



# **International Monetary Fund**

## **FINANCIAL STATEMENTS**

Quarter Ended  
July 31, 2004

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**I. Financial Statements  
of the  
General Department**

**General Department**

**Balance Sheets**

(In thousands of SDRs)

	July 31, 2004 (unaudited)	April 30, 2004		July 31, 2004 (unaudited)	April 30, 2004
<b>Assets</b>			<b>Liabilities and Resources</b>		
Credit outstanding ( Note 2 )	59,279,620	62,152,682	Liabilities:		
Usable currencies	106,281,076	103,261,911	Remuneration payable	231,075	212,654
Other currencies	<u>46,670,697</u>	<u>46,671,529</u>	Other liabilities	91,059	100,189
Total currencies	<u>212,231,393</u>	<u>212,086,122</u>	Special Contingent Account	<u>1,518,519</u>	<u>1,495,019</u>
SDR holdings	498,732	506,029	Total Liabilities	<u>1,840,653</u>	<u>1,807,862</u>
Gold holdings (Note 3)	5,851,771	5,851,771	Members' Resources:		
Receivables (Note 4)	596,906	517,002	Quotas, represented by:		
Other assets	731,712	751,655	Reserve tranche positions	59,842,418	62,856,110
Investments held in the			Subscription payments: Usable	106,281,076	103,261,911
Special Disbursement Account	2,641,731	2,630,804	Other	<u>46,670,506</u>	<u>46,675,979</u>
Structural Adjustment Facility loans	<u>65,749</u>	<u>85,908</u>	Total quotas	212,794,000	212,794,000
			Reserves of the General Resources Account	5,275,861	5,110,717
Total Assets	<u>222,617,994</u>	<u>222,429,291</u>	Accumulated resources of the Special Disbursement Account	2,707,480	2,716,712
			Total Liabilities and Resource	<u>222,617,994</u>	<u>222,429,291</u>

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

**General Department**  
**Income Statements**  
**(unaudited)**

*(In thousands of SDRs)*

	<b>Three Months Ended</b>	
	<b>July 31</b>	
	<b>2004</b>	<b>2003</b>
Operational Income		
Interest and charges (Note 4)	582,339	581,011
Interest on SDR holdings	3,570	5,063
Investment and interest income of the Special Disbursement Account	11,007	10,964
Other charges and income	917	40,451
	<u>597,833</u>	<u>637,489</u>
Operational Expenses		
Remuneration (Note 6)	242,243	248,880
Administrative Expenses	179,439	161,438
	<u>421,682</u>	<u>410,318</u>
Total Net Income	<u>176,151</u>	<u>227,171</u>
Net Income of the General Department comprises:		
Net income of the General Resources Account	165,144	216,207
Income of the Special Disbursement Account	11,007	10,964
	<u>176,151</u>	<u>227,171</u>

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

**General Department**  
**Statements of Changes in Resources**  
**for the three months ended July 31, 2004 and 2003**  
**(unaudited)**

*(In thousands of SDRs)*

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	<u>General Resources Account</u>		<u>Special Disbursement Account</u>
	<u>Quotas</u>	<u>Reserves</u>	<u>Accumulated Resources</u>
Balance at April 30, 2003	212,731,300	4,286,929	2,727,165
Quota subscriptions	41,500	--	--
Net income	--	216,207	10,964
Transfers to the PRGF Trust	--	--	( 3,050)
Transfers to the PRGF-HIPC Trust	--	--	( 17,825)
	<u>212,772,800</u>	<u>4,503,136</u>	<u>2,717,254</u>
Balance at July 31, 2003	<u>212,772,800</u>	<u>4,503,136</u>	<u>2,717,254</u>
Balance at April 30, 2004	212,794,000	5,110,717	2,716,712
Net income	--	165,144	11,007
Transfers to the PRGF Trust	--	--	( 20,239)
	<u>212,794,000</u>	<u>5,275,861</u>	<u>2,707,480</u>
Balance at July 31, 2004	<u>212,794,000</u>	<u>5,275,861</u>	<u>2,707,480</u>

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

**General Department**  
**Statements of Cash Flows**  
**(unaudited)**

*(In thousands of SDRs)*

	<b>Three Months Ended</b>	
	<b>July 31</b>	
	<b>2004</b>	<b>2003</b>
<b>Usable currencies and SDRs from operating activities</b>		
Net income	176,151	227,171
Adjustments to reconcile net income to usable resources generated by operations:		
Changes in receivables and other assets	( 59,961)	( 17,282)
Changes in remuneration payable and other liabilities	9,291	( 52,461)
Increase in the Special Contingent Account	23,500	23,500
Usable currencies and SDRs from credit to members:		
Purchases in currencies and SDRs, including reserve tranche purchases	( 141,048)	( 8,101,388)
Repurchases in currencies and SDRs	3,003,241	5,822,445
Repayments of Structural Adjustment Facility loans	20,159	20,730
<b>Net usable currencies and SDRs provided by (used in) operating activities</b>	<b>3,031,333</b>	<b>( 2,077,285)</b>
<b>Usable currencies and SDRs from investment activities</b>		
Net acquisition of investments by the Special Disbursement Account	( 10,927)	( 10,820)
<b>Net usable currencies and SDRs used in investment activities</b>	<b>( 10,927)</b>	<b>( 10,820)</b>
<b>Usable currencies and SDRs from financing activities</b>		
Subscription payments in SDRs and usable currencies	--	10,375
Changes in composition of usable currencies	11,701	522
Transfers to the PRGF Trust, PRGF-HIPC Trust, and other accounts	( 20,239)	( 20,875)
<b>Net usable currencies and SDRs used in financing activities</b>	<b>( 8,538)</b>	<b>( 9,978)</b>
Net increase (decrease) in usable currencies and SDRs	3,011,868	( 2,098,083)
Usable currencies and SDRs, beginning of period	103,767,940	97,991,381
<b>Usable currencies and SDRs, end of period</b>	<b>106,779,808</b>	<b>95,893,298</b>

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

## General Department

### Notes to the Financial Statements

#### 1. Basis of Presentation

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by International Financial Reporting Standards for complete financial statements and should be read in conjunction with the April 30, 2004 financial statements and the notes included therein.

#### *Unit of Account*

As of July 31, 2004, one SDR was equal to 1.45776 U.S. dollars (one SDR was equal to 1.45183 U.S. dollars as of April 30, 2004).

#### 2. Credit Outstanding

Changes in the outstanding use of IMF credit under the various facilities of the General Resources Account (GRA) during the three months ended July 31, 2004 and 2003 were as follows:

	April 30, 2004	Purchases	Repurchases	July 31, 2004	April 30, 2003	Purchases	Repurchases	July 31, 2003
	<i>In millions of SDRs</i>							
Regular facilities	41,730	30	1,662	40,098	33,898	5,461	891	38,468
Extended Fund Facility	13,751	100	591	13,260	14,942	344	539	14,747
Supplemental Reserve Facility	6,028	-	662	5,366	15,700	2,285	4,164	13,821
Systemic Transformation								
Facility	154	-	44	110	644	-	143	501
Enlarged Access	276	-	-	276	279	-	-	279
Compensatory and Contingency								
Financing Facility	120	-	44	76	414	-	85	329
Supplementary Financing								
Facility	94	-	-	94	101	-	-	101
Total credit outstanding	<u>62,153</u>	<u>130</u>	<u>3,003</u>	<u>59,280</u>	<u>65,978</u>	<u>8,090</u>	<u>5,822</u>	<u>68,246</u>



## General Department

### Notes to the Financial Statements

Scheduled repurchases in the GRA and repayments of SAF loans in the Special Disbursement Account (SDA) are summarized below:

Financial Year Ending April 30, 2004	General Resources Account	Special Disbursement Account
<i>In millions of SDRs</i>		
2005	9,444	20
2006	19,345	37
2007	17,715	-
2008	8,598	-
2009	2,079	-
2010 and beyond	1,358	-
Overdue	741	9
Total	<u>59,280</u>	<u>66</u>

The use of credit in the GRA by the largest users was as follows:

	July 31, 2004		April 30, 2004	
	<i>In millions of SDRs and as a percent of total GRA credit outstanding</i>			
Largest user of credit	17,222	29.1%	18,139	29.2%
Three largest users of credit	42,025	70.9%	44,020	70.8%
Five largest users of credit	51,237	86.4%	53,680	86.4%

The five largest users of credit as of July 31, 2004 were Brazil, Turkey, Argentina, Indonesia and the Russian Federation. Outstanding credit, by member, is provided in Schedule 1. The concentration of GRA outstanding credit by regional geographical area as of July 31, 2004 and April 30, 2004 was as follows:

## General Department

### Notes to the Financial Statements

	July 31, 2004		April 30, 2004	
	<i>In millions of SDRs and as a percent of total GRA credit outstanding</i>			
Africa	1,313	2.2	1,397	2.3
Asia and Pacific	7,696	13.0	8,019	12.9
Europe	5,799	9.8	6,160	9.9
Latin America and the Caribbean	29,366	49.5	30,697	49.4
Middle East and Turkey	15,106	25.5	15,880	25.5
Total	59,280	100%	62,153	100%

#### *Overdue Obligations*

At July 31, 2004 and April 30, 2004 four members were six months or more overdue in settling their financial obligations to the General Department.

