113	87.8	20,000	—	—	—	—	—
Côte d'Ivoire	325,200	324,884	99.9	320	—	—	—	421,795	421,795
Croatia, Republic of	365,100	448,876	122.9	159	83,933	0.16	—	—	83,933
Cyprus	139,600	94,238	67.5	45,369	—	—	—	—	—
Czech Republic	819,300	698,858	85.3	120,451	—	—	—	—	—
Denmark	1,642,800	1,048,357	63.8	594,446	—	—	—	—	—

Schedule 1 (*continued*)

Member	General Resources Account				Use of Resources				
	Quota	IMF's holdings of currencies <sup>1</sup>		Reserve tranche position	GRA		PRGF		
		Total	Percent of quota		(A)	Percent <sup>2</sup>	SDA <sup>3</sup>	Trust <sup>4</sup>	Total <sup>5</sup>
Djibouti	15,900	17,485	110	1,100	2,685	0.01	—	9,087	11,772
Dominica	8,200	8,192	99.9	9	—	—	—	—	—
Dominican Republic	218,900	253,636	115.9	3	34,738	0.07	—	—	34,738
Ecuador	302,300	511,879	169.3	17,153	226,730	0.44	—	—	226,730
Egypt	943,700	943,716	100.0	—	—	—	—	—	—
El Salvador	171,300	171,303	100.0	—	—	—	—	—	—
Equatorial Guinea	32,600	32,609	100.0	—	—	—	1,032	440	1,472
Eritrea	15,900	15,900	100.0	5	—	—	—	—	—
Estonia, Republic of	65,200	73,914	113.4	6	8,719	0.02	—	—	8,719
Ethiopia	133,700	126,555	94.7	7,169	—	—	16,958	86,576	103,534
Fiji	70,300	55,300	78.7	15,004	—	—	—	—	—
Finland	1,263,800	831,296	65.8	432,559	—	—	—	—	—
France	10,738,500	7,004,568	65.2	3,733,980	—	—	—	—	—
Gabon	154,300	213,770	138.5	179	59,643	0.11	—	—	59,643
Gambia, The	31,100	29,618	95.2	1,485	—	—	—	20,610	20,610
Georgia	150,300	180,362	120.0	10	30,063	0.06	—	190,725	220,788
Germany	13,008,200	8,563,891	65.8	4,444,321	—	—	—	—	—
Ghana	369,000	369,004	100.0	—	—	—	—	275,505	275,505
Greece	823,000	553,132	67.2	269,870	—	—	—	—	—
Grenada	11,700	11,701	100.0	—	—	—	—	—	—
Guatemala	210,200	210,206	100.0	—	—	—	—	—	—
Guinea	107,100	107,026	99.9	75	—	—	—	97,215	97,215
Guinea-Bissau	14,200	17,750	125.0	—	3,550	0.01	—	14,740	18,290
Guyana	90,900	90,902	100.0	—	—	—	3,198	70,900	74,098
Haiti	60,700	73,924	121.8	56	13,278	0.03	—	15,175	28,453
Honduras	129,500	162,437	125.4	8,627	41,563	0.08	—	125,250	166,813
Hungary	1,038,400	716,447	69.0	321,954	—	—	—	—	—
Iceland	117,600	99,021	84.2	18,580	—	—	—	—	—
India	4,158,200	3,669,478	88.2	488,776	—	—	—	—	—
Indonesia	2,079,300	8,910,394	428.5	145,478	6,976,572	13.40	—	—	6,976,572
Iran, Islamic Republic of	1,497,200	1,497,203	100.0	—	—	—	—	—	—
Iraq	504,000	504,013	100.0	—	—	—	—	—	—
Ireland	838,400	546,847	65.2	291,570	—	—	—	—	—
Israel	928,200	705,848	76.0	222,359	—	—	—	—	—
Italy	7,055,500	4,392,166	62.3	2,663,338	—	—	—	—	—
Jamaica	273,500	302,550	110.6	—	29,000	0.06	—	—	29,000
Japan	13,312,800	8,831,949	66.3	4,481,278	—	—	—	—	—
Jordan	170,500	499,749	293.1	52	329,299	0.63	—	—	329,299
Kazakhstan, Republic of	365,700	365,700	100.0	5	—	—	—	—	—
Kenya	271,400	258,864	95.4	12,557	—	—	—	78,647	78,647
Kiribati	5,600	5,601	100.0	—	—	—	—	—	—
Korea	1,633,600	1,404,759	86.0	228,845	—	—	—	—	—
Kuwait	1,381,100	888,033	64.3	493,067	—	—	—	—	—
Kyrgyz Republic	88,800	96,863	109.1	5	8,063	0.02	—	129,317	137,380
Lao People's Democratic Republic	52,900	52,900	100.0	—	—	—	586	32,520	33,106
Latvia, Republic of	126,800	143,921	113.5	55	17,156	0.03	—	—	17,156
Lebanon	203,000	184,168	90.7	18,833	—	—	—	—	—
Lesotho	34,900	31,365	89.9	3,539	—	—	—	14,049	14,049
Liberia	71,300	272,213	381.8	28	200,932	0.39	—	—	223,822
Libya	1,123,700	728,206	64.8	395,505	—	—	—	—	—
Lithuania, Republic of	144,200	252,430	175.1	16	108,244	0.21	—	—	108,244
Luxembourg	279,100	180,181	64.6	98,946	—	—	—	—	—
Macedonia, former Yugoslav Republic of	68,900	95,197	138.2	—	26,295	0.05	—	29,004	55,299
Madagascar	122,200	122,174	100.0	27	—	—	—	101,374	101,374
Malawi	69,400	67,132	96.7	2,271	—	—	—	56,578	56,578

Schedule 1 (*continued*)

Member	General Resources Account				Use of Resources				
	Quota	IMF's holdings of currencies <sup>1</sup>		Reserve tranche position	GRA		PRGF Trust <sup>4</sup>		Total <sup>5</sup> (D)
		Total	Percent of quota		Amount (A)	Percent <sup>2</sup> (B)	SDA <sup>3</sup> + (B)	+	
Malaysia	1,486,600	878,450	59.1	608,156	—	—	—	—	—
Maldives	8,200	6,646	81.0	1,554	—	—	—	—	—
Mali	93,300	84,467	90.5	8,835	—	—	2,032	126,043	128,075
Malta	102,000	61,745	60.5	40,260	—	—	—	—	—
Marshall Islands	3,500	3,500	100.0	1	—	—	—	—	—
Mauritania	64,400	64,406	100.0	—	—	—	682	77,871	78,553
Mauritius	101,600	87,132	85.8	14,474	—	—	—	—	—
Mexico	2,585,800	2,585,407	100.0	409	—	—	—	—	—
Micronesia, Federated States of	5,100	5,100	100.0	1	—	—	—	—	—
Moldova, Republic of	123,200	216,950	176.1	5	93,750	0.18	—	18,480	112,230
Mongolia	51,100	51,038	99.9	63	—	—	—	35,791	35,791
Morocco	588,200	517,760	88.0	70,441	—	—	—	—	—
Mozambique	113,600	113,600	100.0	7	—	—	—	154,365	154,365
Myanmar	258,400	258,402	100.0	—	—	—	—	—	—
Namibia	136,500	136,463	100.0	38	—	—	—	—	—
Nepal	71,300	65,557	91.9	5,746	—	—	—	4,476	4,476
Netherlands	5,162,400	3,447,344	66.8	1,715,079	—	—	—	—	—
New Zealand	894,600	580,366	64.9	314,237	—	—	—	—	—
Nicaragua	130,000	130,010	100.0	—	—	—	—	125,330	125,330
Niger	65,800	57,240	87.0	8,561	—	—	—	72,714	72,714
Nigeria	1,753,200	1,753,122	100.0	143	—	—	—	—	—
Norway	1,671,700	1,073,632	64.2	598,093	—	—	—	—	—
Oman	194,000	125,736	64.8	68,330	—	—	—	—	—
Pakistan	1,033,700	1,969,508	190.5	115	935,922	1.80	—	513,660	1,449,582
Palau	3,100	3,100	100.0	1	—	—	—	—	—
Panama	206,600	234,752	113.6	11,860	40,000	0.08	—	—	40,000
Papua New Guinea	131,600	216,835	164.8	313	85,540	0.16	—	—	85,540
Paraguay	99,900	78,428	78.5	21,475	—	—	—	—	—
Peru	638,400	879,298	137.7	—	240,864	0.46	—	—	240,864
Philippines	879,900	2,266,916	257.6	87,182	1,474,195	2.83	—	—	1,474,195
Poland, Republic of	1,369,000	1,002,164	73.2	366,836	—	—	—	—	—
Portugal	867,400	568,031	65.5	299,370	—	—	—	—	—
Qatar	263,800	169,836	64.4	93,964	—	—	—	—	—
Romania	1,030,200	1,315,582	127.7	—	285,377	0.55	—	—	285,377
Russian Federation	5,945,400	11,501,505	193.5	1,137	5,557,186	10.67	—	—	5,557,186
Rwanda	80,100	82,344	102.8	—	2,231	—	—	61,880	64,111
St. Kitts and Nevis	8,900	10,242	115.1	82	1,422	—	—	—	1,422
St. Lucia	15,300	15,300	100.0	1	—	—	—	—	—
St. Vincent and the Grenadines	8,300	7,800	94.0	500	—	—	—	—	—
Samoa	11,600	10,918	94.1	683	—	—	—	—	—
San Marino, Republic of	17,000	12,900	75.9	4,101	—	—	—	—	—
São Tomé and Príncipe	7,400	7,403	100.0	—	—	—	—	1,902	1,902
Saudi Arabia	6,985,500	4,667,976	66.8	2,317,528	—	—	—	—	—
Senegal	161,800	160,373	99.1	1,432	—	—	—	202,532	202,532
Seychelles	8,800	8,799	100.0	1	—	—	—	—	—
Sierra Leone	103,700	103,685	100.0	24	—	—	10,808	109,267	120,075
Singapore	862,500	565,377	65.6	297,162	—	—	—	—	—
Slovak Republic	357,500	357,505	100.0	—	—	—	—	—	—
Slovenia, Republic of	231,700	148,544	64.1	83,162	—	—	—	—	—
Solomon Islands	10,400	9,867	94.9	543	—	—	—	—	—
Somalia	44,200	140,907	318.8	—	96,701	0.19	8,840	—	112,004
South Africa	1,868,500	1,868,131	100.0	373	—	—	—	—	—
Spain	3,048,900	1,989,443	65.3	1,059,468	—	—	—	—	—
Sri Lanka	413,400	517,319	125.1	47,785	151,680	0.29	—	50,400	202,080
Sudan	169,700	549,077	323.6	11	379,357	0.74	—	—	438,585
Suriname	92,100	85,976	93.4	6,125	—	—	—	—	—

Schedule 1 (*concluded*)

Member	General Resources Account				Use of Resources				
	Quota	IMF's holdings of currencies <sup>1</sup>		Reserve tranche position	GRA		PRGF		
		Total	Percent of quota		(A)	Percent <sup>2</sup>	SDA <sup>3</sup>	Trust <sup>4</sup>	Total <sup>5</sup>
Swaziland	50,700	44,154	87.1	6,552	—	—	—	—	—
Sweden	2,395,500	1,538,367	64.2	857,139	—	—	—	—	—
Switzerland	3,458,500	2,194,774	63.5	1,263,762	—	—	—	—	—
Syrian Arab Republic	293,600	293,603	100.0	5	—	—	—	—	—
Tajikistan, Republic of	87,000	93,563	107.5	2	6,563	0.01	—	78,280	84,843
Tanzania	198,900	188,923	95.0	9,975	—	—	—	291,220	291,220
Thailand	1,081,900	2,131,895	197.1	20	1,050,000	2.02	—	—	1,050,000
Togo	73,400	73,097	99.6	305	—	—	—	44,208	44,208
Tonga	6,900	5,197	75.3	1,710	—	—	—	—	—
Trinidad and Tobago	335,600	287,037	85.5	48,566	—	—	—	—	—
Tunisia	286,500	266,335	93.0	20,167	—	—	—	—	—
Turkey	964,000	15,361,688	1,593.5	112,775	14,510,460	27.86	—	—	14,510,460
Turkmenistan, Republic of	75,200	75,200	100.0	5	—	—	—	—	—
Uganda	180,500	180,506	100.0	— <sup>6</sup>	—	—	—	213,790	213,790
Ukraine	1,372,000	2,829,813	206.3	3	1,457,813	2.80	—	—	1,457,813
United Arab Emirates	611,700	403,729	66.0	207,972	—	—	—	—	—
United Kingdom	10,738,500	7,167,656	66.7	3,570,851	—	—	—	—	—
United States	37,149,300	24,377,035	65.6	12,766,071	—	—	—	—	—
Uruguay	306,500	643,357	209.9	35,675	372,525	0.72	—	—	372,525
Uzbekistan, Republic of	275,600	333,788	121.1	5	58,188	0.11	—	—	58,188
Vanuatu	17,000	14,506	85.3	2,496	—	—	—	—	—
Venezuela, Repùblica Bolivariana de	2,659,100	2,337,201	87.9	321,900	—	—	—	—	—
Vietnam	329,100	337,153	102.4	5	8,053	0.02	—	270,040	278,093
Yemen, Republic of	243,500	291,785	119.8	13	48,297	0.09	—	238,750	287,047
Yugoslavia, Federal Republic of (Serbia/Montenegro)	467,700	734,639	157.1	—	266,925	0.51	—	—	266,925
Zambia	489,100	489,101	100.0	18	—	—	145,400	636,165	781,565
Zimbabwe	353,400	472,029	133.6	328	118,955	0.23	—	89,484	208,439
Total	212,415,900	209,165,946		55,327,139	52,080,697	100.00%	341,372	6,172,848	58,683,498

<sup>1</sup>Includes nonnegotiable, non-interest-bearing notes that members are entitled to issue in substitution for currencies, and outstanding currency valuation adjustments.

<sup>2</sup>Represents the percentage used by each member of total use of GRA resources (column A).

<sup>3</sup>The Special Disbursement Account (SDA) of the General Department had financed loans under Structural Adjustment Facility (SAF) and Poverty Reduction Growth Facility (PRGF) arrangements.

<sup>4</sup>For information purposes only. The PRGF Trust provides financing under PRGF arrangements and is not a part of the General Department.

<sup>5</sup>Includes outstanding Trust Fund loans to Liberia (SDR 23 million), Somalia (SDR 6 million), and Sudan (SDR 59 million).

<sup>6</sup>Less than SDR 500.

## Schedule 2

**General Department**  
**Financial Resources and Liquidity Position**  
**in the General Resources Account**  
**as at April 30, 2002 and 2001**

*(In thousands of SDRs)*

	2002	2001
<b>Total Resources</b>		
Currencies .....	209,165,946	207,904,462
SDR holdings .....	1,484,927	2,436,744
Gold holdings .....	5,851,771	5,851,771
Sundry assets, net of sundry liabilities <sup>1</sup> .....	<u>860,720</u>	<u>715,441</u>
Total resources .....	<u>217,363,364</u>	<u>216,908,418</u>
<b>Less: Non-Usable Resources<sup>2</sup></b> .....	<u>113,418,434</u>	<u>104,817,246</u>
<b>Equals: Usable Resources<sup>3</sup></b> .....	<u>103,944,930</u>	<u>112,091,172</u>
<b>Resources Committed and Working Balances</b>		
Undrawn balances under arrangements <sup>4</sup> .....	23,730,009	18,097,849
Minimum working balances <sup>4</sup> .....	<u>15,466,430</u>	<u>15,289,110</u>
Resources committed and working balances .....	<u>39,196,439</u>	<u>33,386,959</u>
<b>Net Uncommitted Usable Resources<sup>5</sup></b> .....	<u>64,748,491</u>	<u>78,704,213</u>
<b>Liquid Liabilities</b>		
Reserve tranche positions <sup>6</sup> .....	<u>55,327,139</u>	<u>46,732,986</u>
<b>Liquidity Ratio<sup>7</sup></b> .....	117.0%	168.4%
<b>Memorandum Item</b>		
Resources available under borrowing arrangements .....	34,000,000	34,000,000

<sup>1</sup>Sundry assets, net of sundry liabilities, reflect current assets (charges, interest, and other receivables) and other assets (which include capital assets such as land, buildings, and equipment), net of sundry liabilities (remuneration payable and other liabilities).

<sup>2</sup>Resources regarded as non-usable in the financing of the IMF's ongoing operations and transactions are (1) gold holdings, (2) currencies of members that are using IMF credit, (3) currencies of other members with relatively weak external positions, and (4) sundry assets, net of sundry liabilities.

<sup>3</sup>Usable resources consist of (1) holdings of currencies of members considered by the IMF as having balance of payments and reserve positions sufficiently strong for their currencies to be used in transfers, (2) SDR holdings, and (3) any unused amounts under credit lines that have been activated.

<sup>4</sup>Amounts committed under arrangements, which reflect undrawn balances committed under operative Stand-By and Extended Arrangements, other than precautionary arrangements, are deducted from the total of usable resources, as are one-half of the amounts committed under precautionary arrangements. The Executive Board has decided that the minimum working balances be set at 10 percent of the quotas of members deemed sufficiently strong for their currencies to be used in operations and transactions.