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

	Repurchases and SAF Loans		Charges and SAF Interest	
	July 31, 2004	April 30, 2004	July 31, 2004	April 30, 2004
	<i>In millions of SDRs</i>			
Total overdue	751	752	1,013	1,009
Overdue for six months or more	741	743	1,005	1,001
Overdue for three years or more	652	650	948	939

## General Department

### Notes to the Financial Statements

The type and duration of the overdue amounts in the General Department as of July 31, 2004 were as follows:

	Repurchases and SAF Loans	Charges and SAF Interest	Total Obligation	Longest Overdue Obligation
<i>In millions of SDRs</i>				
Liberia	201	250	451	May 1985
Somalia	106	97	203	July 1987
Sudan	333	655	988	July 1985
Zimbabwe	111	11	122	February 2001
Total	<u>751</u>	<u>1,013</u>	<u>1,764</u>	

### 3. Gold Holdings

At July 31, 2004 and April 30, 2004, the IMF held 3,217,341 kilograms of gold, equal to 103,439,916 fine ounces of gold, at designated depositories. The value of the IMF's holdings of gold calculated at the market price was SDR 27.8 billion as of July 31, 2004 (SDR 27.7 billion at April 30, 2004).

### 4. Interest and Charges

Charges and other receivables due to the GRA were as follows:

	July 31, 2004	April 30, 2004
<i>In millions of SDRs</i>		
Periodic charges due	1,611	1,526
Amount paid through burden sharing	(831)	(825)
Other unpaid charges	(187)	(188)
	<u>593</u>	<u>513</u>
Other receivables	4	4
Receivables	<u>597</u>	<u>517</u>

## General Department

### Notes to the Financial Statements

Periodic charges consisted of the following for the three months ended July 31:

	2004	2003
	<hr/>	
	<i>In millions of SDRs</i>	
Periodic charges	580	579
Amounts paid through burden sharing adjustments net of refunds	2	2
	<hr/>	<hr/>
Total interest and charges	<u>582</u>	<u>581</u>

Interest earned on SAF loans for the three months ended July 31, 2004 and 2003 amounted to SDR 0.1 million. Special charges, service charges, and the unrefunded commitment fees are included in Other Charges and Income which amounted to SDR 0.9 million and SDR 40.5 million for the three months ended July 31, 2004 and 2003, respectively.

#### 5. Investments and Cash Equivalents

As at July 31, 2004 and April 30, 2004, the investments in the SDA consisted of short-term fixed term deposits maturing in less than one year.

Investment income for the three months ended July 31, 2004 and 2003 amounted to SDR 11.0 million.

## General Department

### Notes to the Financial Statements

#### 6. Remuneration

Remuneration consisted of the following for the three months ended July 31:

	2004	2003
	<hr/>	
	<i>In millions of SDRs</i>	
Remuneration	245	251
Amount paid through burden sharing adjustment, net of refunds	(3)	(2)
	<hr/>	<hr/>
	<u>242</u>	<u>249</u>

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

At July 31, 2004, the undrawn balances under the 15 arrangements that were in effect in the GRA amounted to SDR 20,250 million (SDR 19,799 million under 13 arrangements at April 30, 2004).

#### 8. 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 7 percent 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 the post retirement benefits.

The obligations of the SRP, SRBP, and RSBIA are valued annually by independent actuaries. The latest actuarial valuations were carried out as at April 30, 2004 using the Projected Unit Credit Method and the net assets of the Plans amounted to SDR 443 million.

The total assets of the individual retirement plans were as follows:

	July 31, 2004	April 30, 2004
	<hr/>	
	<i>In thousands of SDRs</i>	
SRP	2,905,460	2,939,426
SRBP	2,964	1,871
RSBIA	<u>323,612</u>	<u>323,508</u>
Total Assets	<u>3,232,036</u>	<u>3,264,805</u>

## General Department

### Notes to the Financial Statements

#### 9. Other Administered Accounts and Trust Fund

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.

The total assets of the Other Administered Accounts were as follows:

	July 31, 2004	April 30, 2004
	<i>In thousands of U.S. dollars</i>	
Administered Account Japan	120,547	120,235
Administered Account for Selected Fund Activities – Japan	38,101	22,699
Framework Administered Account for Technical Assistance Activities	20,062	18,912
Administered Account – Spain	-	-
	<i>In thousands of SDRs</i>	
Supplementary Financing Facility Subsidy Account	2,259	2,249
The Post-Conflict Emergency Assistance Subsidy Account for PRGF-Eligible Members	7,830	7,850

Additionally, the IMF is 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. The final Trust Loan settlement was due on March 31, 1991. As of July 31, 2004, and April 30, 2004, the Trust Fund had no assets other than loans receivable of SDR 88.6 million. Interest continues to be charged on the outstanding balances, all of which are overdue, and all interest recognition is deferred. Cash receipts on these loans are to be transferred to the Special Disbursement Account.

At July 31, 2004 and April 30, 2004, three members with obligations to the Trust Fund were six months or more overdue in discharging their obligations to the Trust Fund. The recognition of interest income on the loans outstanding to these members and of special charges due from them is being deferred. At July 31, 2004, total deferred income amounted to SDR 28.7 million (SDR 28.6 million at April 30, 2004).

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Outstanding Credit and Loans**  
**as at July 31, 2004**

*(In thousands of SDRs)*

Member	General Resources Account				Outstanding Credit and Loans					
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF		Total 5/ (D)	
		Total	Percent of quota		Amount	Percent 2/ +	SDA 3/ (B)	Trust 4/ (C)		=
Afghanistan, Islamic State of	161,900	161,916	100.0	--	--	--	--	--	--	
Albania	48,700	45,350	93.1	3,355	--	--	65,981	65,981		
Algeria	1,254,700	1,659,939	132.3	85,082	490,320	0.83	--	--	490,320	
Angola	286,300	286,445	100.1	--	--	--	--	--	--	
Antigua and Barbuda	13,500	13,499	100.0	6	--	--	--	--	--	
Argentina	2,117,100	12,097,371	571.4	92	9,980,353	16.84	--	--	9,980,353	
Armenia, Republic of	92,000	96,223	104.6	--	4,219	0.01	--	138,570	142,789	
Australia	3,236,400	2,064,193	63.8	1,172,340	--	--	--	--	--	
Austria	1,872,300	1,172,701	62.6	699,572	--	--	--	--	--	
Azerbaijan	160,900	207,853	129.2	10	46,953	0.08	--	97,998	144,951	
Bahamas, The	130,300	124,041	95.2	6,260	--	--	--	--	--	
Bahrain, Kingdom of	135,000	64,804	48.0	70,240	--	--	--	--	--	
Bangladesh	533,300	533,119	100.0	186	--	--	--	99,000	99,000	
Barbados	67,500	62,432	92.5	5,074	--	--	--	--	--	
Belarus, Republic of	386,400	392,242	101.5	20	5,842	0.01	--	--	5,842	
Belgium	4,605,200	2,935,772	63.7	1,669,438	--	--	--	--	--	
Belize	18,800	14,562	77.5	4,239	--	--	--	--	--	
Benin	61,900	59,720	96.5	2,188	--	--	--	45,211	45,211	
Bhutan	6,300	5,280	83.8	1,020	--	--	--	--	--	
Bolivia	171,500	237,678	138.6	8,875	75,040	0.13	--	109,295	184,335	
Bosnia and Herzegovina	169,100	251,865	148.9	0 6/	82,760	0.14	--	--	82,760	
Botswana	63,000	40,194	63.8	22,808	--	--	--	--	--	
Brazil	3,036,100	20,258,501	667.3	--	17,221,854	29.05	--	--	17,221,854	
Brunei Darussalam	215,200	157,127	73.0	58,288	--	--	--	--	--	
Bulgaria	640,200	1,418,739	221.6	32,799	811,320	1.37	--	--	811,320	
Burkina Faso	60,200	52,905	87.9	7,300	--	--	948	79,528	80,476	
Burundi	77,000	76,641	99.5	360	--	--	--	26,400	26,400	
Cambodia	87,500	87,500	100.0	--	--	--	--	65,500	65,500	
Cameroon	185,700	185,082	99.7	644	--	--	--	225,455	225,455	
Canada	6,369,200	4,128,155	64.8	2,241,050	--	--	--	--	--	
Cape Verde	9,600	9,596	100.0	5	--	--	--	4,920	4,920	
Central African Republic	55,700	61,117	109.7	159	5,570	0.01	--	22,832	28,402	
Chad	56,000	55,719	99.5	282	--	--	--	66,736	66,736	
Chile	856,100	562,853	65.7	293,247	--	--	--	--	--	
China	6,369,200	4,098,855	64.4	2,270,392	--	--	--	--	--	
Colombia	774,000	488,202	63.1	285,803	--	--	--	--	--	
Comoros	8,900	8,358	93.9	544	--	--	--	--	--	
Congo, Democratic Republic of	533,000	533,000	100.0	--	--	--	--	526,767	526,767	
Congo, Republic of	84,600	92,010	108.8	536	7,931	0.01	--	5,558	13,490	
Costa Rica	164,100	144,113	87.8	20,000	--	--	--	--	--	

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Outstanding Credit and Loans**  
**as at July 31, 2004**

(In thousands of SDRs)

Member	General Resources Account				Outstanding Credit and Loans				
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF		
		Total	Percent of quota		Amount	Percent 2/ +	SDA 3/ (B)	Trust 4/ (C)	Total 5/ (D)
Côte d'Ivoire	325,200	324,628	99.8	578	--	--	--	240,287	240,287
Croatia, Republic of	365,100	364,943	100.0	159	--	--	--	--	--
Cyprus	139,600	87,168	62.4	52,439	--	--	--	--	--
Czech Republic	819,300	523,016	63.8	296,289	--	--	--	--	--
Denmark	1,642,800	1,026,037	62.5	616,767	--	--	--	--	--
Djibouti	15,900	14,800	93.1	1,100	--	--	--	13,630	13,630
Dominica	8,200	11,165	136.2	9	2,973	0.01	--	2,666	5,639
Dominican Republic	218,900	350,239	160.0	3	131,340	0.22	--	--	131,340
Timor-Leste, The Democratic Republic of	8,200	8,200	100.0	1	--	--	--	--	--
Ecuador	302,300	499,077	165.1	17,153	213,927	0.36	--	--	213,927
Egypt	943,700	943,715	100.0	--	--	--	--	--	--
El Salvador	171,300	171,303	100.0	--	--	--	--	--	--
Equatorial Guinea	32,600	32,609	100.0	--	--	--	--	--	--
Eritrea	15,900	15,900	100.0	5	--	--	--	--	--
Estonia, Republic of	65,200	65,195	100.0	6	--	--	--	--	--
Ethiopia	133,700	126,520	94.6	7,188	--	--	1,412	110,491	111,903
Fiji	70,300	55,103	78.4	15,204	--	--	--	--	--
Finland	1,263,800	800,819	63.4	463,027	--	--	--	--	--
France	10,738,500	6,804,431	63.4	3,934,022	--	--	--	--	--
Gabon	154,300	197,420	127.9	179	43,294	0.07	--	--	43,294
Gambia, The	31,100	29,618	95.2	1,485	--	--	--	19,378	19,378
Georgia	150,300	157,238	104.6	10	6,938	0.01	--	182,825	189,763
Germany	13,008,200	8,229,359	63.3	4,778,916	--	--	--	--	--
Ghana	369,000	369,004	100.0	0 6/	--	--	--	314,825	314,825
Greece	823,000	535,442	65.1	287,564	--	--	--	--	--
Grenada	11,700	14,631	125.1	--	2,930	--	--	--	2,930
Guatemala	210,200	210,206	100.0	--	--	--	--	--	--
Guinea	107,100	107,026	99.9	75	--	--	--	81,728	81,728
Guinea-Bissau	14,200	14,821	104.4	-- 6/	621	--	--	10,645	11,266
Guyana	90,900	90,902	100.0	--	--	--	--	57,008	57,008
Haiti	81,900	81,833	99.9	68	--	--	--	7,588	7,588
Honduras	129,500	120,874	93.3	8,627	--	--	--	123,556	123,556
Hungary	1,038,400	674,604	65.0	363,797	--	--	--	--	--
Iceland	117,600	99,016	84.2	18,585	--	--	--	--	--
India	4,158,200	3,271,138	78.7	887,089	--	--	--	--	--
Indonesia	2,079,300	8,532,413	410.4	145,500	6,598,608	11.13	--	--	6,598,608
Iran, Islamic Republic of	1,497,200	1,497,204	100.0	--	--	--	--	--	--
Iraq	504,000	504,013	100.0	--	--	--	--	--	--
Ireland	838,400	535,532	63.9	302,889	--	--	--	--	--
Israel	928,200	594,785	64.1	333,422	--	--	--	--	--



**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Outstanding Credit and Loans**  
**as at July 31, 2004**

(In thousands of SDRs)

Member	General Resources Account				Outstanding Credit and Loans				
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF		
		Total	Percent of quota		Amount	Percent 2/ +	SDA 3/ (B)	Trust 4/ (C)	Total 5/ (D)
Italy	7,055,500	4,455,255	63.1	2,600,252	--	--	--	--	--
Jamaica	273,500	276,081	100.9	--	2,531	--	--	--	2,531
Japan	13,312,800	8,588,138	64.5	4,724,784	--	--	--	--	--
Jordan	170,500	416,952	244.5	69	246,513	0.42	--	--	246,513
Kazakhstan, Republic of	365,700	365,700	100.0	5	--	--	--	--	--
Kenya	271,400	258,713	95.3	12,689	--	--	--	70,832	70,832
Kiribati	5,600	5,601	100.0	5	--	--	--	--	--
Korea	1,633,600	1,125,942	68.9	507,660	--	--	--	--	--
Kuwait	1,381,100	880,314	63.7	500,793	--	--	--	--	--
Kyrgyz Republic	88,800	88,800	100.0	5	--	--	--	144,027	144,027
Lao People's Democratic Republic	52,900	52,900	100.0	--	--	--	--	26,331	26,331
Latvia, Republic of	126,800	126,762	100.0	55	--	--	--	--	--
Lebanon	203,000	184,168	90.7	18,833	--	--	--	--	--
Lesotho	34,900	31,359	89.9	3,543	--	--	--	21,000	21,000
Liberia	71,300	272,062	381.6	30	200,781	0.34	--	--	223,671
Libya	1,123,700	728,203	64.8	395,505	--	--	--	--	--
Lithuania, Republic of	144,200	165,749	114.9	16	21,563	0.04	--	--	21,563
Luxembourg	279,100	176,925	63.4	102,189	--	--	--	--	--
Macedonia, former Yugoslav Republic of	68,900	85,840	124.6	-- 6/	16,938	0.03	--	20,819	37,757
Madagascar	122,200	122,174	100.0	27	--	--	--	136,787	136,787
Malawi	69,400	84,462	121.7	2,290	17,350	0.03	--	46,528	63,878
Malaysia	1,486,600	936,118	63.0	550,488	--	--	--	--	--
Maldives	8,200	6,646	81.1	1,554	--	--	--	--	--
Mali	93,300	84,358	90.4	8,961	--	--	--	103,856	103,856
Malta	102,000	61,741	60.5	40,261	--	--	--	--	--
Marshall Islands	3,500	3,500	100.0	1	--	--	--	--	--
Mauritania	64,400	64,404	100.0	--	--	--	--	62,783	62,783
Mauritius	101,600	79,722	78.5	21,879	--	--	--	--	--
Mexico	2,585,800	2,032,539	78.6	553,309	--	--	--	--	--
Micronesia, Federated States of	5,100	5,100	100.0	1	--	--	--	--	--
Moldova, Republic of	123,200	180,804	146.8	5	57,604	0.10	--	27,720	85,324
Mongolia	51,100	50,987	99.8	116	--	--	--	30,760	30,760
Morocco	588,200	517,758	88.0	70,443	--	--	--	--	--
Mozambique	113,600	113,600	100.0	7	--	--	--	134,600	134,600
Myanmar	258,400	258,402	100.0	--	--	--	--	--	--
Namibia	136,500	136,447	100.0	55	--	--	--	--	--
Nepal	71,300	65,536	91.9	5,774	--	--	--	7,130	7,130
Netherlands	5,162,400	3,234,228	62.6	1,928,204	--	--	--	--	--
New Zealand	894,600	564,843	63.1	329,774	--	--	--	--	--
Nicaragua	130,000	130,010	100.0	--	--	--	--	153,747	153,747