<sup>5</sup>Net uncommitted usable resources are defined as usable resources less resources committed under arrangements and minimum working balances, as described above. The amount represents the resources available to meet requests for use of IMF credit under new credit arrangements and for members' use of their reserve positions in the IMF.

<sup>6</sup>Liquid liabilities consist of (1) members' reserve tranche positions, and (2) the amount of any outstanding borrowing by the IMF under the GAB or NAB. There are currently no borrowings under the GAB or NAB. Both reserve tranche positions and outstanding lending under the GAB and NAB (together called members' reserve positions in the IMF) are part of members' international reserves. A member may draw on its reserve position when it represents that it has a need and the IMF must therefore at all times be in a position to meet such requests.

<sup>7</sup>The liquidity ratio is a measure of the IMF's liquidity position, represented by the ratio of its net uncommitted usable resources to its liquid liabilities.

**General Department****Status of Arrangements  
as at April 30, 2002***(In thousands of SDRs)*

Member	Date of Arrangement	Expiration	Total Amount Agreed	Undrawn Balance
<b>General Resources Account</b>				
<b>Stand-By Arrangements</b>				
Argentina	March 10, 2000	March 9, 2003	16,936,800 <sup>1</sup>	7,180,490
Brazil	September 14, 2001	December 13, 2002	12,144,400 <sup>2</sup>	8,468,817
Bulgaria	February 27, 2002	February 26, 2004	240,000	208,000
Croatia, Republic of	March 19, 2001	May 18, 2002	200,000	200,000
Guatemala	April 1, 2002	March 31, 2003	84,000	84,000
Latvia, Republic of	April 20, 2001	December 19, 2002	33,000	33,000
Lithuania, Republic of	August 30, 2001	March 29, 2003	86,520	86,520
Peru	February 1, 2002	February 29, 2004	255,000	255,000
Romania	October 31, 2001	April 29, 2003	300,000	248,000
Sri Lanka	April 20, 2001	August 19, 2002	200,000	48,320
Turkey	February 4, 2002	December 31, 2004	12,821,200	4,627,200
Uruguay	April 1, 2002	March 31, 2004	594,100	471,500
Yugoslavia, Federal Republic of	June 11, 2001	May 31, 2002	200,000	50,000
Total Stand-By Arrangements			<u>44,095,020</u>	<u>21,960,847</u>
<b>Extended Arrangements</b>				
Colombia	December 20, 1999	December 19, 2002	1,957,000	1,957,000
Indonesia	February 4, 2000	December 31, 2003	3,638,000	2,201,960
Jordan	April 15, 1999	May 31, 2002	127,880	60,890
Ukraine	September 4, 1998	September 3, 2002	1,919,950	726,950
Total Extended Arrangements			<u>7,642,830</u>	<u>4,946,800</u>
Total General Resources Account			<u>51,737,850</u>	<u>26,907,647</u>

<sup>1</sup>Includes SDR 6.09 billion available until January 11, 2002 under the Supplemental Reserve Facility.<sup>2</sup>Includes SDR 9.95 billion available until September 13, 2002 under the Supplemental Reserve Facility.

**SDR Department**  
**Balance Sheets**  
**as at April 30, 2002 and 2001**  
*(In thousands of SDRs)*

	2002	2001		2002	2001
<b>Assets</b>			<b>Liabilities</b>		
Charges receivable .....	119,954	215,387	Interest payable .....		120,458
Overdue assessments and charges (Note 3) .....	108,863	98,245			215,861
Participants with holdings below allocations (Note 2)			Participants with holdings above allocations (Note 2)		
Allocations .....	12,484,980	12,646,264	SDR holdings .....	15,778,796	14,690,440
<i>Less:</i> SDR holdings .....	<u>3,847,668</u>	<u>3,865,939</u>	<i>Less:</i> allocations .....	<u>8,948,350</u>	<u>8,787,066</u>
Allocations in excess of holdings .....	<u>8,637,312</u>	<u>8,780,325</u>	Holdings in excess of allocations .....	<u>6,830,446</u>	<u>5,903,374</u>
			Holdings by the General Resources Account .....	1,484,927	2,436,744
			Holdings of SDRs by prescribed holders .....	430,298	537,978
Total Assets .....	<u>8,866,129</u>	<u>9,093,957</u>	Total Liabilities .....	<u>8,866,129</u>	<u>9,093,957</u>

The accompanying notes are an integral part of these financial statements.

/s/ Eduard Brau  
*Treasurer*

/s/ Horst Köhler  
*Managing Director*

**SDR Department**  
**Income Statements**  
**for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	2002	2001
<b>Revenue</b>		
Net charges from participants with holdings below allocations . . . . .	240,177	400,216
Assessments on SDR allocations . . . . .	<u>2,409</u>	<u>2,451</u>
	<u>242,586</u>	<u>402,667</u>
<b>Expenses</b>		
Interest on SDR holdings		
Net interest to participants with holdings above allocations . . . . .	186,618	261,127
General Resources Account . . . . .	<u>41,283</u>	<u>112,514</u>
Prescribed holders . . . . .	<u>12,276</u>	<u>26,575</u>
	<u>240,177</u>	<u>400,216</u>
Administrative expenses . . . . .	<u>2,409</u>	<u>2,451</u>
	<u>242,586</u>	<u>402,667</u>
Net Income . . . . .	<u>—</u>	<u>—</u>

The accompanying notes are an integral part of these financial statements.

**SDR Department**  
**Statements of Cash Flows**  
**for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	2002	2001
<b>Cash flows from operating activities</b>		
Receipts of SDRs		
Transfers among participants and prescribed holders . . . . .	5,053,550	6,815,404
Transfers from participants to the General Resources Account . . . . .	3,992,991	5,800,216
Transfers from the General Resources Account to		
participants and prescribed holders . . . . .	<u>4,944,808</u>	<u>6,087,364</u>
Total Receipts of SDRs . . . . .	<u>13,991,349</u>	<u>18,702,984</u>
Uses of SDRs		
Transfers among participants and prescribed holders . . . . .	4,825,971	6,513,836
Transfers from participants to the General Resources Account . . . . .	3,937,218	5,682,687
Transfers from the General Resources Account to		
participants and prescribed holders . . . . .	<u>4,944,808</u>	<u>6,087,364</u>
Charges paid in the SDR Department . . . . .	<u>272,764</u>	<u>426,404</u>
Other . . . . .	<u>10,588</u>	<u>(7,307)</u>
Total Uses of SDRs . . . . .	<u>13,991,349</u>	<u>18,702,984</u>

The accompanying notes are an integral part of these financial statements.

**SDR Department**  
**Notes to the Financial Statements**  
**as at April 30, 2002 and 2001**

### 1. Nature of Operations

The SDR is an international interest-bearing reserve asset created by the IMF following the First Amendment of the Articles of Agreement in 1969. All transactions and operations involving SDRs are conducted through the SDR Department. The SDR was created as a supplement to existing reserve assets and is allocated by the IMF to members participating in the SDR Department. Its value as a reserve asset derives, essentially, from the commitments of participants to hold and accept SDRs and to honor various obligations connected with its proper functioning as a reserve asset.

At April 30, 2002, all members of the IMF were participants in the SDR Department. SDRs have been allocated by the IMF to members that are participants in the SDR Department at the time of the allocation in proportion to their quotas in the IMF. Six allocations have been made (in 1970, 1971, 1972, 1979, 1980, and 1981) for a total of SDR 21.4 billion. A proposed amendment of the IMF's Articles of Agreement was approved by the Executive Board in January 1998 to allow for a special one-time allocation of SDRs equal to 21.4 billion. The amendment will enter into force after three-fifths of the members, having 85 percent of the total voting power, have accepted it. Upon termination of participation or liquidation of the SDR Department, the IMF will provide to holders the currencies received from the participants in settlement of their obligations. The IMF is empowered to prescribe certain official entities as holders of SDRs; at April 30, 2002 and 2001, 16 institutions were prescribed as holders. Prescribed holders do not receive allocations.

The SDR is also used by a number of international and regional organizations as a unit of account or as the basis for their units of account. Several international conventions also use the SDR as a unit of account, notably those expressing liability limits for the international transport of goods and services.

#### Uses of SDRs

Participants and prescribed holders can use and receive SDRs in transactions and operations by agreement among themselves. Participants can also use SDRs in operations and transactions involving the General Resources Account, such as the payment of charges and repurchases. The IMF ensures, by designating participants to provide freely usable currency in exchange for SDRs, that a participant can use its SDRs to obtain an equivalent amount of currency if it has a need because of its balance of payments, its reserve position, or developments in its reserves.

#### General Allocations and Cancellations of SDRs

The IMF has the authority to create unconditional liquidity through general allocations of SDRs to participants in the SDR Department in proportion to their quotas in the IMF. The IMF cannot allocate SDRs to itself or to other holders it prescribes. The Articles also provide for the cancellation

of SDRs, although to date there have been no cancellations. In its decisions on general allocations of SDRs, the IMF, as prescribed under its Articles, has sought to meet the long-term global need to supplement existing reserve assets in such a manner as will promote the attainment of the IMF's purposes and avoid economic stagnation and deflation, as well as excess demand and inflation.

### 2. Summary of Significant Accounting Policies

#### Basis of Presentation

The financial statements of the IMF are prepared in accordance with International Accounting Standards (IAS). Specific accounting principles and disclosure practices are explained further below. The preparation of financial statements in conformity with IAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

In financial year 2001, IAS 39, *Financial Instruments: Recognition and Measurement* was adopted and had no material effect on the SDR Department's financial statements.

#### Unit of Account

The financial statements are expressed in terms of SDRs. The value of the SDR is determined by the IMF each day by summing the values in U.S. dollars, based on market exchange rates, of the currencies in the SDR valuation basket. The IMF reviews the SDR valuation basket every five years. The latest review was completed in October 2000 and the new composition of the SDR valuation basket became effective on January 1, 2001. The value of the SDR in terms of U.S. dollars on the last business day prior to the change (December 29, 2000) was identical under both valuation baskets. The currencies in the basket as of April 30, 2002 and 2001 and their amounts were as follows:

Currency	Amount
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of April 30, 2002, one SDR was equal to 1.26771 U.S. dollars (one SDR was equal to 1.26579 U.S. dollars as of April 30, 2001).

#### Allocations and Holdings

At April 30, 2002 and 2001, IMF net cumulative allocations to participants totaled SDR 21.4 billion. Participants with holdings in excess of their allocations have established a net claim on the SDR Department, which is represented on the balance sheet as a liability. Participants with holdings below their allocations have used part of their allocations, which results in a net obligation to

the SDR Department and is presented as an asset of the SDR Department. Participants' net SDR positions as of April 30, 2002 and 2001 were as follows:

	2002			2001		
	Below Total Allocations	Above Allocations	<i>In millions of SDRs</i>	Below Total Allocations	Above Allocations	<i>In millions of SDRs</i>
<b>Cumulative allocations</b>						
Holdings of SDRs by participants	21,433.3	12,485.0	8,948.3	21,433.3	12,646.3	8,787.0
Net SDR positions	<u>19,626.4</u>	<u>3,847.7</u>	<u>15,778.7</u>	<u>18,556.4</u>	<u>3,866.0</u>	<u>14,690.4</u>
	<u><u>1,806.9</u></u>	<u><u>8,637.3</u></u>	<u><u>(6,830.4)</u></u>	<u><u>2,876.9</u></u>	<u><u>8,780.3</u></u>	<u><u>(5,903.4)</u></u>

A summary of SDR holdings is provided below:

	2002	2001
	<i>In millions of SDRs</i>	
<b>Participants</b>		
General Resources Account	19,626.5	18,556.4
Prescribed holders	<u>1,484.9</u>	<u>2,436.7</u>
	<u><u>430.3</u></u>	<u><u>538.0</u></u>
	<u><u>21,541.7</u></u>	<u><u>21,531.1</u></u>
Less: Overdue charges receivable	<u>108.4</u>	<u>97.8</u>
Total holdings	<u><u>21,433.3</u></u>	<u><u>21,433.3</u></u>

#### Administrative Expenses

The expenses of conducting the business of the SDR Department are paid by the IMF from the General Resources Account, which is reimbursed in SDRs by the SDR Department at the end of each financial year. For this purpose, the SDR Department levies an assessment on all participants in proportion to their net cumulative allocations.

#### Interest and Charges

Interest is paid on holdings of SDRs. Charges are levied on each participant's cumulative allocations plus any allocations in excess of holdings of the participant and unpaid charges. Interest on SDR holdings is paid quarterly. Charges on net cumulative allocations are also collected quarterly. Interest and charges are levied at the same rate and are settled by crediting and debiting individual holdings accounts on the first day of the subsequent quarter. The SDR Department is required to pay interest to each holder, whether or not sufficient SDRs are received to meet the payment of interest. If sufficient SDRs are not received because charges are overdue, additional SDRs are temporarily created.

The rate of interest on the SDR is determined by reference to a combined market interest rate, which is a weighted average of yields or rates on short-term instruments in the capital markets of the euro area, Japan, the United Kingdom, and the United States. The combined market interest rate used to determine the SDR interest rate is calculated each Friday, using the yields or rates of that day. The SDR interest rate, which is set equal to the combined market interest rate, enters into effect on the following Monday and applies through the following Sunday. The average SDR interest rate was 2.79 percent for the year ended April 30, 2002 (4.46 percent for the year ended April 30, 2001).

#### Overdue Obligations

An allowance for losses resulting from overdue SDR obligations would be created if and when the IMF were to expect a loss to be incurred; no losses have been incurred in the past, and it is the current expectation that no losses will be incurred in the future, and consequently no allowance account has been established.

#### 3. Overdue Assessments and Charges

At April 30, 2002, assessments and charges amounting to SDR 108.9 million were overdue to the SDR Department (SDR 98.2 million at April 30, 2001). At April 30, 2002 and 2001, six members were six months or more overdue in meeting their financial obligations to the SDR Department.

Assessments and charges due from members that are six months or more overdue to the SDR Department were as follows:

	2002	2001
	<i>In millions of SDRs</i>	
<b>Total</b>		
Overdue for six months or more	108.9	98.2
Overdue for three years or more	104.2	91.0
	<u>74.2</u>	<u>63.6</u>

The amount and duration of arrears as of April 30, 2002 were as follows:

	Total	Longest Overdue Obligation
	<i>In millions of SDRs</i>	
<b>Total</b>		
Afghanistan, Islamic State of	7.3	February 1996
Congo, Democratic Republic of	19.5	April 1992
Iraq	49.7	November 1990
Liberia	22.6	April 1986
Somalia	9.4	February 1991
Sudan	0.4	April 1991
Total	<u>108.9</u>	

## Schedule 1

**SDR Department**  
**Statements of Changes in SDR Holdings**  
**for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	Participants	General Resources Account	Prescribed Holders	Total	
				2002	2001
Total holdings, beginning of the year . . . . .	18,556,379	2,436,744	537,978	21,531,101	21,538,408
<b>Receipts of SDRs</b>					
Transfers among participants and prescribed holders					
Transactions by agreement . . . . .	3,565,622	—	103,453	3,669,075	5,046,467
Operations					
Loans . . . . .	250	—	—	250	165,619
Settlement of financial obligations . . . . .	154,641	—	135,605	290,246	378,571
IMF-related operations					
SAF and PRGF loans . . . . .	267,991	—	—	267,991	111,544
SAF loans under PRGF Trust . . . . .	—	—	—	—	24,940
SAF repayments and interest . . . . .	—	—	17,136	17,136	15,214
Special charges on SAF, PRGF, Trust Fund . . . . .	—	—	2	2	3
PRGF contributions and payments . . . . .	86,740	—	94,099	180,839	318,612
PRGF repayments and interest . . . . .	—	—	330,349	330,349	294,456
HIPC payments . . . . .	6,726	—	—	6,726	3,352
PRGF-HIPC contributions . . . . .	719	—	60,683	61,402	153,858
SCA-2 refunds . . . . .	—	—	1,182	1,182	1,199
Post-Conflict Subsidy payment . . . . .	773	—	—	773	—
Net interest on SDRs . . . . .	212,547	—	15,032	227,579	301,569
Transfers from participants to the General Resources Account					
Repurchases . . . . .	—	1,630,640	—	1,630,640	3,198,592
Charges . . . . .	—	2,303,949	—	2,303,949	2,417,144
Quota payments . . . . .	—	250	—	250	64,500
Interest on SDRs . . . . .	—	55,773	—	55,773	117,529
Assessment on SDR allocation . . . . .	—	2,379	—	2,379	2,451
Transfers from the General Resources Account to					
participants and prescribed holders					
Purchases . . . . .	2,360,765	—	—	2,360,765	3,165,713
In exchange for currencies of other members'					
acquisitions to pay charges . . . . .	1,129,701	—	—	1,129,701	1,107,457
Remuneration . . . . .	1,360,694	—	—	1,360,694	1,782,790
Other					
Refunds and adjustments . . . . .	93,648	—	—	93,648	31,404
Total receipts . . . . .	<u>9,240,817</u>	<u>3,992,991</u>	<u>757,541</u>	<u>13,991,349</u>	<u>18,702,984</u>