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Outstanding Credit and Loans**  
**as at July 31, 2004**

(In thousands of SDRs)

Member	General Resources Account				Outstanding Credit and Loans				
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF		
		Total	Percent of quota		Amount	Percent 2/ +	SDA 3/ (B)	Trust 4/ (C)	Total 5/ (D)
Niger	65,800	57,237	87.0	8,563	--	--	--	90,112	90,112
Nigeria	1,753,200	1,753,121	100.0	143	--	--	--	--	--
Norway	1,671,700	1,073,997	64.2	597,713	--	--	--	--	--
Oman	194,000	129,874	66.9	64,181	--	--	--	--	--
Pakistan	1,033,700	1,312,704	127.0	118	279,121	0.47	--	1,073,244	1,352,365
Palau	3,100	3,100	100.0	1	--	--	--	--	--
Panama	206,600	221,418	107.2	11,860	26,667	0.04	--	--	26,667
Papua New Guinea	131,600	193,968	147.4	405	62,766	0.11	--	--	62,766
Paraguay	99,900	78,428	78.5	21,475	--	--	--	--	--
Peru	638,400	718,683	112.6	--	80,250	0.14	--	--	80,250
Philippines	879,900	1,359,297	154.5	87,431	566,823	0.96	--	--	566,823
Poland, Republic of	1,369,000	866,887	63.3	502,114	--	--	--	--	--
Portugal	867,400	553,432	63.8	313,999	--	--	--	--	--
Qatar	263,800	167,186	63.4	96,615	--	--	--	--	--
Romania	1,030,200	1,367,205	132.7	--	337,000	0.57	--	--	337,000
Russian Federation	5,945,400	8,557,144	143.9	1,827	2,613,459	4.41	--	--	2,613,459
Rwanda	80,100	80,113	100.0	--	--	--	--	61,787	61,787
St. Kitts and Nevis	8,900	8,819	99.1	82	--	--	--	--	--
St. Lucia	15,300	15,295	100.0	7	--	--	--	--	--
St. Vincent and the Grenadines	8,300	7,800	94.0	500	--	--	--	--	--
Samoa	11,600	10,918	94.1	693	--	--	--	--	--
San Marino, Republic of	17,000	12,900	75.9	4,101	--	--	--	--	--
São Tomé and Príncipe	7,400	7,403	100.0	-- 6/	--	--	--	1,902	1,902
Saudi Arabia	6,985,500	4,499,929	64.4	2,485,574	--	--	--	--	--
Senegal	161,800	160,285	99.1	1,518	--	--	--	142,175	142,175
Seychelles	8,800	8,798	100.0	3	--	--	--	--	--
Sierra Leone	103,700	103,685	100.0	24	--	--	--	115,383	115,383
Singapore	862,500	577,175	66.9	285,367	--	--	--	--	--
Slovak Republic	357,500	357,505	100.0	--	--	--	--	--	--
Slovenia, Republic of	231,700	142,937	61.7	88,769	--	--	--	--	--
Solomon Islands	10,400	9,852	94.7	550	--	--	--	--	--
Somalia	44,200	140,907	318.8	--	96,701	0.16	8,840	--	112,004
South Africa	1,868,500	1,867,979	100.0	524	--	--	--	--	--
Spain	3,048,900	1,894,120	62.1	1,154,806	--	--	--	--	--
Sri Lanka	413,400	554,371	134.1	47,855	188,791	0.33	--	38,390	227,181
Sudan	169,700	502,300	296.0	11	332,580	0.56	--	--	391,808
Suriname	92,100	85,976	93.4	6,125	--	--	--	--	--
Swaziland	50,700	44,152	87.1	6,552	--	--	--	--	--
Sweden	2,395,500	1,501,472	62.7	894,034	--	--	--	--	--
Switzerland	3,458,500	2,205,233	63.8	1,253,276	--	--	--	--	--

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Outstanding Credit and Loans**  
**as at July 31, 2004**

(In thousands of SDRs)

Member	General Resources Account				Outstanding Credit and Loans				
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF		
		Total	Percent of quota		Amount	Percent 2/ +	SDA 3/ (B)	Trust 4/ (C)	Total 5/ (D)
Syrian Arab Republic	293,600	293,603	100.0	5	--	--	--	--	--
Tajikistan, Republic of	87,000	87,000	100.0	2	--	--	--	72,930	72,930
Tanzania	198,900	188,903	95.0	9,999	--	--	--	284,770	284,770
Thailand	1,081,900	985,163	91.1	96,740	--	--	--	--	--
Togo	73,400	73,069	99.5	332	--	--	--	20,634	20,634
Tonga	6,900	5,195	75.3	1,712	--	--	--	--	--
Trinidad and Tobago	335,600	216,284	64.4	119,321	--	--	--	--	--
Tunisia	286,500	266,308	93.0	20,195	--	--	--	--	--
Turkey	964,000	15,674,306	1,626.0	112,775	14,823,078	25.01	--	--	14,823,078
Turkmenistan, Republic of	75,200	75,200	100.0	5	--	--	--	--	--
Uganda	180,500	180,506	100.0	-- 6/	--	--	--	139,065	139,065
Ukraine	1,372,000	2,499,402	182.2	3	1,127,402	1.90	--	--	1,127,402
United Arab Emirates	611,700	397,039	64.9	215,269	--	--	--	--	--
United Kingdom	10,738,500	6,911,123	64.4	3,827,378	--	--	--	--	--
United States	37,149,300	23,843,018	64.2	13,303,145	--	--	--	--	--
Uruguay	306,500	1,934,263	631.1	--	1,627,756	2.75	--	--	1,627,756
Uzbekistan, Republic of	275,600	292,225	106.0	5	16,625	0.03	--	--	16,625
Vanuatu	17,000	14,506	85.3	2,496	--	--	--	--	--
Venezuela, República Bolivariana de	2,659,100	2,337,199	87.9	321,902	--	--	--	--	--
Vietnam	329,100	329,100	100.0	5	--	--	--	202,720	202,720
Yemen, Republic of	243,500	280,321	115.1	13	36,833	0.06	--	221,150	257,983
Serbia and Montenegro	467,700	1,117,907	239.0	--	650,194	1.10	--	--	650,194
Zambia	489,100	489,101	100.0	18	--	--	54,525	521,560	576,085
Zimbabwe	353,400	470,579	133.2	328	117,505	0.20	--	78,322	195,827
<b>Total</b>	<b>212,794,000</b>	<b>212,231,393</b>		<b>59,842,418</b>	<b>59,279,620</b>	<b>100.00</b>	<b>65,725</b>	<b>6,795,440</b>	<b>66,229,365</b>

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

2/ Represents the percentage of total use of GRA resources (column A).