Schedule 1 (*concluded*)

	Participants	General Resources Account	Prescribed Holders	Total	
				2002	2001
<b>Uses of SDRs</b>					
Transfers among participants and prescribed holders					
Transactions by agreement .....	3,367,085	—	301,990	3,669,075	5,046,467
Operations					
Loans .....	250	—	—	250	165,619
Settlement of financial obligations .....	135,855	—	154,391	290,246	378,571
IMF-related operations					
SAF and PRGF loans .....	—	—	267,991	267,991	111,544
SAF loans under PRGF Trust .....	—	—	—	—	24,940
SAF repayments and interest .....	17,136	—	—	17,136	15,214
Special charges on SAF, PRGF, Trust Fund .....	2	—	—	2	3
PRGF contributions and payments .....	94,099	—	86,740	180,839	318,612
PRGF repayments and interest .....	330,349	—	—	330,349	294,456
HIPC payments .....	—	—	6,726	6,726	3,352
PRGF-HIPC contributions .....	14,792	—	46,610	61,402	153,858
SCA-2 refunds .....	1,182	—	—	1,182	1,199
Post-Conflict Subsidy payment .....	—	—	773	773	—
Transfers from participants to the General Resources Account					
Repurchases .....	1,630,640	—	—	1,630,640	3,198,592
Charges .....	2,303,949	—	—	2,303,949	2,417,144
Quota payments .....	250	—	—	250	64,500
Assessment on SDR allocation .....	2,379	—	—	2,379	2,451
Transfers from the General Resources Account to participants and prescribed holders					
Purchases .....	—	2,360,765	—	2,360,765	3,165,713
In exchange for currencies of other members					
Acquisitions to pay charges .....	—	1,129,701	—	1,129,701	1,107,457
Remuneration .....	—	1,360,694	—	1,360,694	1,782,790
Other					
Refunds and adjustments .....	—	93,648	—	93,648	31,404
Charges paid in the SDR department					
Net charges due .....	283,352	—	—	283,352	419,098
Total uses .....	8,181,320	4,944,808	865,221	13,991,349	18,702,984
Charges not paid when due .....	12,177	—	—	12,177	17,274
Settlement of unpaid charges .....	(1,589)	—	—	(1,589)	(24,581)
Total holdings, end of the year .....	<u>19,626,464</u>	<u>1,484,927</u>	<u>430,298</u>	<u>21,541,689</u>	<u>21,531,101</u>

## Schedule 2

**SDR Department**  
**Allocations and Holdings of Participants**  
**as at April 30, 2002**

*(In thousands of SDRs)*

Participant	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	Above (Below) Allocations
Afghanistan, Islamic State of	26,703	—	—	(26,703)
Albania	—	64,136	—	64,136
Algeria	128,640	7,197	5.6	(121,443)
Angola	—	139	—	139
Antigua and Barbuda	—	6	—	6
Argentina	318,370	143,135	45.0	(175,235)
Armenia, Republic of	—	3,275	—	3,275
Australia	470,545	89,429	19.0	(381,116)
Austria	179,045	137,932	77.0	(41,113)
Azerbaijan	—	3,482	—	3,482
Bahamas, The	10,230	127	1.2	(10,103)
Bahrain, Kingdom of	6,200	810	13.1	(5,390)
Bangladesh	47,120	22,004	46.7	(25,116)
Barbados	8,039	50	0.6	(7,989)
Belarus, Republic of	—	168	—	168
Belgium	485,246	383,267	79.0	(101,979)
Belize	—	1,396	—	1,396
Benin	9,409	243	2.6	(9,166)
Bhutan	—	217	—	217
Bolivia	26,703	27,316	102.3	613
Bosnia and Herzegovina	20,481	1,123	5.5	(19,358)
Botswana	4,359	31,793	729.4	27,434
Brazil	358,670	79,807	22.3	(278,863)
Brunei Darussalam	—	6,427	—	6,427
Bulgaria	—	34,752	—	34,752
Burkina Faso	9,409	384	4.1	(9,025)
Burundi	13,697	195	1.4	(13,502)
Cambodia	15,417	1,984	12.9	(13,433)
Cameroon	24,463	137	0.6	(24,326)
Canada	779,290	498,148	63.9	(281,142)
Cape Verde	620	11	1.8	(609)
Central African Republic	9,325	52	0.6	(9,273)
Chad	9,409	53	0.6	(9,356)
Chile	121,924	23,578	19.3	(98,346)
China	236,800	691,434	292.0	454,634
Colombia	114,271	109,108	95.5	(5,163)
Comoros	716	14	2.0	(702)
Congo, Democratic Republic of	86,309	—	—	(86,309)
Congo, Republic of	9,719	171	1.8	(9,548)
Costa Rica	23,726	216	0.9	(23,510)
Côte d'Ivoire	37,828	364	1.0	(37,464)
Croatia, Republic of	44,205	71,656	162.1	27,451
Cyprus	19,438	1,176	6.1	(18,262)
Czech Republic	—	1,060	—	1,060
Denmark	178,864	61,897	34.6	(116,967)
Djibouti	1,178	105	8.9	(1,073)
Dominica	592	6	1.0	(586)
Dominican Republic	31,585	689	2.2	(30,896)
Ecuador	32,929	2,444	7.4	(30,485)
Egypt	135,924	31,959	23.5	(103,965)

Schedule 2 (*continued*)

**SDR Department**  
**Allocations and Holdings of Participants**  
**as at April 30, 2002**

(In thousands of SDRs)

Participant	Net Cumulative Allocations	Holdings		
		Total	Percent of Cumulative Allocations	Above (Below) Allocations
El Salvador	24,985	24,982	99.9	(3)
Equatorial Guinea	5,812	583	10.0	(5,229)
Eritrea	—	—	—	—
Estonia, Republic of	—	84	—	84
Ethiopia	11,160	287	2.6	(10,873)
Fiji	6,958	4,860	69.8	(2,098)
Finland	142,690	140,895	98.7	(1,795)
France	1,079,870	406,789	37.7	(673,081)
Gabon	14,091	478	3.4	(13,613)
Gambia, The	5,121	49	1.0	(5,072)
Georgia	—	563	—	563
Germany	1,210,760	1,385,819	114.5	175,059
Ghana	62,983	12,686	20.1	(50,297)
Greece	103,544	8,421	8.1	(95,123)
Grenada	930	7	0.7	(923)
Guatemala	27,678	6,399	23.1	(21,279)
Guinea	17,604	1,451	8.2	(16,153)
Guinea-Bissau	1,212	146	12.1	(1,066)
Guyana	14,530	2,125	14.6	(12,405)
Haiti	13,697	4,225	30.8	(9,472)
Honduras	19,057	324	1.7	(18,733)
Hungary	—	17,832	—	17,832
Iceland	16,409	69	0.4	(16,340)
India	681,170	9,570	1.4	(671,600)
Indonesia	238,956	17,671	7.4	(221,285)
Iran, Islamic Republic of	244,056	267,510	109.6	23,454
Iraq	68,464	—	—	(68,464)
Ireland	87,263	44,494	51.0	(42,769)
Israel	106,360	1,431	1.3	(104,929)
Italy	702,400	248,129	35.3	(454,271)
Jamaica	40,613	723	1.8	(39,890)
Japan	891,690	1,834,366	205.7	942,676
Jordan	16,887	1,000	5.9	(15,887)
Kazakhstan, Republic of	—	608	—	608
Kenya	36,990	579	1.6	(36,411)
Kiribati	—	9	—	9
Korea	72,911	3,270	4.5	(69,641)
Kuwait	26,744	88,597	331.3	61,853
Kyrgyz Republic	—	1,678	—	1,678
Lao People's Democratic Republic	9,409	6,042	64.2	(3,367)
Latvia, Republic of	—	152	—	152
Lebanon	4,393	19,544	444.9	15,151
Lesotho	3,739	458	12.2	(3,281)
Liberia	21,007	—	—	(21,007)
Libya	58,771	445,484	758.0	386,713
Lithuania, Republic of	—	46,243	—	46,243
Luxembourg	16,955	5,327	31.4	(11,628)
Macedonia, former Yugoslav Republic of	8,379	508	6.1	(7,871)
Madagascar	19,270	80	0.4	(19,190)
Malawi	10,975	516	4.7	(10,459)

Schedule 2 (*continued*)

**SDR Department**  
**Allocations and Holdings of Participants**  
**as at April 30, 2002**

*(In thousands of SDRs)*

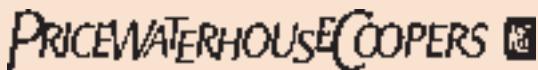
Participant	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	Above (Below) Allocations
Malaysia	139,048	102,389	73.6	(36,659)
Maldives	282	256	90.7	(26)
Mali	15,912	225	1.4	(15,687)
Malta	11,288	26,675	236.3	15,387
Marshall Islands	—	—	—	—
Mauritania	9,719	101	1.0	(9,618)
Mauritius	15,744	16,868	107.1	1,124
Mexico	290,020	283,403	97.7	(6,617)
Micronesia, Federated States of	—	1,156	—	1,156
Moldova, Republic of	—	652	—	652
Mongolia	—	15	—	15
Morocco	85,689	90,570	105.7	4,881
Mozambique	—	51	—	51
Myanmar	43,474	793	1.8	(42,681)
Namibia	—	17	—	17
Nepal	8,105	38	0.5	(8,067)
Netherlands	530,340	567,328	107.0	36,988
New Zealand	141,322	13,386	9.5	(127,936)
Nicaragua	19,483	151	0.8	(19,332)
Niger	9,409	228	2.4	(9,181)
Nigeria	157,155	1,114	0.7	(156,041)
Norway	167,770	249,961	149.0	82,191
Oman	6,262	5,356	85.5	(906)
Pakistan	169,989	3,633	2.1	(166,356)
Palau	—	—	—	—
Panama	26,322	2,250	8.5	(24,072)
Papua New Guinea	9,300	6,317	67.9	(2,983)
Paraguay	13,697	81,804	597.2	68,107
Peru	91,319	660	0.7	(90,659)
Philippines	116,595	12,865	11.0	(103,730)
Poland, Republic of	—	22,183	—	22,183
Portugal	53,320	50,770	95.2	(2,550)
Qatar	12,822	18,334	143.0	5,512
Romania	75,950	2,831	3.7	(73,119)
Russian Federation	—	3,290	—	3,290
Rwanda	13,697	9,040	66.0	(4,657)
St. Kitts and Nevis	—	1	—	1
St. Lucia	742	1,465	197.5	723
St. Vincent and the Grenadines	354	32	9.0	(322)
Samoa	1,142	2,352	206.0	1,210
San Marino, Republic of	—	359	—	359
São Tomé & Príncipe	620	10	1.7	(610)
Saudi Arabia	195,527	203,347	104.0	7,820
Senegal	24,462	1,846	7.5	(22,616)
Seychelles	406	16	4.0	(390)
Sierra Leone	17,455	9,288	53.2	(8,167)
Singapore	16,475	121,626	738.2	105,151
Slovak Republic	—	531	—	531
Slovenia, Republic of	25,431	4,180	16.4	(21,251)
Solomon Islands	654	3	0.4	(651)

Schedule 2 (concluded)

**SDR Department**  
**Allocations and Holdings of Participants**  
**as at April 30, 2002**

(In thousands of SDRs)

Participant	Net Cumulative Allocations	Total	Holdings	
			Percent of Cumulative Allocations	Above (Below) Allocations
Somalia	13,697	—	—	(13,697)
South Africa	220,360	222,547	101.0	2,187
Spain	298,805	283,898	95.0	(14,907)
Sri Lanka	70,868	1,422	2.0	(69,446)
Sudan	52,192	—	—	(52,192)
Suriname	7,750	1,522	19.6	(6,228)
Swaziland	6,432	2,454	38.2	(3,978)
Sweden	246,525	155,737	63.2	(90,788)
Switzerland	—	260,665	—	260,665
Syrian Arab Republic	36,564	462	1.3	(36,102)
Tajikistan, Republic of	—	1,062	—	1,062
Tanzania	31,372	204	0.7	(31,168)
Thailand	84,652	4,740	5.6	(79,912)
Togo	10,975	121	1.1	(10,854)
Tonga	—	162	—	162
Trinidad and Tobago	46,231	187	0.4	(46,044)
Tunisia	34,243	5,852	17.1	(28,391)
Turkey	112,307	18,735	16.7	(93,572)
Turkmenistan, Republic of	—	—	—	—
Uganda	29,396	602	2.0	(28,794)
Ukraine	—	127,247	—	127,247
United Arab Emirates	38,737	1,543	4.0	(37,194)
United Kingdom	1,913,070	230,833	12.1	(1,682,237)
United States	4,899,530	8,667,918	176.9	3,768,388
Uruguay	49,977	1,208	2.4	(48,769)
Uzbekistan, Republic of	—	167	—	167
Vanuatu	—	802	—	802
Venezuela	316,890	7,403	2.3	(309,487)
Vietnam	47,658	9,198	19.3	(38,460)
Yemen, Republic of	28,743	43,894	152.7	15,151
Yugoslavia, Federal Republic of (Serbia/Montenegro)	56,665	4,770	8.4	(51,895)
Zambia	68,298	53,194	77.9	(15,104)
Zimbabwe	10,200	4	—	(10,196)
Above allocations	8,948,350	15,778,796	176.3	6,830,446
Below allocations	<u>12,484,980</u>	<u>3,847,668</u>	<u>30.8</u>	<u>(8,637,312)</u>
 Total Participants	 21,433,330	 19,626,464		
General Resources Account		1,484,927		
Prescribed holders		430,298		
Overdue charges	108,359			
	<u>21,541,689</u>	<u>21,541,689</u>		



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#### Report of the Independent Accountants

**To the Board of Governors  
 of the International Monetary Fund:**

We have audited the accompanying combined balance sheets as at April 30, 2002 and 2001, and the related combined statements of income and changes in resources for the years then ended of the following entities:

Poverty Reduction and Growth Facility Trust

Poverty Reduction and Growth Facility—Heavily Indebted Poor Countries Trust and Related Accounts

We have also audited the accompanying balance sheets at April 30, 2002 and 2001, and the related statements of income and changes in resources for the years then ended of the following entities:

Poverty Reduction and Growth Facility Administered Accounts

- Austria,
- Belgium,
- Botswana,
- Greece,
- Indonesia,
- Islamic Republic of Iran,
- Portugal.

Other Administered Accounts

- Administered Account Japan,
- Administered Account for Selected Fund Activities – Japan,
- Framework Administered Account for Technical Assistance Activities,
- Administered Account – Spain,
- Administered Account for Rwanda,
- Supplementary Financing Facility Subsidy Account,
- Post-Conflict Emergency Assistance Subsidy Account.

These financial statements are the responsibility of the management of the International Monetary Fund, as trustee of the entities listed above. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with International Standards on Auditing. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above give a true and fair view of the financial position of the entities listed above as at April 30, 2002 and 2001, and the results of their operations for the years then ended in conformity with International Accounting Standards.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information on pages 188 to 191 and 202 to 207 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been subjected to the auditing procedures applied in the audits of the respective financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

*PricewaterhouseCoopers LLP*

May 24, 2002

## Poverty Reduction and Growth Facility Trust

### Combined Balance Sheets as at April 30, 2002 and 2001

*(In thousands of SDRs)*

	2002	2001
<b>Assets</b>		
Cash and cash equivalents .....	2,684,641	860,357
Investments (Note 3) .....	2,629,285	4,178,257
Loans receivable (Note 4) .....	6,172,848	5,899,478
Interest receivable .....	15,993	18,716
Total Assets .....	<u>11,502,767</u>	<u>10,956,808</u>
<b>Liabilities and Resources</b>		
Borrowings (Note 5) .....	6,764,434	6,352,841
Interest payable .....	42,412	72,686
Other liabilities .....	76	12,506
Total Liabilities .....	<u>6,806,922</u>	<u>6,438,033</u>
Resources .....	4,695,845	4,518,775
Total Liabilities and Resources .....	<u>11,502,767</u>	<u>10,956,808</u>

The accompanying notes are an integral part of these financial statements.

/s/ Eduard Brau  
*Treasurer*

/s/ Horst Köhler  
*Managing Director*

## Poverty Reduction and Growth Facility Trust

### Combined Statements of Income and Changes in Resources for the Years Ended April 30, 2002 and 2001

*(In thousands of SDRs)*

	2002	2001
Balance, beginning of the year .....		
Investment income (Note 3) .....	4,518,775	4,305,726
Interest on loans .....	232,344	272,465
Interest expense .....	30,292	28,916
Other expenses .....	(174,670)	(239,603)
Operational income (loss) .....	(1,650)	(1,645)
Contributions (Note 6) .....	86,316	60,133
Transfers from the Special Disbursement Account .....	60,096	126,992
Transfers through the Special Disbursement Account to the PRGF-HIPC Trust (Note 8) .....	146,412	187,125
Net changes in resources .....	92,258	80,924
Balance, end of the year .....	<u>4,695,845</u>	<u>4,518,775</u>

The accompanying notes are an integral part of these financial statements.

**Poverty Reduction and Growth Facility Trust**  
**Notes to the Combined Financial Statements**  
**as at April 30, 2002 and 2001**

### 1. Nature of Operations

The Poverty Reduction and Growth Facility Trust (PRGF Trust), for which the IMF is Trustee, was established in December 1987 and was extended and enlarged in February 1994 to provide loans on concessional terms to qualifying low-income developing country members. The resources of the Trust are held separately from the assets of all other accounts of, or administered by, the IMF and may not be used to discharge liabilities or to meet losses incurred in the administration of other accounts.

The operations of the Trust are conducted through a Loan Account, a Reserve Account, and a Subsidy Account. Combining balance sheets and income statements and statements of changes in resources for each of these accounts are provided in Note 9 to these financial statements.

#### Loan Account

The resources of the Loan Account consist of the proceeds from borrowings, repayments of principal, and interest payments on loans extended by the Trust. At April 30, 2002, loans totaling SDR 6,172.8 million were outstanding (SDR 5,899.5 million at April 30, 2001). At April 30, 2002, the resources of the Loan Account also included an advance from the Reserve Account of SDR 41.5 million resulting from the non-payment of principal by Zimbabwe.

#### Reserve Account

The resources of the Reserve Account consist of amounts transferred by the IMF from the Special Disbursement Account and net earnings from investment of resources held in the Reserve Account and in the Loan Account.

The resources held in the Reserve Account are to be used by the Trustee, in the event that amounts payable from borrowers' principal repayments and interest, together with the authorized interest subsidy, are insufficient to repay loan principal and interest on borrowings of the Loan Account.

#### Subsidy Account

The resources held in the Subsidy Account consist of donations to the Trust, including transfers of net earnings from PRGF Administered Accounts' SDR 400 million transferred by the IMF from the Special Disbursement Account, net earnings on loans made to the Trust for the Subsidy Account, and the net earnings from investment of Subsidy Account resources.

The resources available in the Subsidy Account are drawn by the Trustee to pay the difference, with respect to each interest period, between the interest due from the borrowers under the Trust and the interest due on Loan Account borrowings.

### 2. Summary of Significant Accounting Policies

#### Basis of Presentation

The financial statements of the PRGF Trust are prepared in accordance with International Accounting Standards (IAS). Specific accounting principles and disclosure practices are

explained further below. The preparation of financial statements in conformity with IAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

In financial year 2001, IAS 39, *Financial Instruments: Recognition and Measurement* was adopted and had no material effect on the PRGF Trust's financial statements.

#### Revenue and Expense Recognition

The financial statements of the Trust are maintained on the accrual basis; accordingly, income is recognized as it is earned, and expenses are recorded as they are incurred.

#### Unit of Account

The financial statements are expressed in terms of SDRs. The value of the SDR is determined by the IMF each day by summing the values in U.S. dollars, based on market exchange rates, of the currencies in the SDR valuation basket. The IMF reviews the SDR valuation basket every five years. The latest review was completed in October 2000 and the new composition of the SDR valuation basket became effective on January 1, 2001. The value of the SDR in terms of U.S. dollars on the last business day prior to the change (December 29, 2000) was identical under both valuation baskets. The currencies in the basket as of April 30, 2002 and 2001 and their amounts were as follows:

Currency	Amount
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of April 30, 2002, one SDR was equal to 1.26771 U.S. dollars (one SDR was equal to 1.26579 U.S. dollars as of April 30, 2001).

#### Cash and Cash Equivalents

Cash and cash equivalents include short-term deposits with a maturity of less than ninety days. These deposits are denominated in SDRs or other currency and are carried at cost, not exceeding market value. Interest received on these instruments varies and is based on prevailing market rates.

#### Investments

The resources of the Trust are invested pending their use. The Trust invests in debt securities and fixed-term deposits, either directly or by participation in an investment pool. Investments are marked to market on the last business day of the accounting period. Purchases are valued and reflected on the trade date basis and sales are based on the actual settlement date valuations. Investment income comprises interest

earned on investments, realized and unrealized gains and losses on investments, and currency valuation differences arising from exchange rate movements against the SDR.

Interest rate risk is managed by limiting the investment portfolio to a weighted-average effective duration that does not exceed three years. Currency risk is minimized by investing in securities denominated in SDRs or in the constituent currencies of the SDR basket. Risk is further minimized by ensuring that the currency composition of the investment portfolio matches, as closely as possible, the currency composition of the SDR basket.

#### Loans

Loans in the Trust are valued at historical cost. Allowances for loan losses would be established if and when the Trust expects to incur a loss; no losses have been incurred in the past, and it is the current expectation that no losses will be incurred in the future. Resources held in the Reserve Account are to be used to meet obligations to lenders, if so required.

#### Contributions

Bilateral contributions are reflected as increases in resources after the achievement of specified conditions and are subject to bilateral agreements stipulating how the resources are to be used.

#### Transfers

Internal transfers of resources within the IMF are accounted for under the accrual method of accounting.

#### Foreign Currency Translation

Foreign currency transactions are recorded at the rate of exchange on the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are reported using the closing exchange rates. Exchange differences arising on the settlement of transactions at rates different from those at the originating date of the transaction and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are included in the determination of net income.

### 3. Investments

The maturities of the investments are as follows:

Maturity as at April 30	2002	2001
<i>In thousands of SDRs</i>		
Less than 1 year	1,794,460	425,548
1-3 years	724,909	3,430,643
3-5 years	91,997	297,516
Over 5 years	17,919	24,550
Total	<u>2,629,285</u>	<u>4,178,257</u>

At April 30, the investments consisted of the following:

	2002	2001
	<i>In thousands of SDRs</i>	
Debt securities	2,271,428	3,962,729
Fixed-term deposits	357,857	215,528
Total	<u>2,629,285</u>	<u>4,178,257</u>

At April 30, investment income comprised:

	2002	2001
	<i>In thousands of SDRs</i>	
Interest income	207,462	242,912
Realized losses	(26,318)	(76,692)
Unrealized gains	52,705	107,979
Exchange rate losses	(1,505)	(1,734)
Total	<u>232,344</u>	<u>272,465</u>

### 4. Loans Receivable

Resources of the Loan Account are committed to qualifying members for a three-year period, upon approval by the Trustee of a three-year arrangement in support of the member's macroeconomic and structural adjustment programs. Interest on the outstanding loan balances is currently set at the rate of 1/2 of 1 percent a year. Scheduled repayments of loans by borrowers are summarized below:

Period of Repayment,  
Financial Year  
Ending April 30

	<i>In thousands of SDRs</i>
2003	722,241
2004	834,998
2005	876,190
2006	857,453
2007	730,949
2008 and beyond	2,109,523
Overdue	<u>41,494</u>
Total	<u>6,172,848</u>

The above includes one member (Zimbabwe) that is overdue at the end of financial year 2002 for more than six months in the amount of SDR 41.5 million.

As of April 30, 2002 and 2001, use of credit in the Trust by the largest users was as follows:

	2002	2001
	<i>In millions of SDRs and percent of total PRGF credit</i>	
Largest user of credit	636.2	10.3%
Three largest users of credit	1,571.6	25.5%
Five largest users of credit	2,138.3	34.6%
	716.6	12.2%
	1,508.2	25.6%
	2,039.2	34.6%

### 5. Borrowings

The following summarizes the borrowing agreements concluded as of April 30, 2002 and 2001:

	<i>Amount Undrawn</i>	
	2002	2001
	<i>In thousands of SDRs</i>	
Loan Account	6,613,837	3,448,248
Subsidy Account	3,997	4,664

The Trustee has agreed to hold and invest, on behalf of a lender, principal repayments of Trust borrowing in a suspense account within the Loan Account. Principal repayments will be accumulated until the final maturity of the borrowing, when the full proceeds are to be transferred to the lender. Amounts deposited in this account are invested by the Trustee, and payments of interest to the lender are to be made exclusively from the earnings on the amounts invested.

The Trust borrows on such terms and conditions as agreed between the Trust and the lenders. Interest rates on borrow-

ings at April 30, 2002 and April 30, 2001 varied between 0.5 percent and 7.4 percent a year. The principal amounts of the borrowings are repayable in one installment at maturity dates.

Scheduled repayments of borrowings are summarized below:

Period of Repayment, Financial Year Ending April 30	<i>In thousands of SDRs</i>
2003	525,454
2004	704,176
2005	953,566
2006	1,504,589
2007	982,706
2008 and beyond	2,093,943
Total	<u>6,764,434</u>

Borrowings and repayments during the financial year ended April 30, 2002 amounted to SDR 1,238 million and SDR 826 million, respectively (SDR 786 million and SDR 657 million, respectively for the financial year ended April 30, 2001).

## 6. Contributions

The Trustee accepts contributions for the Subsidy Account on such terms and conditions as agreed between the Trust and the contributor. At April 30, 2002, cumulative contributions received, including transfers from the Special Disbursement Account, amounted to SDR 2,352.5 million (SDR 2,292.4 million at April 30, 2001).

## 7. Commitments Under Loan Arrangements

An arrangement is a decision of the IMF that gives a member the assurance that the institution stands ready to provide foreign exchange or SDRs during a specified

period and up to a specified amount in accordance with the terms of the decision. At April 30, 2002, undrawn balances under 35 arrangements amounted to SDR 2,700.6 million (SDR 1,997.3 million under 37 arrangements at April 30, 2001).

## 8. Transfers Through the Special Disbursement Account

The expenses of conducting the business of the Trust are paid by the General Resources Account of the IMF and reimbursed by the Reserve Account of the Trust through the Special Disbursement Account; corresponding transfers are made from the Reserve Account to the Special Disbursement Account when and to the extent needed. For financial years 2002 and 2001, the Executive Board of the IMF decided to forgo such reimbursement to the General Department and to transfer an equivalent amount from the Reserve Account, through the Special Disbursement Account, to the PRGF-HIPC Trust. The amounts transferred for financial years 2002 and 2001 were SDR 61.6 million and SDR 55.0 million, respectively.

Resources of up to SDR 250 million may be transferred, as needed, from the Reserve Account through the Special Disbursement Account to the PRGF-HIPC Trust to be used to provide grant or loans to eligible members under the HIPC initiative. At April 30, 2002 and 2001, SDR 43.5 million had been transferred for this purpose.

## 9. Combining Balance Sheets and Statements of Income and Changes in Resources

The balance sheets and income statements and changes in resources for each of the accounts in the PRGF Trust are presented below:

### Note 9

#### Combining Balance Sheets as at April 30, 2002 and 2001

	(In thousands of SDRs)							
	Loan Account		Reserve Account		Subsidy Account		Combined	
	2002	2001	2002	2001	2002	2001	2002	2001
<b>Assets</b>								
Cash and cash equivalents	341,378	159,594	1,263,561	519,695	1,079,702	181,068	2,684,641	860,357
Investments (Note 3)	204,657	215,529	1,591,760	2,200,508	832,868	1,762,220	2,629,285	4,178,257
Loans receivable (Note 4)	6,172,848	5,899,478	—	—	—	—	6,172,848	5,899,478
Accrued account transfers	14,221	27,231	13,068	30,647	(27,289)	(57,878)	—	—
Interest receivable	14,363	13,245	1,402	5,119	228	352	15,993	18,716
Total Assets	<u>6,747,467</u>	<u>6,315,077</u>	<u>2,869,791</u>	<u>2,755,969</u>	<u>1,885,509</u>	<u>1,885,762</u>	<u>11,502,767</u>	<u>10,956,808</u>
<b>Liabilities and Resources</b>								
Borrowings (Note 5)	6,664,950	6,244,024	—	—	99,484	108,817	6,764,434	6,352,841
Interest payable	40,947	71,022	—	—	1,465	1,664	42,412	72,686
Other liabilities	76	31	—	12,475	—	—	76	12,506
Total Liabilities	<u>6,705,973</u>	<u>6,315,077</u>	<u>—</u>	<u>12,475</u>	<u>100,949</u>	<u>110,481</u>	<u>6,806,922</u>	<u>6,438,033</u>
Resources	41,494	—	2,869,791	2,743,494	1,784,560	1,775,281	4,695,845	4,518,775
Total Liabilities and Resources	<u>6,747,467</u>	<u>6,315,077</u>	<u>2,869,791</u>	<u>2,755,969</u>	<u>1,885,509</u>	<u>1,885,762</u>	<u>11,502,767</u>	<u>10,956,808</u>

## Note 9 (concluded)

Combining Statements of Income and Changes in Resources  
for the Years Ended April 30, 2002 and 2001

(In thousands of SDRs)

	Loan Account		Reserve Account		Subsidy Account		Combined	
	2002	2001	2002	2001	2002	2001	2002	2001
Balance, beginning of the year	—	—	2,743,494	2,558,354	1,775,281	1,747,372	4,518,775	4,305,726
Investment income (Note 3)	191	28	138,942	155,829	93,211	116,608	232,344	272,465
Interest on loans	30,292	28,916	—	—	—	—	30,292	28,916
Interest expense	(172,875)	(237,524)	—	—	(1,795)	(2,079)	(174,670)	(239,603)
Other expenses	(76)	(82)	(1,574)	(1,563)	—	—	(1,650)	(1,645)
Operational (loss) income	(142,468)	(208,662)	137,368	154,266	91,416	114,529	86,316	60,133
Contributions (Note 6)	—	—	—	—	60,096	126,992	60,096	126,992
	(142,468)	(208,662)	137,368	154,266	151,512	241,521	146,412	187,125
Transfers from the Special Disbursement Account (Note 8)	—	—	92,258	80,924	—	—	92,258	80,924
Transfers through the Special Disbursement Account to the PRGF-HIPC Trust (Note 8)	—	—	(61,600)	(55,000)	—	—	(61,600)	(55,000)
Transfers between:								
Reserve and Subsidy Accounts	—	—	(52)	1,059	52	(1,059)	—	—
Loan and Reserve Accounts	41,677	(3,891)	(41,677)	3,891	—	—	—	—
Loan and Subsidy Accounts	142,285	212,553	—	—	(142,285)	(212,553)	—	—
Net changes in resources	41,494	—	126,297	185,140	9,279	27,909	177,070	213,049
Balance, end of the year	41,494	—	2,869,791	2,743,494	1,784,560	1,775,281	4,695,845	4,518,775

## Schedule 1

## Poverty Reduction and Growth Facility Trust

Schedule of Outstanding Loans  
as at April 30, 2002

(In thousands of SDRs)

Member	PRGF Loan Account		Structural Adjustment Facility <sup>1</sup>	
	Balance	Percent	Balance	Percent
Albania	59,441	0.96	—	—
Armenia, Republic of	114,287	1.85	—	—
Azerbaijan	98,000	1.59	—	—
Bangladesh	14,375	0.23	—	—
Benin	55,547	0.90	1,750	0.51
Bolivia	161,793	2.62	—	—
Burkina Faso	89,005	1.44	6,636	1.94
Burundi	1,934	0.03	—	—
Cambodia	66,985	1.09	—	—
Cameroon	209,880	3.40	—	—
Cape Verde	1,230	0.02	—	—
Central African Republic	24,480	0.40	—	—
Chad	77,230	1.25	—	—
Comoros	—	—	540	0.16
Congo, Democratic Republic of	—	—	142,910	41.86
Congo, Republic of	12,506	0.20	—	—
Côte d'Ivoire	421,795	6.83	—	—
Djibouti	9,087	0.15	—	—
Equatorial Guinea	440	0.01	1,032	0.30
Ethiopia	86,576	1.40	16,958	4.97
Gambia, The	20,610	0.33	—	—
Georgia	190,725	3.09	—	—
Ghana	275,505	4.46	—	—
Guinea	97,215	1.57	—	—
Guinea-Bissau	14,740	0.24	—	—
Guyana	70,900	1.15	3,198	0.94
Haiti	15,175	0.25	—	—
Honduras	125,250	2.03	—	—
Kenya	78,647	1.27	—	—
Kyrgyz Republic	129,317	2.09	—	—
Lao People's Democratic Republic	32,520	0.53	586	0.17
Lesotho	14,049	0.23	—	—
Macedonia, former Yugoslav Republic of	29,004	0.47	—	—
Madagascar	101,374	1.64	—	—
Malawi	56,578	0.92	—	—
Mali	126,043	2.04	2,032	0.60
Mauritania	77,871	1.26	682	0.20
Moldova, Republic of	18,480	0.30	—	—
Mongolia	35,791	0.58	—	—
Mozambique	154,365	2.50	—	—
Nepal	4,476	0.07	—	—
Nicaragua	125,330	2.03	—	—
Niger	72,714	1.18	—	—
Pakistan	513,660	8.32	—	—
Rwanda	61,880	1.00	—	—
São Tomé and Príncipe	1,902	0.03	—	—
Senegal	202,532	3.28	—	—
Sierra Leone	109,267	1.77	10,808	3.17
Somalia	—	—	8,840	2.59
Sri Lanka	50,400	0.82	—	—
Tajikistan, Republic of	78,280	1.27	—	—
Tanzania	291,220	4.72	—	—
Togo	44,208	0.72	—	—
Uganda	213,790	3.46	—	—
Vietnam	270,040	4.37	—	—
Yemen, Republic of	238,750	3.87	—	—
Zambia	636,165	10.31	145,400	42.59
Zimbabwe	89,484	1.46	—	—
Total loans outstanding	6,172,848	100.00	341,372	100.00

<sup>1</sup>Since Structural Adjustment Facility (SAF) loans have been disbursed in connection with PRGF arrangements, the above list includes these loans, as well as loans disbursed to members under SAF arrangements. These loans are held by the Special Disbursement Account and reflected in the financial statements of the General Department. Repayments of all SAF loans are transferred to the PRGF Reserve Account when received.