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

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

5/ Includes outstanding Trust Fund loans to Liberia (SDR 22.9 million), Somalia (SDR 6.5 million), and Sudan (SDR 59.2 million).

6/ Less than SDR 500.

**II. Financial Statements  
of the  
SDR Department**

## SDR Department

### Balance Sheets

*(In thousands of SDRs)*

	<b>July 31, 2004</b>	<b>April 30,</b>		<b>July 31, 2004</b>	<b>April 30,</b>
	<b>(unaudited)</b>	<b>2004</b>		<b>(unaudited)</b>	<b>2004</b>
<b>Assets</b>			<b>Liabilities</b>		
Charges receivable	96,232	84,882	Interest payable	96,577	85,229
Overdue assessments and charges (Note 2)	89,688	88,933			
Participants with holdings below allocations (Note 3)			Participants with holdings above allocations (Note 2)		
Allocations	11,608,588	11,838,846	SDR holdings	16,966,287	16,767,772
<i>Less</i> : SDR holdings	3,591,590	3,865,861	<i>Less</i> : allocations	9,824,742	9,594,484
Allocations in excess of holdings	8,016,998	7,972,985	Holdings in excess of allocations	7,141,545	7,173,288
			Holdings by the General Resources Account	498,732	506,029
			Holdings of SDRs by prescribed holders	466,064	382,254
Total Assets	8,202,918	8,146,800	Total Liabilities	8,202,918	8,146,800

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

**SDR Department  
Income Statements  
(unaudited)**  
*(In thousands of SDRs)*

	<b>Three Months Ended July 31</b>	
	<b>2004</b>	<b>2003</b>
<hr/>		
<b>Revenue</b>		
Net charges from participants with holdings below allocations	37,144	33,167
Assessment on SDR allocations	350	400
	<hr/>	<hr/>
	37,494	33,567
	<hr/>	<hr/>
<b>Expenses</b>		
Interest on SDR holdings		
Net interest to participants with holdings above allocations	31,617	25,848
General Resources Account	3,570	5,063
Prescribed holders	1,957	2,256
	<hr/>	<hr/>
	37,144	33,167
Administrative expenses	350	400
	<hr/>	<hr/>
	37,494	33,567
	<hr/>	<hr/>
Net Income	--	--
	<hr/> <hr/>	<hr/> <hr/>

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

## SDR Department

### Statements of Cash Flows

(unaudited)

(In thousands of SDRs)

	Three Months Ended	
	July 31	
	2004	2003
<b>Cash flows from operating activities</b>		
Receipts of SDRs		
Transfers among participants and prescribed holders	906,133	826,657
Transfers from participants to the General Resources Account	695,830	1,656,824
Transfers from the General Resources Account to participants and prescribed holders	702,750	1,793,418
Total Receipts of SDRs	<u>2,304,713</u>	<u>4,276,899</u>
Uses of SDRs		
Transfers among participants and prescribed holders	876,682	795,433
Transfers from participants to the General Resources Account	692,219	1,651,571
Transfers from the General Resources Account to participants and prescribed holders	702,750	1,793,418
Charges paid in the SDR Department	32,306	35,660
Other	756	817
Total Uses of SDRs	<u>2,304,713</u>	<u>4,276,899</u>

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

## SDR Department

### Notes to the Financial Statements

#### 1. Basis of Presentation

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by International Financial Reporting Standards (IFRS) for complete financial statements and should be read in conjunction with the April 30, 2004 financial statements and the notes included therein.

##### *Unit of Account*

As of July 31, 2004, one SDR was equal to 1.45776 U.S. dollars (one SDR was equal to 1.45183 U.S. dollars as of April 30, 2004).

##### *Interest and Charges*

Interest is paid on holdings of SDRs and charges are levied on participants' cumulative allocations at the rate of interest on the SDR. The average SDR interest rate was 1.77 percent for the quarter ended July 31, 2004 (1.60 percent for the quarter ended April 30, 2004)

#### 2. Overdue Assessments and Charges

At July 31, 2004, assessments and charges amounting to SDR 89.7 million were overdue to the SDR Department (SDR 88.9 million at April 30, 2004). At July 31, 2004 and April 30, 2004, four 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:

	July 31, 2004	April 30, 2004
	<i>In millions of SDRs</i>	
Total	89.7	88.9
Overdue for six months or more	88.2	87.4
Overdue for three years or more	77.7	75.9



## SDR Department

### Notes to the Financial Statements

The amount and duration of arrears as of July 31, 2004 were as follows:

	Total	Longest Overdue Obligation
<i>In millions of SDRs</i>		
Iraq	54.8	November 1990
Liberia	24.4	April 1986
Somalia	10.4	February 1991
Sudan	<u>0.1</u>	April 1991
Total	<u>89.7</u>	

### 3. Allocations and Holdings

At July 31, 2004 and April 30, 2004, 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 were as follows:

	July 31, 2004			April 30, 2004		
	<u>Total</u>	<u>Below Allocations</u>	<u>Above Allocations</u>	<u>Total</u>	<u>Below Allocations</u>	<u>Above Allocations</u>
<i>In millions of SDRs</i>						
Cumulative allocations	21,433.3	11,608.6	9,824.7	21,433.3	11,838.8	9,594.5
Holdings of SDRs by participants	<u>20,557.9</u>	<u>3,591.6</u>	<u>16,966.3</u>	<u>20,633.6</u>	<u>3,865.8</u>	<u>16,767.8</u>
Net SDR positions	<u>875.4</u>	<u>8,017.0</u>	<u>(7,141.6)</u>	<u>799.7</u>	<u>7,973.0</u>	<u>(7,173.3)</u>

## SDR Department

### Notes to the Financial Statements

A summary of SDR holdings is provided below:

	July 31, 2004	April 30, 2004
	<i>In millions of SDRs</i>	
Participants	20,557.9	20,633.6
General Resources Account	498.7	506.0
Prescribed holders	<u>466.1</u>	<u>382.3</u>
	21,522.7	21,521.9
Less: Overdue charges receivable	<u>89.4</u>	<u>88.6</u>
Total holdings	<u>21,433.3</u>	<u>21,433.3</u>

**SDR Department**  
**Statements of Changes in SDR Holdings**  
**for the Three Months Ended July 31, 2004 and 2003**  
*(In thousands of SDRs)*

	Participants	General Resources Account	Prescribed Holders	Total	
				2004	2003
Total holdings, beginning of the year	20,633,633	506,029	382,254	21,521,916	21,518,839
<b>Receipts of SDRs</b>					
Transfers among participants and prescribed holders					
Transactions by agreement	356,323	--	3,894	360,217	371,304
Operations					
Loans	--	--	--	--	10,375
Settlement of financial obligations	--	--	51,528	51,528	54,922
IMF-related operations					
SAF/PRGF loan	82,536	--	--	82,536	171,950
SAF repayments and interest	--	--	1,303	1,303	5,384
PRGF contributions and payments	39,719	--	110,148	149,867	75,718
PRGF repayments and interest	70,915	--	156,120	227,035	101,524
PRGF-HIPC contributions	135	--	4,011	4,146	4,145
Post-Conflict Subsidy payment	50	--	--	50	111
Net interest on SDRs	27,568	--	1,883	29,451	31,224
Transfers from participants to the General Resources Account					
Repurchases	--	176,115	--	176,115	1,018,172
Charges	--	516,103	--	516,103	612,647
Quota payment	--	--	--	--	20,750
Assessment on SDR allocation (Note 2)	--	1	--	1	2
Interest on SDRs	--	3,611	--	3,611	5,253
Transfers from the General Resources Account to participants and prescribed holders					
Purchases	44,500	--	--	44,500	1,311,386
In exchange for currencies of other members					
Acquisitions to pay charges	445,778	--	--	445,778	172,946
Remuneration	212,405	--	--	212,405	243,292
Other					
Refunds and adjustments	67	--	--	67	65,794
<b>Total receipts</b>	<b>1,279,996</b>	<b>695,830</b>	<b>328,887</b>	<b>2,304,713</b>	<b>4,276,899</b>