## Poverty Reduction and Growth Facility Trust

### Contributions to and Resources of the Subsidy Account as at April 30, 2002

*(In thousands of SDRs)*

Contributor <sup>1</sup>	Amount
<b>Direct contributions to the Subsidy Account</b>	
Argentina	18,133
Australia	4,488
Bangladesh	387
Canada	176,398
China	7,100
Czech Republic	8,000
Denmark	38,299
Egypt	8,000
Finland	22,684
Germany	129,880
Iceland	3,000
India	5,739
Ireland	3,769
Italy	142,215
Japan	506,997
Korea	31,198
Luxembourg	6,766
Morocco	5,806
Netherlands	85,484
Norway	28,074
Sweden	110,887
Switzerland	28,840
Turkey	4,000
United Kingdom	296,673
United States	126,079
Total direct contributions to the Subsidy Account	<u>1,798,896</u>
<b>Net income transferred from PRGF Administered Accounts</b>	
Austria	39,563
Belgium	75,877
Botswana	1,446
Chile	2,910
Greece	25,630
Indonesia	3,993
Iran, Islamic Republic of	1,210
Portugal	2,945
Total net income transferred from Administered Accounts	<u>153,574</u>
Total contributions received	<u>1,952,470</u>
Transfers from Special Disbursement Account	<u>400,000</u>
Total contributions received and transfers from Special Disbursement Account	<u>2,352,470</u>
Cumulative net income of the Subsidy Account	<u>796,472</u>
Resources disbursed to subsidize Trust lending	<u>(1,364,382)</u>
Total resources of the Subsidy Account	<u>1,784,560</u>

<sup>1</sup>In addition to direct contributions, a number of members also make loans available to the Loan Account on concessional terms. See Schedule 3.

## Schedule 3

**Poverty Reduction and Growth Facility Trust****Schedule of Borrowing Agreements  
as at April 30, 2002***(In thousands of SDRs)*

Member	Interest Rate (in percent)	Amount of Agreement	Amount Drawn	Outstanding Balance
<b>Loan Account</b>				
Prior to enlargement of PRGF				
Canada	Fixed <sup>1</sup>	300,000	300,000	164,181
France	0.50 <sup>2</sup>	800,000	800,000	292,856
Germany	Variable <sup>3</sup>	700,000	700,000	325,091
Italy	Variable <sup>3</sup>	370,000	370,000	189,828
Japan	Variable <sup>3</sup>	2,200,000	2,200,000	1,194,142
Korea	Variable <sup>3</sup>	65,000	65,000	23,482
Norway	Variable <sup>3</sup>	90,000	90,000	39,864
Spain	Variable <sup>3</sup>	220,000	216,429 <sup>4</sup>	32,067
Total prior to enlargement of PRGF		<u>4,745,000</u>	<u>4,741,429</u>	<u>2,261,511</u>
For enlargement of PRGF				
Belgium	Variable <sup>3</sup>	350,000	198,041	198,041
Canada	Variable <sup>3</sup>	400,000	271,069	271,069
China	Variable <sup>3</sup>	200,000	100,000	100,000
Denmark	Variable <sup>3</sup>	100,000	21,180	21,180
Egypt	Variable <sup>3</sup>	155,600	100,000	100,000
France	Variable <sup>2</sup>	2,100,000	649,889	649,889
Germany	Variable <sup>3</sup>	2,050,000	537,904	537,904
Italy	Variable <sup>3</sup>	1,010,000	254,913	254,913
Japan	Variable <sup>3</sup>	2,934,800	1,369,713	1,369,713
Korea	Variable <sup>3</sup>	27,700	27,700	27,700
Netherlands	Variable <sup>3</sup>	450,000	29,930	29,930
Norway	Variable <sup>3</sup>	60,000	60,000	60,000
OPEC Fund for International Development	Variable <sup>3</sup>	39,441 <sup>5</sup>	36,732	36,732
Spain	0.50	192,000	48,633	48,633
Switzerland	Variable <sup>3</sup>	401,700	151,700	151,700
Total for enlargement of PRGF		<u>10,471,241</u>	<u>3,857,404</u>	<u>3,857,404</u>
Resources held pending repayment		<u>—</u>	<u>—</u>	<u>546,035<sup>6</sup></u>
Total—Loan Account		<u><u>15,216,241</u></u>	<u><u>8,598,833</u></u>	<u><u>6,664,950</u></u>
<b>Subsidy Account</b>				
Malaysia (1994 loans)	2.00	40,000	40,000	40,000
Malta	0.50	2,730	2,730	2,730
Pakistan	0.50	10,000	6,003	6,003
Singapore	2.00	80,000	80,000	40,000
Tunisia	0.50	3,551	3,551	3,551
Uruguay	Variable <sup>7</sup>	7,200	7,200	7,200
Total—Subsidy Account		<u>143,481</u>	<u>139,484</u>	<u>99,484</u>

<sup>1</sup>The loans under this agreement are made at market-related rates of interest fixed at the time the loan was disbursed.<sup>2</sup>The agreement with France made before the enlargement of PRGF (SDR 800 million) provides that the interest rate shall be 0.5 percent on the first SDR 700 million drawn, and for variable, market-related rates of interest thereafter. The agreement with France made for the enlargement of the PRGF (SDR 2.1 billion) provides that the interest rate shall be 0.5 percent until the cumulative implicit interest subsidy reaches SDR 250 million, and at variable, market-related rates of interest thereafter.<sup>3</sup>The loans under these agreements are made at variable, market-related rates of interest.<sup>4</sup>The agreement expired with an undrawn balance of SDR 3.6 million.<sup>5</sup>The agreement with the OPEC Fund for International Development is for an amount of \$50 million.<sup>6</sup>This amount represents principal repayments held and invested on behalf of a lender.<sup>7</sup>The interest rate payable on the borrowing from Uruguay is equal to the rate on SDR-denominated deposits less 2.6 percent a year.

## Poverty Reduction and Growth Facility Trust

### Status of Loan Arrangements as at April 30, 2002

*(In thousands of SDRs)*

Member	Date of Arrangement	Expiration Date	Amount Agreed	Undrawn Balance
Armenia, Republic of	May. 23, 2001	May. 22, 2004	69,000	59,000
Azerbaijan	Jul. 6, 2001	Jul. 5, 2004	80,450	64,350
Benin	Jul. 17, 2000	Jul. 16, 2003	27,000	12,120
Bolivia	Sep. 18, 1998	Jun. 7, 2002	100,960	37,097
Burkina Faso	Sep. 10, 1999	Dec. 9, 2002	39,120	5,580
Cambodia	Oct. 22, 1999	Feb. 28, 2003	58,500	16,715
Cameroon	Dec. 21, 2000	Dec. 20, 2003	111,420	63,660
Cape Verde	Apr. 10, 2002	Apr. 9, 2005	8,640	7,410
Chad	Jan. 7, 2000	Jan. 6, 2003	47,600	15,800
Côte d'Ivoire	Mar. 29, 2002	Mar. 28, 2005	292,680	234,140
Djibouti	Oct. 18, 1999	Oct. 17, 2002	19,082	9,995
Ethiopia	Mar. 22, 2001	Mar. 21, 2004	100,277	41,716
Georgia	Jan. 12, 2001	Jan. 11, 2004	108,000	81,000
Ghana	May. 3, 1999	Nov. 30, 2002	228,800	52,583
Guinea	May. 2, 2001	May. 1, 2004	64,260	51,408
Guinea-Bissau	Dec. 15, 2000	Dec. 14, 2003	14,200	9,120
Honduras	Mar. 26, 1999	Dec. 31, 2002	156,750	48,450
Kenya	Aug. 4, 2000	Aug. 3, 2003	190,000	156,400
Kyrgyz Republic	Dec. 6, 2001	Dec. 5, 2004	73,400	61,680
Lao People's Democratic Republic	Apr. 25, 2001	Apr. 24, 2004	31,700	22,640
Lesotho	Mar. 9, 2001	Mar. 8, 2004	24,500	14,000
Madagascar	Mar. 1, 2001	Feb. 29, 2004	79,430	56,736
Malawi	Dec. 21, 2000	Dec. 20, 2003	45,110	38,670
Mali	Aug. 6, 1999	Aug. 5, 2003	51,315	19,650
Mauritania	Jul. 21, 1999	Jul. 20, 2002	42,490	12,140
Moldova, Republic of	Dec. 21, 2000	Dec. 20, 2003	110,880	92,400
Mongolia	Sep. 28, 2001	Sep. 27, 2004	28,490	24,420
Mozambique	Jun. 28, 1999	Jun. 27, 2002	87,200	25,200
Niger	Dec. 22, 2000	Dec. 21, 2003	59,200	33,820
Pakistan	Dec. 6, 2001	Dec. 5, 2004	1,033,700	861,400
São Tomé and Príncipe	Apr. 28, 2000	Apr. 27, 2003	6,657	4,755
Sierra Leone	Sep. 26, 2001	Sep. 25, 2004	130,840	74,669
Tanzania	Apr. 4, 2000	Apr. 3, 2003	135,000	35,000
Vietnam	Apr. 13, 2001	Apr. 12, 2004	290,000	207,200
Zambia	Mar. 25, 1999	Mar. 28, 2003	254,450	149,630
			<u>4,201,101</u>	<u>2,700,554</u>

**Poverty Reduction and Growth Facility Administered Accounts**

**Balance Sheets**  
as at April 30, 2002 and 2001

(In thousands of SDRs)

	Austria		Belgium		Botswana	
	2002	2001	2002	2001	2002	2001
<b>Assets</b>						
Investments (Note 3) .....	35,000	44,940	80,000	80,000	6,894	6,885
Advance payments to the PRGF Trust Subsidy Account .....	160	257	—	—	116	124
Interest receivable .....	—	—	20	11	—	—
Total assets .....	<u>35,160</u>	<u>45,197</u>	<u>80,020</u>	<u>80,011</u>	<u>7,010</u>	<u>7,009</u>
<b>Liabilities and Resources</b>						
Deposits (Note 4) .....	35,000	45,000	80,000	80,000	6,894	6,894
Interest payable .....	160	197	2	1	116	115
Total liabilities .....	<u>35,160</u>	<u>45,197</u>	<u>80,002</u>	<u>80,001</u>	<u>7,010</u>	<u>7,009</u>
Resources .....	—	—	18	10	—	—
Total Liabilities and Resources .....	<u>35,160</u>	<u>45,197</u>	<u>80,020</u>	<u>80,011</u>	<u>7,010</u>	<u>7,009</u>
	Greece		Indonesia		Iran, I. R. of	
	2002	2001	2002	2001	2002	2001
<b>Assets</b>						
Investments (Note 3) .....	14,000	20,967	25,000	25,000	5,000	4,993
Advance payments to the PRGF Trust Subsidy Account .....	15	48	—	324	23	29
Interest receivable .....	—	—	<u>214</u>	<u>186</u>	—	—
Total assets .....	<u>14,015</u>	<u>21,015</u>	<u>25,214</u>	<u>25,510</u>	<u>5,023</u>	<u>5,022</u>
<b>Liabilities and Resources</b>						
Deposits (Note 4) .....	14,000	21,000	25,000	25,000	5,000	5,000
Interest payable .....	15	15	118	510	23	22
Total liabilities .....	<u>14,015</u>	<u>21,015</u>	<u>25,118</u>	<u>25,510</u>	<u>5,023</u>	<u>5,022</u>
Resources .....	—	—	96	—	—	—
Total Liabilities and Resources .....	<u>14,015</u>	<u>21,015</u>	<u>25,214</u>	<u>25,510</u>	<u>5,023</u>	<u>5,022</u>
	Portugal					
	2002	2001				

The accompanying notes are an integral part of these financial statements.

/s/ Eduard Brau  
Treasurer

/s/ Horst Köhler  
Managing Director

## Poverty Reduction and Growth Facility Administered Accounts

### Statements of Income and Changes in Resources for the Years Ended April 30, 2002 and 2001

*(In thousands of SDRs)*

	Austria		Belgium		Botswana	
	2002	2001	2002	2001	2002	2001
Balance, beginning of the year .....	—	—	10	2,331	—	—
Investment income .....	2,134	3,077	2,420	6,620	358	431
Other expenses .....	(27)	(34)	—	—	(5)	(6)
Interest expense on deposits .....	(201)	(243)	(400)	(749)	(138)	(136)
Net income .....	1,906	2,800	2,020	5,871	215	289
Transfers to the:						
PRGF Trust Subsidy Account .....	(1,906)	(2,800)	(2,012)	16	(215)	(289)
PRGF/HIPC Trust Account .....	—	—	—	(8,208)	—	—
Net changes in resources .....	—	—	8	(2,321)	—	—
Balance, end of the year .....	—	—	18	10	—	—
<hr/>						
Greece		Indonesia		Iran, I. R. of		Portugal
2002	2001	2002	2001	2002	2001	2002
Balance, beginning of the year .....	—	361	—	117	—	26
Investment income .....	1,052	2,143	635	1,625	259	313
Other expenses .....	(12)	(19)	—	—	(3)	(5)
Interest expense on deposits .....	(96)	(129)	(240)	(495)	(25)	(24)
Net income .....	944	1,995	395	1,130	231	284
Transfers to the:						
PRGF Trust Subsidy Account .....	(944)	(2,356)	(299)	(1,247)	(231)	(310)
Net changes in resources .....	—	(361)	96	(117)	—	(26)
Balance, end of the year .....	—	—	96	—	—	—

The accompanying notes are an integral part of these financial statements.

## Poverty Reduction and Growth Facility Administered Accounts

### Notes to the Financial Statements as at April 30, 2002 and 2001

#### 1. Nature of Operations

At the request of certain member countries, the IMF established the Poverty Reduction and Growth Facility Administered Accounts (PRGF Administered Accounts or Administered Accounts) for the benefit of the Subsidy Account of the PRGF Trust. The PRGF Administered Accounts comprise deposits made by contributors. The difference between interest earned by the Administered Accounts and the interest payable on deposits is transferred to the Subsidy Account of the PRGF Trust.

The Saudi Fund for Development (SFD) Special Account was established at the request of the SFD to provide supplementary financing in association with loans under the Poverty Reduction and Growth Facility (PRGF). The IMF acts as agent of the SFD. Disbursements from the SFD Special Account are made simultaneously with PRGF disbursements. Payments of interest and principal due to the SFD under associated loans are to be transferred to the SFD.

The resources of each administered account are held separately from the assets of all other accounts of, or administered by, the IMF and may not be used to discharge liabilities or to meet losses incurred in the administration of other accounts.

#### 2. Summary of Significant Accounting Policies

##### Basis of Presentation

The financial statements of the PRGF Administered Accounts are prepared in accordance with International Accounting Standards (IAS). Specific accounting principles and disclosure practices are explained further below. The preparation of financial statements in conformity with IAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

In financial year 2001, IAS 39, *Financial Instruments: Recognition and Measurement* was adopted and had no material effect on the PRGF Administered Accounts' financial statements.

##### Revenue and Expense Recognition

The financial statements are maintained on the accrual basis; accordingly, income is recognized as it is earned, and expenses are recorded as they are incurred.

##### Unit of Account

The financial statements are expressed in terms of SDRs. The value of the SDR is determined by the IMF each day by summing the values in U.S. dollars, based on market exchange rates, of the currencies in the SDR valuation basket. The IMF reviews the SDR valuation basket every five years. The latest review was completed in October 2000 and the new composition of the SDR valuation basket became effective on January 1, 2001. The value of the SDR in terms of U.S. dol-

lars on the last business day prior to the change (December 29, 2000) was identical under both valuation baskets. The currencies in the basket as of April 30, 2002 and 2001 and their amounts were as follows:

Currency	Amount
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of April 30, 2002, one SDR was equal to 1.26771 U.S. dollars (one SDR was equal to 1.26579 U.S. dollars as of April 30, 2001).

##### Investments

The resources of the Administered Accounts are invested pending their use. Investments are made in debt securities and fixed term deposits, either directly or by participation in an investment pool. Investments are marked to market on the last business day of the accounting period. Purchases are valued and reflected on the trade date basis and sales are based on the actual settlement date valuations. Investment income comprises interest earned on investments, realized and unrealized gains and losses on investments and currency valuation differences arising from exchange rate movements against the SDR.

Interest rate risk is managed by limiting the investment portfolio to a weighted-average effective duration that does not exceed three years. Currency risk is minimized by investing in securities denominated in SDRs or in the constituent currencies of the SDR basket. Risk is further minimized by ensuring that the currency composition of the investment portfolio matches, as closely as possible, the currency composition of the SDR basket.

##### Transfers

Internal transfers of resources within the IMF are accounted for under the accrual method of accounting.

##### Foreign Currency Translation

Foreign currency transactions are recorded at the rate of exchange on the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are reported using the closing exchange rates. Exchange differences arising on the settlement of transactions at rates different from those at the originating date of the transaction, and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are included in the determination of net income.