**SDR Department**  
**Statements of Changes in SDR Holdings**  
**for the Three Months Ended July 31, 2004 and 2003**  
*(In thousands of SDRs)*

	Participants	General Resources Account	Prescribed Holders	Total	
				2004	2003
<b>Uses of SDRs</b>					
Transfers among participants and prescribed holders					
Transactions by agreement	313,786	--	46,431	360,217	371,304
Operations					
Loans	--	--	--	--	10,375
Settlement of financial obligations	51,528	--	--	51,528	54,922
IMF-related operations					
SAF/PRGF Loan	--	--	82,536	82,536	171,950
SAF repayments and interest	1,303	--	--	1,303	5,384
Special charges on SAF, PRGF, Trust Fund	--	--	--	--	--
PRGF contributions and payments	104,858	--	45,009	149,867	75,718
PRGF repayments and interest	156,120	--	70,915	227,035	101,524
HIPC payments	--	--	--	--	--
PRGF-HIPC contributions	4,011	--	135	4,146	4,145
Post-Conflict Subsidy payment	--	--	50	50	111
Transfers from participants to the General Resources Account					
Repurchases	176,115	--	--	176,115	1,018,172
Charges	516,103	--	--	516,103	612,647
Quota payment	--	--	--	--	20,750
Assessment on SDR allocation (Note 2)	1	--	--	1	2
Transfers from the General Resources Account to participants and prescribed holders					
Purchases	--	44,500	--	44,500	1,311,386
In exchange for currencies of other members					
Acquisitions to pay charges	--	445,778	--	445,778	172,946
Remuneration	--	212,405	--	212,405	243,292
Other					
Refunds and adjustments	--	67	--	67	65,794
Charges paid in the SDR department					
Net charges due	33,062	--	--	33,062	36,477
<b>Total uses</b>	<b>1,356,887</b>	<b>702,750</b>	<b>245,076</b>	<b>2,304,713</b>	<b>4,276,899</b>
Charges not paid when due	857	--	--	857	939
Settlement of unpaid charges	(101)	--	--	(101)	(122)
<b>Total holdings, end of the period</b>	<b>20,557,495</b>	<b>499,111</b>	<b>466,067</b>	<b>21,522,673</b>	<b>21,519,656</b>

The ending balances contain rounding

**SDR Department**  
**Allocations and Holdings of Participants**  
as at July 31, 2004  
*(In thousands of SDRs)*

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Afghanistan, Islamic State of	26,703	187	0.7	(26,516)
Albania	--	67,981	--	67,981
Algeria	128,640	15,715	12.2	(112,925)
Angola	--	145	--	145
Antigua and Barbuda	--	6	--	6
Argentina	318,370	761,134	239.1	442,764
Armenia, Republic of	--	10,670	--	10,670
Australia	470,545	120,016	25.5	(350,529)
Austria	179,045	102,336	57.2	(76,709)
Azerbaijan	--	2,426	--	2,426
Bahamas, The	10,230	54	0.5	(10,176)
Bahrain, Kingdom of	6,200	636	10.3	(5,564)
Bangladesh	47,120	1,574	3.3	(45,546)
Barbados	8,039	46	0.6	(7,993)
Belarus, Republic of	--	84	--	84
Belgium	485,246	526,342	108.5	41,096
Belize	--	1,596	--	1,596
Benin	9,409	54	0.6	(9,355)
Bhutan	--	260	--	260
Bolivia	26,703	26,319	98.6	(384)
Bosnia and Herzegovina	20,481	1,017	5.0	(19,464)
Botswana	4,359	33,950	778.9	29,591
Brazil	358,670	209,278	58.3	(149,392)
Brunei Darussalam	--	8,289	--	8,289
Bulgaria	--	49,244	--	49,244
Burkina Faso	9,409	165	1.8	(9,244)
Burundi	13,697	155	1.1	(13,542)
Cambodia	15,417	153	1.0	(15,264)
Cameroon	24,463	986	4.0	(23,476)
Canada	779,290	579,356	74.3	(199,934)
Cape Verde	620	3	0.6	(617)
Central African Republic	9,325	1,648	17.7	(7,677)
Chad	9,409	47	0.5	(9,362)
Chile	121,924	32,464	26.6	(89,460)
China	236,800	773,672	326.7	536,872
Colombia	114,271	114,312	100.0	41
Comoros	716	7	1.0	(709)
Congo, Democratic Republic of	86,309	5,060	5.9	(81,249)
Congo, Republic of	9,719	736	7.6	(8,983)
Costa Rica	23,726	121	0.5	(23,605)

## SDR Department Allocations and Holdings of Participants

as at July 31, 2004

(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Côte d'Ivoire	37,828	182	0.5	(37,646)
Croatia, Republic of	44,205	487	1.1	(43,719)
Cyprus	19,438	2,266	11.7	(17,172)
Czech Republic	--	1,050	--	1,050
Denmark	178,864	43,463	24.3	(135,401)
Djibouti	1,178	51	4.3	(1,127)
Dominica	592	37	6.2	(556)
Dominican Republic	31,585	1,514	4.8	(30,071)
Ecuador	32,929	10,338	31.4	(22,591)
Egypt	135,924	51,971	38.2	(83,953)
El Salvador	24,985	24,981	100.0	(4)
Equatorial Guinea	5,812	441	7.6	(5,371)
Eritrea	--	--	--	--
Estonia, Republic of	--	53	--	53
Ethiopia	11,160	346	3.1	(10,814)
Fiji	6,958	5,259	75.6	(1,699)
Finland	142,690	151,033	105.8	8,343
France	1,079,870	536,970	49.7	(542,900)
Gabon	14,091	382	2.7	(13,709)
Gambia, The	5,121	390	7.6	(4,731)
Georgia	--	3,256	--	3,256
Germany	1,210,760	1,327,944	109.7	117,184
Ghana	62,983	18,255	29.0	(44,728)
Greece	103,544	15,991	15.4	(87,553)
Grenada	930	35	3.8	(895)
Guatemala	27,678	5,350	19.3	(22,328)
Guinea	17,604	80	0.5	(17,524)
Guinea-Bissau	1,212	447	36.9	(765)
Guyana	14,530	1,426	9.8	(13,104)
Haiti	13,697	579	4.2	(13,118)
Honduras	19,057	113	0.6	(18,944)
Hungary	--	34,408	--	34,408
Iceland	16,409	69	0.4	(16,340)
India	681,170	1,249	0.2	(679,921)
Indonesia	238,956	49,282	20.6	(189,674)
Iran, Islamic Republic of	244,056	273,634	112.1	29,578
Iraq	68,464	--	--	(68,464)
Ireland	87,263	55,177	63.2	(32,086)
Israel	106,360	8,031	7.6	(98,329)
Italy	702,400	62,029	8.8	(640,371)

## SDR Department Allocations and Holdings of Participants

as at July 31, 2004

(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Jamaica	40,613	270	0.7	(40,343)
Japan	891,690	1,802,419	202.1	910,729
Jordan	16,887	1,860	11.0	(15,027)
Kazakhstan, Republic of	--	782	--	782
Kenya	36,990	351	0.9	(36,639)
Kiribati	--	10	--	10
Korea	72,911	17,321	23.8	(55,590)
Kuwait	26,744	111,942	418.6	85,198
Kyrgyz Republic	--	14,829	--	14,829
Lao People's Democratic Republic	9,409	9,892	105.1	483
Latvia, Republic of	--	107	--	107
Lebanon	4,393	20,890	475.5	16,497
Lesotho	3,739	412	11.0	(3,327)
Liberia	21,007	--	--	(21,007)
Libya	58,771	468,075	796.4	409,304
Lithuania, Republic of	--	222	--	222
Luxembourg	16,955	9,035	53.3	(7,920)
Macedonia, former Yugoslav Republic of	8,379	2,114	25.2	(6,265)
Madagascar	19,270	178	0.9	(19,092)
Malawi	10,975	491	4.5	(10,484)
Malaysia	139,048	123,858	89.1	(15,190)
Maldives	282	312	110.4	30
Mali	15,912	510	3.2	(15,402)
Malta	11,288	30,263	268.1	18,975
Marshall Islands	--	--	--	--
Mauritania	9,719	60	0.6	(9,659)
Mauritius	15,744	17,368	110.3	1,624
Mexico	290,020	294,962	101.7	4,942
Micronesia, Federated States of	--	1,206	--	1,206
Moldova, Republic of	--	81	--	81
Mongolia	--	27	--	27
Morocco	85,689	65,978	77.0	(19,711)
Mozambique	--	54	--	54
Myanmar	43,474	340	0.8	(43,134)
Namibia	--	17	--	17
Nepal	8,105	499	6.2	(7,606)
Netherlands	530,340	500,773	94.4	(29,567)
New Zealand	141,322	20,647	14.6	(120,675)
Nicaragua	19,483	215	1.1	(19,268)
Niger	9,409	324	3.4	(9,085)