##### Transfers to PRGF Trust Subsidy Account

The difference between the interest earned by the PRGF Administered Accounts on the amount invested and the interest payable on the deposits of the Administered

Accounts, net of any cost, is to be transferred to the Subsidiy Account of the PRGF Trust.

#### Administrative Costs

The expenses of conducting the activities of the Administered Accounts are incurred and borne by the General Department of the IMF.

### 3. Investments

The maturities of the administered accounts' investments are as follows:

Maturity as at April 30	2002	2001
<i>in thousands of SDRs</i>		
Less than 1 year	165,674	107,887
1-3 years	12,051	84,051
3-5 years	—	3,239
Over 5 years	—	299
Total	<u>177,725</u>	<u>195,476</u>

At April 30, the investments consisted of the following:

	2002	2001
<i>in thousands of SDRs</i>		
Debt securities	72,725	90,476
Fixed-term deposits	<u>105,000</u>	<u>105,000</u>
Total	<u>177,725</u>	<u>195,476</u>

At April 30, investment income comprised:

	2002	2001
<i>in thousands of SDRs</i>		
Interest income	6,990	14,612
Realized gains/(losses), net	1,802	(983)
Unrealized (losses)/gains, net	<u>(1,318)</u>	<u>1,374</u>
Total	<u>7,474</u>	<u>15,003</u>

### 4. Deposits

#### Austria

The Administered Account Austria was established on December 27, 1988 for the administration of resources deposited in the account by the Austrian National Bank. Two deposits (one of SDR 60.0 million made on December 30, 1988 and one of SDR 50.0 million made on August 10, 1995) are to be repaid in ten equal semiannual installments beginning five and a half years after the date of each deposit and ending at the end of the tenth year after the date of each deposit. The deposits bear interest at a rate of  $\frac{1}{2}$  of 1 percent a year. The first deposit from Austria had been repaid in full.

#### Belgium

The Administered Account Belgium was established on July 27, 1988 for the administration of resources deposited in the account by the National Bank of Belgium. Four deposits (SDR 30.0 million made on July 29, 1988; SDR 35.0 million made on December 30, 1988; SDR 35.0 million made on June 30, 1989; and SDR 80.0 million made on April 29, 1994) have an initial maturity of six months and are renewable by the IMF, on the same basis. The final maturity of each deposit, including

renewals, will be ten years from the initial dates of the individual deposits. The deposits bear interest at a rate of  $\frac{1}{2}$  of 1 percent a year. In accordance with an addendum to the account, effective on July 24, 1998, the maturities of the first three deposits will be extended by the National Bank of Belgium, for further periods of six months, provided that the total maturity period of each deposit does not exceed five years. The deposits are invested by the IMF, and the IMF pays the National Bank of Belgium interest on each deposit at an annual rate of  $\frac{1}{2}$  of 1 percent. The difference between the interest paid to the National Bank of Belgium and the interest earned on the deposits (net of any cost to the IMF) was retained in the account and invested. As of January 31, 2001, the Ministry of Finance of Belgium authorized a transfer of SDR 8.2 million in net earnings to the PRGF-HIPC Trust. The first three deposits, totaling SDR 100 million, were paid in full in January 2001.

#### Botswana

The Administered Account Botswana was established on July 1, 1994 for the administration of resources deposited in the account by the Bank of Botswana. The deposit, totaling SDR 6.9 million, is to be repaid in one installment ten years after the date of deposit. The deposit bears interest at a rate of 2 percent a year.

#### Greece

The Administered Account Greece was established on November 30, 1988 for the administration of resources deposited in the account by the Bank of Greece. Two deposits of SDR 35.0 million each (December 15, 1988 and April 29, 1994) are to be repaid in ten equal semiannual installments beginning five and a half years after the date of deposit and will be completed at the end of the tenth year after the date of the deposits. The deposits bear interest at a rate of  $\frac{1}{2}$  of 1 percent a year. The first deposit from Greece has been repaid in full.

#### Indonesia

The Administered Account Indonesia was established on June 30, 1994 for the administration of resources deposited in the account by the Bank Indonesia. The deposit, totaling SDR 25.0 million, is to be repaid in one installment ten years after the date the deposit was made. The interest payable on the deposit is equivalent to that obtained for the investment of the deposit less 2 percent a year.

#### Islamic Republic of Iran

The Administered Account Islamic Republic of Iran was established on June 6, 1994 for the administration of resources deposited in the account by the Central Bank of the Islamic Republic of Iran (CBIRI). The CBIRI has made five annual deposits, each of SDR 1.0 million. All of the deposits will be repaid at the end of ten years after the date of the first deposit. Each deposit bears interest at a rate of  $\frac{1}{2}$  of 1 percent a year.

#### Portugal

The Administered Account Portugal was established on May 16, 1994 for the administration of resources deposited in the account by the Banco de Portugal (BdP). The BdP has agreed to make six annual deposits, each of SDR 2.2 million. Each deposit is to be repaid in five equal annual installments beginning six years after the date of the deposit and will be

completed at the end of the tenth year after the date of the deposit. Each deposit bears interest at a rate of  $\frac{1}{2}$  of 1 percent a year.

### 5. Associated Loans Under the SFD Special Account

The SFD has provided additional resources to support arrangements under the PRGF. Funds become available under an associated loan after a bilateral agreement between the SFD and the recipient country has been effected.

Amounts denominated in SDRs, for disbursement to a recipient country under an associated loan, are placed by the SFD in the Saudi Fund for Development Special Account for disbursement by the IMF simultaneously with disbursements under PRGF arrangement. These loans are repayable in ten equal semiannual installments commencing not later than the end of the first six months of the sixth year, and are to be completed at the end of the tenth year after the date of disbursement. Interest on the outstanding balance is currently set at a rate of  $\frac{1}{2}$  of 1 percent a year.

The receipts and uses of resources for the Saudi Fund for Development Special Account were as follows:

	2002	2001
<i>In thousands of SDRs</i>		
<b>Receipts of Resources</b>		
Cumulative transfers from the		
Saudi Fund for Development	49,500	49,500
Cumulative repayments of associated loans	34,300	26,150
Cumulative receipts of interest on associated loans	1,783	1,668
Accrued interest on associated loans	28	44
	<u>85,611</u>	<u>77,362</u>
<b>Uses of Resources</b>		
Associated loans	49,500	49,500
Cumulative repayments to the		
Saudi Fund for Development	34,300	26,150
Cumulative payments of interest on transfers	1,783	1,668
Accrued interest on transfers	28	44
	<u>85,611</u>	<u>77,362</u>

## PRGF-HIPC Trust and Related Accounts

Combined Balance Sheets  
as at April 30, 2002 and 2001

(In thousands of SDRs)

	2002	2001
<b>Assets</b>		
Cash and cash equivalents .....	965,867	943,652
Investments (Note 3) .....	438,524	486,719
Transfers receivable (Note 4) .....	—	12,475
Interest receivable .....	2,236	10,706
Total Assets .....	<u>1,406,627</u>	<u>1,453,552</u>
<b>Liabilities and Resources</b>		
Borrowings (Note 5) .....	541,787	477,159
Interest payable .....	1,085	860
Total Liabilities .....	<u>542,872</u>	<u>478,019</u>
Resources .....	<u>863,755</u>	<u>975,533</u>
Total Liabilities and Resources .....	<u>1,406,627</u>	<u>1,453,552</u>

The accompanying notes are an integral part of these combined financial statements.

/s/ Eduard Brau  
Treasurer

/s/ Horst Köhler  
Managing Director

## PRGF-HIPC Trust and Related Accounts

Combined Statements of Income and Changes in Resources  
for the Years Ended April 30, 2002 and 2001

(In thousands of SDRs)

	2002	2001
Balance, beginning of the year .....	<u>975,533</u>	<u>928,927</u>
Investment income (Note 3) .....	51,266	64,308
Interest expense .....	(1,925)	(1,443)
Other expenses .....	<u>(173)</u>	<u>(184)</u>
Operational income .....	49,168	62,681
Contributions received .....	73,697	191,921
Disbursements .....	<u>(251,532)</u>	<u>(91,376)</u>
	(128,667)	163,226
Transfers .....	<u>16,889</u>	<u>(116,620)</u>
Net changes in resources .....	<u>(111,778)</u>	<u>46,606</u>
Balance, end of the year .....	<u>863,755</u>	<u>975,533</u>

The accompanying notes are an integral part of these combined financial statements.

**PRGF-HIPC Trust and Related Accounts**  
**Notes to the Combined Financial Statements**  
**as at April 30, 2002 and 2001**

### 1. Nature of Operations

The Trust for Special PRGF Operations for the Heavily Indebted Poor Countries and for Interim PRGF Subsidy Operations (the PRGF-HIPC Trust) and Related Accounts comprise the PRGF-HIPC Trust Account, the Umbrella Account for HIPC Operations, and the Post-SCA-2 Administered Account. The PRGF-HIPC Trust Account comprises three subaccounts: the PRGF-HIPC, PRGF, and HIPC subaccounts. Combining balance sheets and income statements and changes in resources for each of these accounts are provided in Note 6. Transactions between the above accounts are eliminated on combination in the combined balance sheets and combined income statements and changes in resources.

#### PRGF-HIPC Trust

The PRGF-HIPC Trust, for which the IMF is trustee, was established on February 4, 1997 to provide balance of payments assistance to low-income developing members by making grants or loans to eligible members for the purpose of reducing their external debt burden and for interim PRGF subsidy purposes. The resources of the PRGF-HIPC Trust are held separately from the assets of all other accounts of, or administered by, the IMF and may not be used to discharge liabilities or to meet losses incurred in the administration of other accounts.

The operations of the PRGF-HIPC Trust are conducted through the PRGF-HIPC Trust Account and the Umbrella Account for HIPC Operations.

#### PRGF-HIPC Trust Account

The resources of the PRGF-HIPC Trust Account consist of grant contributions, borrowings, and other types of investments made by contributors; amounts transferred by the IMF from the Special Disbursement Account and the General Resources Account; and net earnings from investment of resources held in the PRGF-HIPC Trust Account.

The PRGF-HIPC subaccount holds resources that can finance either HIPC operations or interim PRGF subsidy operations; the PRGF subaccount holds resources earmarked for interim PRGF subsidy operations, while the HIPC subaccount holds resources earmarked for HIPC operations. PRGF-HIPC subaccount resources used to finance HIPC operations through the HIPC subaccount are repayable to the PRGF-HIPC subaccount and bear interest at a rate equal to the average return on investments in the Special Disbursement Account.

The resources held in the PRGF-HIPC Trust Account are to be used by the trustee to make grants or loans to eligible members that qualify for assistance under the HIPC Initiative and for subsidizing the interest rate on interim PRGF operations to PRGF-eligible members.

#### Umbrella Account for HIPC Operations

The Umbrella Account for HIPC Operations (the Umbrella Account) receives and administers the proceeds of grants or loans made to eligible members that qualify for assistance under the terms of the PRGF-HIPC Trust. Within the Umbrella Account, resources received are administered through the establishment of subaccounts for each eligible member upon the approval of disbursements under the PRGF-HIPC Trust.

The resources of a subaccount of the Umbrella Account consist of (1) amounts disbursed from the PRGF-HIPC Trust Account as grants or loans for the benefit of a member, and (2) net earnings from investment of the resources held in the subaccount.

The resources held in a subaccount of the Umbrella Account are to be used to meet the member's debt obligations to the IMF, or accounts administered by it, in accordance with the schedule agreed upon by the trustee and the member for the use of the proceeds of the PRGF-HIPC Trust disbursements.

#### Post-SCA-2 Administered Account

The Post-SCA-2 Administered Account, which is administered by the IMF on behalf of members, was established on December 8, 1999 for the temporary administration of resources transferred by members following the termination of the second Special Contingent Account (SCA-2), prior to the final disposition of those resources.

Resources received from a member's cumulative SCA-2 contributions, together with the member's pro rata share of investment returns, shall be transferred to the PRGF-HIPC Trust or to the member, in accordance with the member's instructions. The assets held in the Post-SCA-2 Administered Account are held separately from the assets and property of all other accounts of, or administered by, the IMF and may not be used to discharge liabilities or to meet losses incurred in the administration of other accounts.

### 2. Summary of Significant Accounting Policies

#### Basis of Presentation

The financial statements of the IMF are prepared in accordance with International Accounting Standards (IAS). Specific accounting principles and disclosure practices are explained further below. The preparation of financial statements in conformity with IAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

In financial year 2001, IAS 39, *Financial Instruments: Recognition and Measurement* was adopted and had no material effect on the PRGF-HIPC Trust and Related Accounts' financial statements.

#### Revenue and Expense Recognition

The financial statements are prepared on the accrual basis; accordingly, income is recognized as it is earned, and expenses are recorded as they are incurred.

#### Unit of Account

The financial statements are expressed in terms of SDRs. The value of the SDR is determined by the IMF each day by summing the values in U.S. dollars, based on market exchange rates, of the currencies in the SDR valuation basket. The IMF reviews the SDR valuation basket every five years. The latest review was completed in October 2000 and the new composition of the SDR valuation basket became effective from January 1, 2001. The value of the SDR in terms of U.S. dol-

lars on the last business day prior to the change (December 29, 2000) was identical under both valuation baskets. The currencies in the basket as of April 30, 2002 and 2001 and their amounts were as follows:

Currency	Amount
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of April 30, 2002, one SDR was equal to 1.26771 U.S. dollars (one SDR was equal to 1.26579 U.S. dollars as of April 30, 2001).

#### Cash and Cash Equivalents

Cash and cash equivalents include short-term deposits with a maturity of less than ninety days. These deposits are denominated in SDRs or other currencies and are carried at cost not exceeding market value. Interest received on these instruments varies and is based on prevailing market rates.

#### Investments

The resources of the Trust are invested pending their use. The Trust invests in debt securities and fixed-term deposits, either directly or by participation in an investment pool. Investments are marked to market on the last business day of the accounting period. Purchases are valued and reflected on the trade date basis and sales are based on the actual settlement date valuations. Investment income comprises interest earned on investments, realized and unrealized gains and losses on investments, and currency valuation differences arising from exchange rate movements against the SDR.

Interest rate risk is managed by limiting the investment portfolio to a weighted-average effective duration that does not exceed three years. Currency risk is minimized by investing in securities denominated in SDRs or in the constituent currencies of the SDR basket. Regular portfolio rebalancing to ensure that the currency composition of the investment portfolio matches, as closely as possible, the currency composition of the SDR basket, further minimizes risk.

#### Contributions

Bilateral contributions are reflected as increases in resources after the achievement of specified conditions and are subject to bilateral agreements stipulating how the resources are to be used.

#### Transfers

Internal transfers of resources within the IMF are accounted for under the accrual method of accounting.

#### Foreign Currency Translation

Foreign currency transactions are recorded at the rate of exchange on the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are reported using the closing exchange rates. Exchange differences arising on the settlement of transactions at rates different from those at the originating date of the transaction and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are included in the determination of net income.

#### Administrative Costs

The expenses of conducting activities of the Trust and related accounts are incurred and borne by the General Department of the IMF.

### 3. Investments

The maturities of the investments in debt securities and fixed-term deposits are as follows:

	Maturity as at April 30	2002	2001
		In thousands of SDRs	
Less than 1 year	376,817	247,851	
1–3 years	61,707	229,222	
3–5 years	—	8,832	
Over 5 years	—	814	
Total	<u>438,524</u>	<u>486,719</u>	

At April 30, the investments consisted of the following:

	2002	2001
	In thousands of SDRs	
Debt securities	225,352	241,310
Fixed-term deposits	213,172	245,409
Total	<u>438,524</u>	<u>486,719</u>

At April 30, investment income is comprised of:

	2002	2001
	In thousands of SDRs	
Interest income	49,714	62,768
Realized gains/(losses), net	4,677	(1,759)
Unrealized (losses)/gains, net	(3,152)	3,411
Exchange rate gains/(losses), net	27	(112)
Total	<u>51,266</u>	<u>64,308</u>

### 4. Transfers Receivable and Payable

At April 30, 2002, the HIPC subaccount had transfers payable to the PRGF-HIPC subaccount arising from past disbursements to the Umbrella Account under the HIPC Initiative in the amount of SDR 437.0 million, including interest (SDR 214.2 million at April 30, 2001). Interest payable between subaccounts is eliminated on combination. At April 30, 2002, there was no transfer due from the Special Disbursement Account (SDR 12.5 million at April 30, 2001).

### 5. Borrowings

The Trust borrows on such terms and conditions as agreed between the Trust and the lenders. Interest rates on borrowings at 2002 and 2001 varied between 0 percent and 2 percent a year. The principal amounts of the borrowings are repayable in one installment at their maturity dates. Scheduled repayments of borrowings are summarized below:

Financial Year Ending April 30	In thousands of SDRs
2003	—
2004	—
2005	15,000
2006	—
2007	310
2008 and beyond	526,477
Total	<u>541,787</u>

Borrowings during the financial year ended April 30, 2002 amounted to SDR 150 million (SDR 76 million for the financial year ended April 30, 2001). Repayments amounted to SDR 15 million for the year ended April 30, 2002 (none in the year ended April 30, 2001). Borrowings include foreign currency amounts.