## SDR Department Allocations and Holdings of Participants

as at July 31, 2004

(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Nigeria	157,155	746	0.5	(156,409)
Norway	167,770	200,164	119.3	32,394
Oman	6,262	8,398	134.1	2,136
Pakistan	169,989	162,089	95.4	(7,900)
Palau	--	--	--	--
Panama	26,322	514	2.0	(25,808)
Papua New Guinea	9,300	1,546	16.6	(7,754)
Paraguay	13,697	85,314	622.9	71,617
Peru	91,319	1,000	1.1	(90,319)
Philippines	116,595	5,414	4.6	(111,181)
Poland, Republic of	--	40,766	--	40,766
Portugal	53,320	63,570	119.2	10,250
Qatar	12,822	22,553	175.9	9,732
Romania	75,950	3,027	4.0	(72,923)
Russian Federation	--	20,323	--	20,323
Rwanda	13,697	19,802	144.6	6,105
St. Kitts and Nevis	--	1	--	1
St. Lucia	742	1,497	201.9	755
St. Vincent and the Grenadines	354	3	0.8	(351)
Samoa	1,142	2,412	211.2	1,270
San Marino, Republic of	--	521	--	521
São Tomé & Príncipe	620	8	1.3	(612)
Saudi Arabia	195,527	311,443	159.3	115,916
Senegal	24,462	1,125	4.6	(23,337)
Seychelles	406	3	0.6	(404)
Sierra Leone	17,455	19,298	110.6	1,843
Singapore	16,475	183,973	1,116.7	167,498
Slovak Republic	--	870	--	870
Slovenia, Republic of	25,431	6,664	26.2	(18,767)
Solomon Islands	654	3	0.5	(651)
Somalia	13,697	--	--	(13,697)
South Africa	220,360	222,800	101.1	2,440
Spain	298,805	287,013	96.1	(11,792)
Sri Lanka	70,868	1,918	2.7	(68,950)
Sudan	52,192	262	0.5	(51,930)
Suriname	7,750	1,272	16.4	(6,478)
Swaziland	6,432	2,469	38.4	(3,963)
Sweden	246,525	101,198	41.0	(145,327)
Switzerland	--	2,310	--	2,310
Syrian Arab Republic	36,564	346	0.9	(36,218)



## SDR Department Allocations and Holdings of Participants

as at July 31, 2004

(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Tajikistan, Republic of	--	59	--	59
Tanzania	31,372	190	0.6	(31,182)
Thailand	84,652	903	1.1	(83,749)
Timor-Leste, The Democratic Republic of	--	--	--	--
Togo	10,975	114	1.0	(10,861)
Tonga	--	228	--	228
Trinidad and Tobago	46,231	1,221	2.6	(45,010)
Tunisia	34,243	13,331	38.9	(20,912)
Turkey	112,307	171,681	152.9	59,374
Turkmenistan, Republic of	--	--	--	--
Uganda	29,396	369	1.3	(29,027)
Ukraine	--	8,492	--	8,492
United Arab Emirates	38,737	1,953	5.0	(36,784)
United Kingdom	1,913,070	202,094	10.6	(1,710,976)
United States	4,899,530	8,633,928	176.2	3,734,398
Uruguay	49,977	18,699	37.4	(31,278)
Uzbekistan, Republic of	--	165	--	165
Vanuatu	--	906	--	906
Venezuela	316,890	6,281	2.0	(310,609)
Vietnam	47,658	379	0.8	(47,279)
Yemen, Republic of	28,743	29,866	103.9	1,123
Yugoslavia, Federal Republic of (Serbia/Montenegro)	--	--	--	--
Serbia and Montenegro	56,665	11,068	19.5	(45,597)
Zambia	68,298	17,759	26.0	(50,539)
Zimbabwe	10,200	46	0.5	(10,154)
ABOVE ALLOCATIONS	9,824,742	16,966,287	172.7	7,141,545
BELOW ALLOCATIONS	11,608,588	3,591,590	30.9	(8,016,998)
TOTAL PARTICIPANTS	21,433,330	20,557,876		
GENERAL RESOURCES ACCOUNT		498,732		
PRESCRIBED HOLDERS		466,064		
OVERDUE CHARGES	89,342			
	21,522,672	21,522,672		

**III. Financial Statements  
of the  
Poverty Reduction and Growth  
Facility Trust**

**Poverty Reduction and Growth Facility Trust**  
**Combined Balance Sheets**

*(In thousands of SDRs)*

	<b>July 31, 2004 (unaudited)</b>	<b>April 30, 2004</b>
<hr/>		
<b>Assets</b>		
Cash and cash equivalents	2,104,386	2,721,670
Investments (Note 2)	3,789,958	3,035,128
Loans receivable (Note 3)	6,795,440	6,699,728
Interest receivable	12,305	20,915
	<hr/>	<hr/>
Total Assets	12,702,089	12,477,441
	<hr/> <hr/>	<hr/> <hr/>
<b>Liabilities and Resources</b>		
Borrowings (Note 4)	7,719,776	7,512,656
Interest payable	23,018	34,518
Other liabilities and deferred income	4,904	4,483
	<hr/>	<hr/>
Total Liabilities	7,747,698	7,551,657
	<hr/>	<hr/>
Resources	4,954,391	4,925,784
	<hr/>	<hr/>
Total Liabilities and Resources	12,702,089	12,477,441
	<hr/> <hr/>	<hr/> <hr/>

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

**Poverty Reduction and Growth Facility Trust**  
**Combined Statements of Income and Changes in Resources**  
**(unaudited)**  
*(In thousands of SDRs)*

	<b>Three Months Ended</b>	
	<b>July 31</b>	
	<b>2004</b>	<b>2003</b>
Balance, beginning of the year	4,925,783	4,898,250
Investment income (Note 2)	17,663	22,918
Interest income on loans	8,394	8,153
Interest expense	(27,648)	(27,519)
Other expenses	(791)	(348)
	(2,382)	3,204
Operational income	(2,382)	3,204
Contributions (Note 5)	10,751	19,256
	8,369	22,460
Transfers from the Special Disbursement Account	20,239	20,875
Transfers through the Special Disbursement Account to the PRGF-HIPC Trust	--	(17,825)
	28,608	25,510
Net changes in resources	28,608	25,510
Balance, end of the period	4,954,391	4,923,760

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

## Poverty Reduction and Growth Facility Trust

### Combined Statements of Cash Flows (unaudited)

(In thousands of SDRs)

	Three Months Ended July 31	
	2004	2003
<b>Cash flows from operating activities</b>		
Net (loss)/income	(2,382)	3,204
Adjustments to reconcile net income to cash generated by operations		
Changes in interest payable and other liabilities	(11,079)	(17,736)
Changes in interest receivable	8,610	8,603
Cash from credit to members		
Loan disbursements	(357,958)	(309,118)
Loan repayments	262,246	245,924
Net cash used in operating activities	<b>(100,563)</b>	<b>(69,123)</b>
<b>Cash flows from investment activities</b>		
Net acquisition of investments	(754,830)	(446,838)
Net cash provided (used) by investment activities	<b>(754,830)</b>	<b>(446,838)</b>
<b>Cash flows from financing activities</b>		
Borrowings	360,329	310,580
Repayment of borrowings	(153,210)	(162,884)
Contributions	10,751	19,256
Transfers from the Special Disbursement Account	20,239	20,875
Transfers through the Special Disbursement Account to the PRGF-HIPC	--	(17,825)
Net cash provided by financing activities	<b>238,109</b>	<b>170,002</b>
Cash, beginning of year	2,721,670	2,481,040
<b>Cash, end of period</b>	<b>2,104,386</b>	<b>2,135,081</b>

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

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements

#### 1. Basis of Presentation

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by IFRS for complete financial statements and should be read in conjunction with the April 30, 2004 financial statements and the notes included therein.