## 6. Combining Balance Sheets and Statements of Income and Changes in Resources

The balance sheets and statements of income and changes in resources for each of the accounts and subaccounts in the PRGF-HIPC Trust and Related Accounts are presented below:

## Combining Balance Sheets as at April 30, 2002 and 2001

(In thousands of SDRs)

		2002			2001		
PRGF-HIPC Trust Account		Umbrella Account for HIPC Operations			Post-SCA-2 Administered Account		
PRGF-HIPC	PRGF subaccount	HIPC	Combined	Umbrella Account for HIPC Operations	Post-SCA-2 Administered Account	PRGF-HIPC Trust Account	Umbrella Account for HIPC Operations
<b>Assets</b>							
Cash and cash equivalents	576,105	9,651	—	585,756	330,115	49,996	965,867
Investments	433,614	4,910	—	438,524	—	—	438,524
Transfers receivable	—	—	—	—	—	—	—
Transfers to and from subaccounts	437,001	—	(437,001)	—	—	—	—
Interest receivable	914	30	—	944	1,013	279	2,236
Total Assets	<u>1,447,634</u>	<u>14,591</u>	<u>(437,001)</u>	<u>1,025,224</u>	<u>331,128</u>	<u>50,275</u>	<u>1,406,627</u>
<b>Liabilities and Resources</b>							
Borrowings	541,787	—	—	541,787	—	—	541,787
Interest payable	1,085	—	—	1,085	—	1,085	—
Total Liabilities	<u>542,872</u>	<u>—</u>	<u>—</u>	<u>542,872</u>	<u>—</u>	<u>—</u>	<u>542,872</u>
Resources	904,762	14,591	(437,001)	482,352	331,128	50,275	863,755
Total Liabilities and Resources	<u>1,447,634</u>	<u>14,591</u>	<u>(437,001)</u>	<u>1,025,224</u>	<u>331,128</u>	<u>50,275</u>	<u>1,406,627</u>

## Note 6 (concluded)

**Combining Statements of Income and Changes in Resources  
for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	2002			2001		
	PRGF-HIPC Trust Account subaccount	HIPC	Combined	Umbrella Account for HIPC Operations	Post-SCA-2 Administered Account	PRGF-HIPC Trust Account
PRGF-HIPC	PRGF	HIPC	Combined	Umbrella Account for HIPC Operations	Post-SCA-2 Administered Account	PRGF-HIPC Trust Account
Balance, beginning of the year	735,089	14,003	(210,287)	538,805	93,318	975,533
Investment income <sup>1</sup>	56,734	593	49	39,910	9,688	51,266
Interest expense <sup>1</sup>	(1,925)	—	(17,466)	(1,925)	—	(1,925)
Other expenses	(166)	(5)	(2)	(173)	—	(173)
Operational income/(loss)	54,643	588	(17,419)	37,812	9,688	49,168
Contributions received	53,430	—	20,267	73,697	—	73,697
Grants	—	—	(229,562)	229,562	—	(229,562)
Disbursements	—	—	—	(251,532)	—	(251,532)
Transfers	108,073	588	(226,714)	(118,053)	(12,282)	(128,667)
Net changes in resources	61,600	—	61,600	—	(44,711)	16,889
Balance, end of the year	169,673	588	(226,714)	(56,453)	(43,043)	(111,778)
	904,762	14,591	482,352	331,128	50,275	863,755
	<u><u>904,762</u></u>	<u><u>14,591</u></u>	<u><u>482,352</u></u>	<u><u>331,128</u></u>	<u><u>50,275</u></u>	<u><u>863,755</u></u>
					<u><u>538,805</u></u>	<u><u>93,318</u></u>
					<u><u>93,318</u></u>	<u><u>975,533</u></u>
					<u><u>93,318</u></u>	<u><u>975,533</u></u>

<sup>1</sup>Interest payable between subaccounts amounting to SDR 17.5 million (SDR 13.5 million at April 30, 2001) has been eliminated in the combined totals.

## Schedule 1

**Post-SCA-2 Administered Account****Holdings, Interest and Transfers  
as at April 30, 2002***(In thousands of SDRs)*

Member	Balance Beginning of the Year	Interest Earned	Transfers from Member	Transfers to Member	Transfers to PRGF-HIPC Trust	Balance End of the Year
Algeria	412	—	—	—	(412)	—
Argentina	20,794	150	—	—	(15,628)	5,316
Brazil	10,598	300	—	—	—	10,898
Brunei Darussalam	55	1	—	—	(56)	—
Colombia	—	12	1,182	—	(1,194)	—
Croatia, Republic of	31	—	—	—	(31)	—
Dominican Republic	957	27	—	—	—	984
Estonia, Republic of	146	4	—	—	(149)	1
Fiji	206	6	—	—	—	212
Finland	322	—	—	—	(322)	—
Gabon	458	—	—	—	(458)	—
Jordan	1,087	30	—	—	—	1,117
Latvia, Republic of	17	—	—	(2)	(15)	—
Malaysia	7,821	24	—	—	(7,845)	—
Oman	1,123	7	—	—	(1,130)	—
Saudi Arabia	978	—	—	—	(978)	—
Singapore	249	—	—	—	(249)	—
Sweden	11,254	188	—	—	(11,442)	—
Thailand	350	—	—	—	(350)	—
Tonga	27	1	—	—	—	28
Trinidad & Tobago	2,334	66	—	—	—	2,400
Tunisia	136	—	—	—	(136)	—
United Arab Emirates	5,450	46	—	—	(5,496)	—
Vanuatu	46	2	—	—	—	48
Venezuela	28,467	804	—	—	—	29,271
Total	<u>93,318</u>	<u>1,668</u>	<u>1,182</u>	<u>(2)</u>	<u>(45,891)</u>	<u>50,275</u>

**PRGF-HIPC Trust Account**  
**Contributions and Transfers**  
**for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	Subaccount			
	PRGF-HIPC	PRGF	HIPC	Combined
<b><i>Year ended April 30, 2001</i></b>				
Australia	—	—	3,910	3,910
Austria	—	—	9,981	9,981
Belgium	12,208	—	—	12,208
Belize	20	—	—	20
Denmark	2,374	—	—	2,374
Egypt	37	—	—	37
France	17,196	—	—	17,196
Iceland	366	—	—	366
India	390	—	—	390
Indonesia	124	—	—	124
Italy	43,309	—	—	43,309
Japan	16,356	—	—	16,356
Kuwait	108	—	—	108
Latvia, Republic of	269	—	—	269
Mexico	8,000	—	—	8,000
Morocco	49	—	—	49
Netherlands	—	6,147	—	6,147
New Zealand	1,158	—	—	1,158
Norway	1,144	—	—	1,144
Pakistan	105	—	—	105
Poland, Republic of	877	—	—	877
Russian Federation	10,200	—	—	10,200
South Africa	4,000	—	—	4,000
Spain	16,550	—	—	16,550
Sri Lanka	12	—	—	12
Switzerland	3,184	—	—	3,184
United Kingdom	—	—	33,837	33,837
Vietnam	10	—	—	10
Transfers from SDA	<u>138,046</u>	<u>6,147</u>	<u>47,728</u>	<u>191,921</u>
	<u>55,000</u>	<u>—</u>	<u>—</u>	<u>55,000</u>
	<u>193,046</u>	<u>6,147</u>	<u>47,728</u>	<u>246,921</u>

Schedule 2 (*concluded*)

**PRGF-HIPC Trust Account**  
**Contributions and Transfers**  
**for the Years Ended April 30, 2002 and 2001**

*(In thousands of SDRs)*

	Subaccount			Combined
	PRGF-HIPC	PRGF	HIPC	
<b><i>Year ended April 30, 2002</i></b>				
Algeria	412	—	—	412
Australia	—	—	3,920	3,920
Belgium	2,621	—	—	2,621
Belize	20	—	—	20
Brunei Darussalam	4	—	—	4
Colombia	13	—	—	13
Croatia, Republic of	31	—	—	31
Denmark	2,386	—	—	2,386
Estonia, Republic of	372	—	—	372
Finland	322	—	—	322
Gabon	458	—	—	458
Iceland	184	—	—	184
Japan	15,441	—	—	15,441
Latvia, Republic of	157	—	—	157
Malaysia	478	—	—	478
Mexico	7,982	—	—	7,982
Netherlands	—	—	16,347 <sup>1</sup>	16,347
Nigeria	4,314	—	—	4,314
Norway	2,302	—	—	2,302
Oman	73	—	—	73
Poland, Republic of	1,234	—	—	1,234
St. Vincent and the Grenadines	22	—	—	22
Saudi Arabia	978	—	—	978
Singapore	249	—	—	249
South Africa	4,000	—	—	4,000
Sweden	5,322	—	—	5,322
Switzerland	3,216	—	—	3,216
Thailand	350	—	—	350
Tunisia	136	—	—	136
United Arab Emirates	353	—	—	353
	<u>53,430</u>	<u>—</u>	<u>20,267</u>	<u>73,697</u>
Transfers from SDA	<u>61,600</u>	<u>—</u>	<u>—</u>	<u>61,600</u>
	<u><u>115,030</u></u>	<u><u>—</u></u>	<u><u>20,267</u></u>	<u><u>135,297</u></u>

<sup>1</sup>Represents an additional grant contribution by the Netherlands to Zambia in the context of the HIPC Initiative.

**Umbrella Account for HIPC Operations****Grants, Interest and Disbursements  
for the Years Ended April 30, 2002 and 2001***(In thousands of SDRs)*

	Balance Beginning of the Year	Grants from PRGF-HIPC Trust Account	Interest Earned	Disbursements	Balance End of the Year
<i>Year ended April 30, 2001</i>					
Benin	—	3,700	77	2,975	802
Bolivia	7,906	—	217	5,539	2,584
Burkina Faso	—	17,800	614	3,718	14,696
Cameroon	—	2,240	28	1,837	431
Gambia, The	—	80	1	9	72
Guinea	—	2,424	39	228	2,235
Guinea-Bissau	—	541	8	158	391
Guyana	18,862	6,140	889	7,251	18,640
Madagascar	—	677	6	677	6
Malawi	—	2,314	33	1,203	1,144
Mali	—	11,490	334	1,586	10,238
Mauritania	—	9,922	75	4,988	5,009
Mozambique	83,423	—	3,285	22,976	63,732
Niger	—	430	7	—	437
Rwanda	—	6,762	95	3,149	3,708
Senegal	—	4,777	47	1,709	3,115
Tanzania	13,375	13,340	314	13,609	13,420
Uganda	37,259	62,971	2,908	19,764	83,374
Zambia	—	117,200	2,176	—	119,376
	<u>160,825</u>	<u>262,808</u>	<u>11,153</u>	<u>91,376</u>	<u>343,410</u>
<i>Year ended April 30, 2002</i>					
Benin	802	3,680	50	3,839	693
Bolivia	2,584	44,234	1,090	8,851	39,057
Burkina Faso	14,696	15,240	456	4,644	25,748
Cameroon	431	290	15	—	736
Chad	—	2,850	57	2,067	840
Ethiopia	—	4,036	33	2,212	1,857
Gambia, The	72	—	2	9	65
Ghana	—	9,913	36	—	9,949
Guinea	2,235	—	30	2,238	27
Guinea-Bissau	391	—	7	393	5
Guyana	18,640	—	465	6,857	12,248
Honduras	—	4,500	46	2,250	2,296
Madagascar	6	1,446	13	—	1,465
Malawi	1,144	—	22	1,143	23
Mali	10,238	5,746	358	6,999	9,343
Mauritania	5,009	6,960	117	7,640	4,446
Mozambique	63,732	12,519	1,864	17,339	60,776
Niger	437	1,079	15	430	1,101
Rwanda	3,708	2,367	79	5,845	309
Senegal	3,115	3,387	44	3,132	3,414
Sierra Leone	—	23,640	37	9,818	13,859
Tanzania	13,420	69,715	809	13,332	70,612
Uganda	83,374	1,585	2,287	18,607	68,639
Zambia	<u>119,376</u>	<u>16,375<sup>1</sup></u>	<u>1,756</u>	<u>133,887</u>	<u>3,620</u>
	<u><u>343,410</u></u>	<u><u>229,562</u></u>	<u><u>9,688</u></u>	<u><u>251,532</u></u>	<u><u>331,128</u></u>

<sup>1</sup>Includes an additional grant contribution by the Netherlands to Zambia in the context of the HIPC Initiative.

## Schedule 4

**PRGF-HIPC Trust Account**  
**Cumulative Contributions and Transfers**  
**as at April 30, 2002**

*(In thousands of SDRs)*

	Subaccount			Combined
	PRGF-HIPC	PRGF	HIPC	
Algeria	412	—	—	412
Australia	—	—	17,019	17,019
Austria	—	—	9,981	9,981
Bangladesh	1,163	—	—	1,163
Barbados	250	—	—	250
Belgium	14,829	—	—	14,829
Belize	80	—	—	80
Brunei Darussalam	4	—	—	4
Cambodia	27	—	—	27
Canada	32,929	—	—	32,929
China	13,132	—	—	13,132
Colombia	13	—	—	13
Croatia, Republic of	31	—	—	31
Cyprus	544	—	—	544
Denmark	10,880	—	—	10,880
Egypt	37	—	—	37
Estonia, Republic of	372	—	—	372
Finland	2,583	—	—	2,583
France	55,892	—	—	55,892
Gabon	458	—	—	458
Greece	2,200	—	—	2,200
Iceland	643	—	—	643
India	390	—	—	390
Indonesia	124	—	—	124
Ireland	3,937	—	—	3,937
Israel	1,189	—	—	1,189
Italy	43,309	—	—	43,309
Jamaica	1,800	—	—	1,800
Japan	98,355	—	—	98,355
Korea	10,625	—	—	10,625
Kuwait	108	—	—	108
Latvia, Republic of	426	—	—	426
Luxembourg	488	—	—	488
Malaysia	478	—	—	478
Malta	706	—	—	706
Mauritius	40	—	—	40
Mexico	15,982	—	—	15,982
Morocco	49	—	—	49
Netherlands	—	13,092	16,347 <sup>1</sup>	29,439
New Zealand	1,158	—	—	1,158

Schedule 4 (*concluded*)

**PRGF-HIPC Trust Account**  
**Cumulative Contributions and Transfers**  
**as at April 30, 2002**

(In thousands of SDRs)

	Subaccount	PRGF-HIPC	PRGF	HIPC	Combined
Nigeria		5,416	—	—	5,416
Norway		10,698	—	—	10,698
Oman		73	—	—	73
Pakistan		105	—	—	105
Philippines		4,500	—	—	4,500
Poland, Republic of		2,112	—	—	2,112
Portugal		4,430	—	—	4,430
Russian Federation		10,200	—	—	10,200
St. Vincent and the Grenadines		22	—	—	22
Samoa		3	—	—	3
San Marino, Republic of		32	—	—	32
Saudi Arabia		978	—	—	978
Singapore		249	—	—	249
Slovak Republic		2,669	—	—	2,669
Slovenia, Republic of		311	—	—	311
South Africa		8,895	—	—	8,895
Spain		16,550	—	—	16,550
Sri Lanka		12	—	—	12
Swaziland		20	—	—	20
Sweden		5,322	—	—	5,322
Switzerland		6,400	—	—	6,400
Thailand		350	—	—	350
Tunisia		136	—	—	136
United Arab Emirates		353	—	—	353
United Kingdom		23,551	—	33,837	57,388
United States		—	—	221,932	221,932
Vietnam		10	—	—	10
		<u>419,040</u>	<u>13,092</u>	<u>299,116</u>	<u>731,248</u>
Transfers from SDA		287,997	—	—	287,997
Transfers from GRA		72,456	—	—	72,456
		<u>360,453</u>	<u>—</u>	<u>—</u>	<u>360,453</u>
		<u>779,493</u>	<u>13,092</u>	<u>299,116</u>	<u>1,091,701</u>

<sup>1</sup>Represents an additional grant contribution by the Netherlands to Zambia in the context of the HIPC Initiative.

**Other Administered Accounts**  
**Balance Sheets**  
**as at April 30, 2002 and 2001**

		Framework Administered Account				The Post-Conflict Emergency Assistance Subsidy Account <sup>2</sup>			
		Administered Account for Selected Fund Activities—Japan		Administered Account for Technical Assistance Activities		Administered Account for Spain		Supplemental Financing Facility Subsidy Account	
		2002	2001	2002	2001	2002	2001	2002	2001
<i>(In thousands of U.S. dollars)</i>									
<b>Assets</b>									
Cash and cash equivalents	117,277	114,184	20,459	14,580	8,484	4,539	—	—	2,290
Interest receivable	—	—	—	—	—	—	—	13	2,319
Total Assets	117,277	114,184	20,459	14,580	8,484	4,539	—	2,303	587
<b>Resources</b>									
Total Resources	117,277	114,184	20,459	14,580	8,484	4,539	—	2,303	587

The accompanying notes are an integral part of these financial statements.

<sup>1</sup>The Administered Account for Rwanda was terminated on November 30, 2000.

<sup>2</sup>The Post-Conflict Emergency Assistance Account for PRGF-eligible members was established on May 4, 2001.

/s/ Eduard Brau  
*Treasurer*

/s/ Horst Köhler  
*Managing Director*

## Other Administered Accounts

### Statements of Income and Changes in Resources for the Years Ended April 30, 2002 and 2001

Framework Administered Account for Selected Fund Activities—Japan	Administered Account for Technical Assistance Activities		Administered Account— Spain		Administered Account for Rwanda <sup>1</sup>		Supplementary Financing Facility Subsidiy Account <sup>2</sup>		<i>(In thousands of SDRs)</i>
	2002	2001	2002	2001	2002	2001	2002	2001	
	<i>(In thousands of U.S. dollars)</i>								
Balance, beginning of the year	114,184	107,439	14,580	18,854	4,539	4,201	—	—	291
Income earned on investments	3,093	6,745	298	718	129	257	33	72	6
Contributions received	—	—	24,965	15,119	8,411	3,882	320,154	506,329	—
Payments to and on behalf of beneficiaries	—	—	(19,384)	(20,111)	(4,595)	(3,801)	(329,187)	506,401	(297)
Net income	3,093	6,745	5,879	(4,274)	3,945	3,38	—	—	(291)
Transfers to the Special Disbursement Account (Note 4)	—	—	—	—	—	—	—	—	—
Net changes in resources	3,093	6,745	5,879	(4,274)	3,945	3,38	—	—	(291)
Balance, end of the year	117,277	114,184	20,459	14,580	8,484	4,539	—	—	—

The accompanying notes are an integral part of these financial statements.

<sup>1</sup>The Administered Account for Rwanda was terminated on November 30, 2000.

<sup>2</sup>The Post-Conflict Emergency Assistance Account for PRGF-eligible members was established on May 4, 2001.

## Other Administered Accounts

### Notes to the Financial Statements as at April 30, 2002 and 2001

#### 1. Nature of Operations

At the request of members, the IMF has established special purpose accounts to administer contributed resources and to perform financial and technical services consistent with the purposes of the IMF. The assets of each account and each subaccount are separate from the assets of all other accounts of, or administered by, the IMF and are not to be used to discharge liabilities or to meet losses incurred in the administration of other accounts.

#### Administered Account Japan

At the request of Japan, the IMF established an account on March 3, 1989 to administer resources, made available by Japan or other countries with Japan's concurrence, that are to be used to assist certain members with overdue obligations to the IMF. The resources of the account are to be disbursed in amounts specified by Japan and to members designated by Japan.

#### Administered Account for Selected Fund Activities—Japan

At the request of Japan, the IMF established the Administered Technical Assistance Account—Japan on March 19, 1990 to administer resources contributed by Japan to finance technical assistance to member countries. On July 21, 1997, the account was renamed the Administered Account for Selected Fund Activities—Japan and amended to include the administration of resources contributed by Japan in support of the IMF's Regional Office for Asia and the Pacific (OAP). The resources of the account designated for technical assistance activities are used with the approval of Japan and include the provision of scholarships. The resources designated for the OAP are used as agreed between Japan and the IMF for certain activities of the IMF with respect to Asia and the Pacific through the OAP. Disbursements can also be made from the account to the General Resources Account to reimburse the IMF for qualifying technical assistance projects and OAP expenses.

#### Framework Administered Account for Technical Assistance Activities

The Framework Administered Account for Technical Assistance Activities ("the Framework Account") was established by the IMF on April 3, 1995 to receive and administer contributed resources that are to be used to finance technical assistance consistent with the purposes of the IMF. The financing of technical assistance activities is implemented through the establishment and operation of subaccounts within the Framework Account.

Resources are to be used in accordance with the written understandings between the contributor and the Managing Director. Disbursements can also be made from the Framework Account to the General Resources Account to reimburse the IMF for its costs incurred on behalf of technical assistance activities financed by resources from the Framework Account.

#### Subaccount for Japan Advanced Scholarship Program

At the request of Japan, this subaccount was established on June 6, 1995 to finance the cost of studies and training of nationals of member countries in macroeconomics and related subjects at selected universities and institutions. The scholarship program focuses primarily on the training of nationals of Asian member countries, including Japan.

#### Rwanda—Macroeconomic Management Capacity Subaccount

At the request of Rwanda, this subaccount was established on December 20, 1995 to finance technical assistance to rehabilitate and strengthen Rwanda's macroeconomic management capacity.

#### Australia—IMF Scholarship Program for Asia Subaccount

At the request of Australia, this subaccount was established on June 5, 1996 to finance the cost of studies and training of government and central bank officials in macroeconomic management so as to enable them to contribute to their countries' achievement of sustainable economic growth and development. The program focuses primarily on the training of nationals of Asian countries.

#### Switzerland Technical Assistance Subaccount

At the request of Switzerland, this subaccount was established on August 27, 1996 to finance the costs of technical assistance activities of the IMF that consist of policy advice and training in macroeconomic management.

#### French Technical Assistance Subaccount

At the request of France, this subaccount was established on September 30, 1996 to cofinance the costs of training in economic fields for nationals of certain member countries.

#### Denmark Technical Assistance Subaccount

At the request of Denmark, this subaccount was established on August 25, 1998 to finance the costs of technical assistance activities of the IMF that consist of advising on policy and administrative reforms in the fiscal, monetary, and related statistical fields.

#### Australia Technical Assistance Subaccount

At the request of Australia, this subaccount was established on March 7, 2000 to finance the costs of technical assistance activities of the IMF that consist of advising on the design of policy and administrative reforms in the fiscal, monetary and related statistical fields, as well as to provide training in the formulation and implementation of macroeconomic and financial policies.

#### The Netherlands Technical Assistance Subaccount

At the request of the Netherlands, this subaccount was established on July 27, 2000 to finance projects that seek to enhance the capacity of the members to formulate and implement policies in the macroeconomic, fiscal, monetary, financial, and related statistical fields, including training pro-

grams and projects that strengthen the legal and administrative framework in these core areas.

#### *The United Kingdom Department for International Development (DFID) Technical Assistance Subaccount*

At the request of the United Kingdom, this subaccount was established on June 22, 2001 to finance projects that seek to enhance the capacity of the members to formulate and implement policies in the macroeconomic, fiscal, monetary, financial, and related statistical fields, including training programs and projects that strengthen the legal and administrative framework in these core areas.

#### *Italy Technical Assistance Subaccount*

At the request of Italy, this subaccount was established on November 16, 2001 to finance projects that seek to enhance the capacity of certain members to formulate and implement policies related to fiscal, financial, and statistical standards and codes, including training programs and projects that strengthen the legal and administrative framework in these core areas.

#### *Administered Account—Spain*

At the request of Spain, the IMF established an account on March 20, 2001 to receive and disburse resources up to \$1 billion contributed by Spain for Argentina. The resources of this account are to be used to assist Argentina in the implementation of the adjustment program supported by the IMF under the Stand-By Arrangement for Argentina approved on March 10, 2000 and augmented on January 12, 2001.

#### *Administered Account for Rwanda*

At the request of the Netherlands, Sweden, and the United States (“the donor countries”), the IMF established an account on October 27, 1995 to administer resources contributed by the donor countries to provide grants to Rwanda. These grants are to be used for reimbursing the service charge and reducing, to the equivalent of a rate of ½ of 1 percent a year, the rate of the quarterly charges payable by Rwanda on its use of the IMF’s financial resources under the Compensatory and Contingency Financing Facility (CCFF). The account was terminated on November 30, 2000 and the balance transferred to donor countries, in proportion to their contributions. The distribution of the final accrued interest was made in February 2001 when quarterly interest on SDR accounts was paid.

#### *Supplementary Financing Facility Subsidy Account*

The Supplementary Financing Facility Subsidy Account (“the Subsidy Account”), which is administered by the IMF, was established in December 1980 to assist low-income developing country members to meet the cost of using resources made available through the IMF’s Supplementary Financing Facility and under the policy on exceptional use. All repurchases due under these policies were scheduled for completion by January 31, 1991, and the final subsidy payments were approved in July 1991. However, two members (Liberia and Sudan), overdue in the payment of charges, remain eligible to receive previously approved subsidy payments when their overdue charges are settled. Accordingly, the account remains in operation and has retained amounts for payment to these members after the overdue charges are paid.

#### *The Post-Conflict Emergency Assistance Subsidy Account*

The Post-Conflict Emergency Assistance Subsidy Account for PRGF-eligible members was established in May 2001 to administer contributed resources for the purpose of providing assistance to PRGF-eligible members in support of their adjustment efforts. Contributions to the account will be used to provide grants to PRGF-eligible members that have made post-conflict emergency assistance purchases under the IMF General Resources Account, effectively subsidizing the basic rate of charge on these purchases to 0.5 percent per annum. The Subsidy to each eligible member would be prorated if resources are insufficient to reduce the basic rate of charge to 0.5 percent.

#### *Trust Fund*

In addition to the aforementioned accounts, the IMF is also the trustee of the Trust Fund, which is in liquidation. The Trust Fund was established in 1976 to provide balance of payments assistance on concessional terms to eligible members that qualify for assistance.

In 1980, the IMF, as trustee, decided that, upon the completion of the final loan disbursements, the Trust Fund would be terminated as of April 30, 1981, and after that date, the activities of the Trust Fund have been confined to the conclusion of its affairs. As of April 30, 2002 and 2001, the Trust Fund had overdue loans receivable of SDR 88.6 million and SDR 88.8 million, respectively. Member resources exist in the Trust Fund to the full amount of the loans and are available to absorb any losses should this occur. All interest is deferred. Cash receipts on these loans are to be transferred to the Special Disbursement Account.

Overdue loans, interest and charges at April 30, 2002 were as follows:

Member	Loans	Interest and Special Charges	Total	Longest Overdue Obligation
<i>In millions of SDRs</i>				
Liberia	22.9	7.1	30.0	June 1985
Somalia	6.5	1.4	7.9	July 1987
Sudan	59.2	19.1	78.3	June 1985
Total	88.6	27.6	116.2	

## *2. Summary of Significant Accounting Policies*

#### *Basis of Presentation*

The financial statements of the Other Administered Accounts are prepared in accordance with International Accounting Standards (IAS). Specific accounting principles and disclosure practices are explained further below. The preparation of financial statements in conformity with IAS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

In financial year 2001, IAS 39, *Financial Instruments: Recognition and Measurement* was adopted and had no material effect on the Other Administered Accounts’ financial statements.

**Unit of Account****Administered Account Japan, Administered Account for Selected Fund Activities—Japan, Framework Administered Account for Technical Assistance Activities, and Administered Account—Spain**

These accounts are expressed in U.S. dollars. All transactions and operations of these accounts, including the transfers to and from the accounts, are denominated in U.S. dollars, except for transactions and operations in respect of the OAP, which are denominated in Japanese yen, or transactions in other currencies as agreed between Japan and the IMF. Contributions denominated in other currencies are converted into U.S. dollars upon receipt of the funds.

**The Post-Conflict Emergency Assistance Subsidy Account, Administered Account for Rwanda, Trust Fund, and Supplementary Financing Facility Subsidy Account**

These accounts are expressed in terms of SDRs. The value of the SDR is determined by the IMF each day by summing the values in U.S. dollars, based on market exchange rates, of the currencies in the basket. The IMF reviews the SDR valuation basket every five years. The latest review was completed in October 2000 and the composition of the SDR valuation basket became effective from January 1, 2001. The value of the SDR in terms of U.S. dollars on the last business day prior to the change (December 29, 2000) was identical under both valuation baskets. The method of valuing the SDR has been revised following the introduction of the euro as the common currency of a number of members. The currencies in the basket as of April 30, 2002 and 2001 and their amounts were as follows:

Currency	Amount
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of April 30, 2002, one SDR was equal to 1.26771 U.S. dollars (one SDR was equal to 1.26579 U.S. dollars as of April 30, 2001).

Transactions and operations of the accounts are denominated in SDRs. Contributions denominated in other currencies are converted into SDRs upon receipt of the funds.

**Revenue and Expense Recognition**

The accounts are maintained on the accrual basis; accordingly, income is recognized as it is earned and expenses are recorded as they are incurred.

**Cash and Cash Equivalents**

Cash and cash equivalents include short-term deposits with a maturity of less than ninety days. These deposits are denominated in SDRs or other currencies and are carried at cost not exceeding market value. Interest on these instruments varies and is based on prevailing market rates.

**Contributions**

Bilateral contributions are reflected as increases in resources after the achievement of specified conditions and are subject to bilateral agreements stipulating how the resources are to be used.

**Payments to and on behalf of beneficiaries**

Payments to and on behalf of beneficiaries are recognized when the specified conditions in the respective agreements are achieved.

**Transfers**

Internal transfers of resources within the IMF are accounted for under the accrual method of accounting.

**Foreign Currency Translation**

Foreign currency transactions are recorded at the rate of exchange on the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are reported using the closing exchange rates. Exchange differences arising on the settlement of transaction at rates different from those at the date of the transaction and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are included in the determination of net income.

**Administrative Expenses**

The expenses of conducting the activities of the Other Administered Accounts and the Trust Fund are incurred and borne by the General Department of the IMF. To help defray the expenses incurred by the Fund in the administration of the Administered Account for Selected Fund Activities—Japan and the Framework Administered Account for Technical Assistance Activities, reimbursement equal to 13 percent of the expenses financed from the accounts is paid to the IMF from these accounts. The Administered Account—Spain pays the IMF an annual fee of \$40,000 for administrative costs incurred. As at April 30, 2002 the administrative costs for Administered Account for Selected Fund Activities—Japan amounted to \$2.1 million (\$2.1 million at April 30, 2001), and for Framework Administered Account for Technical Assistance Activities \$0.53 million (\$0.48 million at April 30, 2001). These amounts are included in Payments to and on behalf of beneficiaries on the Income Statements and Changes in Resources.

### 3. Cumulative Contributions and Disbursements

The cumulative contributions to and disbursements from the Other Administered Accounts are as follows:

Account	April 30, 2002		April 30, 2001	
	Cumulative Contributions	Cumulative Disbursements <sup>1</sup>	Cumulative Contributions	Cumulative Disbursements <sup>1</sup>
(In millions of U.S. dollars)				
<i>Administered Account Japan</i>	135.2	72.5	135.2	72.5
(In millions of SDRs)				
<i>Administered Account for Selected Fund Activities—Japan</i>	178.5	165.1	153.6	145.8
Technical Assistance	162.8	150.5	141.2	134.2
Scholarships	10.3	9.3	8.0	7.3
Office of Asia and Pacific	5.4	5.3	4.4	4.3
<i>Framework Administered Account for Technical Assistance Activities</i>	27.3	20.0	18.9	15.3
Subaccount for Japan Advanced Scholarship Program	8.7	7.2	7.2	5.8
Rwanda—Macroeconomic Management Capacity Subaccount	1.5	1.6	1.5	1.6
Australia—IMF Scholarship Program for Asia Subaccount	2.0	1.9	1.4	1.4
Switzerland Technical Assistance Subaccount	8.3	6.6	6.8	5.3
French Technical Assistance Subaccount	0.7	0.5	0.7	0.4
Denmark Technical Assistance Subaccount	0.5	0.5	0.5	0.5
Australia Technical Assistance Subaccount	0.3	—	0.3	0.0
The Netherlands Technical Assistance Subaccount	1.8	1.1	0.6	0.4
The United Kingdom DFID Technical Assistance Subaccount	1.7	0.6	—	—
Italy Technical Assistance Subaccount	1.8	—	—	—
<i>Administered Account—Spain</i>	835.5	835.6	506.3	506.4

<sup>1</sup>Disbursements had been made from resources contributed to these accounts as well as from interest earned on these resources.

### 4. Transfer of Resources

Resources of the Supplementary Financing Facility Subsidy Account in excess of the remaining subsidy payments are to be transferred to the Special Disbursement Account. At April 30, 2002 and 2001, subsidy payments totaling SDR 2.2 mil-

lion had not been made to Liberia and Sudan and were being held pending the payment of overdue charges by these members.

### 5. Accounts Termination

#### Administered Account Japan

The account can be terminated by the IMF or by Japan. Any remaining resources in the account at termination are to be returned to Japan.

#### Administered Account for Selected Fund Activities—Japan

The account can be terminated by the IMF or by Japan. Any resources that may remain in the account at termination, net of accrued liabilities under technical assistance projects or in respect of the OAP, are to be returned to Japan.

#### Framework Administered Account for Technical Assistance Activities

The Framework Account or any subaccount thereof may be terminated by the IMF at any time. The termination of the Framework Account shall terminate each subaccount thereof. A subaccount may also be terminated by the contributor of the resources to the subaccount. Termination shall be effective on the date that the IMF or the contributor, as the case may be, receives notice of termination. Any balances, net of the continuing liabilities and commitments under the activities financed, that may remain in a subaccount upon its termination are to be returned to the contributor.

#### Administered Account—Spain

The account will be terminated when Argentina repays all the resources that were distributed, or at an earlier time as agreed between Spain and the IMF. Any remaining resources in the account at termination are to be returned to Spain.

#### The Post-Conflict Emergency Assistance Subsidy Account

The account can be terminated by the IMF at any time. Any remaining balances after discharge of all obligations of the account upon the account's termination are to be returned to the contributors.