#### *Unit of Account*

As of July 31, 2004, one SDR was equal to 1.45776 U.S. dollars (one SDR was equal to 1.45183 U.S. dollars as of April 30, 2004).

#### 2. Investments

The maturities of the investments are as follows:

	July 31, 2004	April 30, 2004
	<i>In thousands of SDRs</i>	
Less than 1 year	3,553,538	2,831,390
1 – 3 years	199,467	168,542
3 – 5 years	35,433	-
Over 5 years	<u>1,520</u>	<u>35,196</u>
Total	<u>3,789,958</u>	<u>3,035,128</u>

The investments consisted of the following:

	July 31, 2004	April 30, 2004
	<i>In thousands of SDRs</i>	
Debt securities	2,863,165	2,800,283
Fixed-term deposits	<u>926,793</u>	<u>234,845</u>
Total	<u>3,789,958</u>	<u>3,035,128</u>

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements

Investment income comprised the following for the three months ended July 31:

	2004	2003
	<i>In thousands of SDRs</i>	
Interest income	31,743	29,502
Realized gains	11,358	15,974
Unrealized losses	(25,369)	(22,550)
Exchange rate losses	(69)	(8)
Total	<u>17,663</u>	<u>22,918</u>

### 3. Loans Receivable

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

Period of Repayment, Financial Year Ending April 30	<i>In thousands of SDRs</i>
2005	622,761
2006	854,789
2007	726,142
2008	815,876
2009	820,734
2010 and beyond	2,883,496
Overdue	<u>71,642</u>
Total	<u>6,795,440</u>

The above includes one member, Zimbabwe, that is overdue at July 31, 2004 for more than six months in the amount of SDR 71.6 million.

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements

The use of credit in the Trust by the largest users was as follows:

	July 31, 2004		April 30, 2004	
	<i>In millions of SDRs and percent of total PRGF credit</i>			
Largest user of credit	1,073.2	15.8%	916.1	13.7%
Three largest users of credit	2,121.6	31.2%	1,920.4	28.7%
Five largest users of credit	2,721.2	40.0%	2,512.0	37.5%

#### 4. Borrowings

The following summarizes the borrowing agreements:

	Amount Undrawn	
	July 31, 2004	April 30, 2004
	<i>In thousands of SDRs</i>	
Loan Account	4,498,714	4,856,812
Subsidy Account	62,795	65,167

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 borrowings at July 31, 2004 and April 30, 2004 varied between 0.5 percent and 6.5 percent a year. The principal amounts of the borrowings are repayable in one installment at their maturity dates.



## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements

Scheduled repayments of borrowings are summarized below:

Period of Repayment, Financial Year Ending April 30	
	<i>In thousands of SDRs</i>
2005	800,356
2006	1,504,589
2007	982,706
2008	822,951
2009	822,916
2010 and beyond	<u>2,786,258</u>
Total	<u>7,719,776</u>

#### 5. Contributions

The Trustee accepts contributions for the Subsidy Account on such terms and conditions as agreed between the Trust and the contributors. At July 31, 2004, cumulative contributions received, including transfers from the Special Disbursement Account, amounted to SDR 2,440.8 million (SDR 2,415.3 million at July 31, 2003).

#### 6. Commitments Under Loan Arrangements

At July 31, 2004, undrawn balances under 38 loan arrangements amounted to SDR 2,084.5 million (SDR 2,088.9 million under 36 arrangements at April 30, 2004).

#### 7. Poverty Reduction and Growth Facility Administered Accounts

For the benefit of the Subsidy Account of the PRGF Trust, certain member countries requested that the IMF establish the Poverty Reduction and Growth Facility Administered Accounts (PRGF Administered Accounts or Administered Accounts). The 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.

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements

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.

Total assets of the PRGF Administered Accounts and the net investment income transferred to the PRGF Subsidy Account were as follows:

	Total Assets of the PRGF Administered Accounts		Net Investment Income Transferred to PRGF Subsidy Account for Three Months Ended	
	July 31, 2004	April 30, 2004	July 31, 2004	July 31, 2003
	<i>(In thousands of SDRs)</i>		<i>(In thousands of SDRs)</i>	
Austria	15,086	15,067	32	87
Belgium	-	-	-	302
Botswana	-	-	-	-2
Greece	-	-	-	24
Indonesia	25,043	25,001	67	88
Iran	-	5,023	5	17
Portugal	6,580	8,806	19	32
Total	<u>46,709</u>	<u>53,897</u>	<u>123</u>	<u>548</u>

#### 8. Saudi Fund for Development (SFD) Development Account

The SFD Development 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 the 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 SFD.

As at July 31, 2004 and April 30, 2004 SDR 49.5 million was transferred from the Saudi Fund for Development Special Account, of which SDR 46.5 million has been repaid.

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

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

Note 9

**Poverty Reduction and Growth Facility Trust**

**Combining Balance Sheets**

*(In thousands of SDRs)*

	<u>Loan Account</u>		<u>Reserve Account</u>		<u>Subsidy Account</u>		<u>Combined</u>	
	<b>July 31, 2004 (unaudited)</b>	<b>April 30, 2004</b>	<b>July 31, 2004 (unaudited)</b>	<b>April 30, 2004</b>	<b>July 31, 2004 (unaudited)</b>	<b>April 30, 2004</b>	<b>July 31, 2004 (unaudited)</b>	<b>April 30, 2004</b>
<b>Assets</b>								
Cash and cash equivalents	213,523	627,730	892,230	1,050,119	998,633	1,043,821	2,104,386	2,721,670
Investments (Note 2)	751,793	234,846	2,202,503	1,999,165	835,662	801,117	3,789,958	3,035,128
Loans receivable (Note 3)	6,795,440	6,699,728	--	--	--	--	6,795,440	6,699,728
Accrued account transfers	24,680	20,202	36,573	48,095	(61,253)	(68,297)	--	--
Interest receivable	11,118	19,866	1,098	961	89	88	12,305	20,915
Total Assets	<u>7,796,554</u>	<u>7,602,372</u>	<u>3,132,404</u>	<u>3,098,340</u>	<u>1,773,131</u>	<u>1,776,729</u>	<u>12,702,089</u>	<u>12,477,441</u>
<b>Liabilities and Resources</b>								
Borrowings (Note 4)	7,697,006	7,488,707	--	--	22,770	23,949	7,719,776	7,512,656
Interest payable	23,002	34,484	--	--	16	34	23,018	34,518
Other liabilities and deferred income	4,904	4,483	--	--	--	--	4,904	4,483
Total Liabilities	<u>7,724,912</u>	<u>7,527,674</u>	<u>--</u>	<u>--</u>	<u>22,786</u>	<u>23,983</u>	<u>7,747,698</u>	<u>7,551,657</u>
Resources	<u>71,642</u>	<u>74,698</u>	<u>3,132,404</u>	<u>3,098,340</u>	<u>1,750,345</u>	<u>1,752,746</u>	<u>4,954,391</u>	<u>4,925,784</u>
Total Liabilities and Resources	<u>7,796,554</u>	<u>7,602,372</u>	<u>3,132,404</u>	<u>3,098,340</u>	<u>1,773,131</u>	<u>1,776,729</u>	<u>12,702,089</u>	<u>12,477,441</u>

Note 9 (continued)

**Poverty Reduction and Growth Facility Trust**

**Combining Statements of Income and Changes in Resources**

(unaudited)

for the Three Months Ended July 31, 2004 and 2003

(In thousands of SDRs)

	<u>Loan Account</u>		<u>Reserve Account</u>		<u>Subsidy Account</u>		<u>Combined</u>	
	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>	<u>2004</u>	<u>2003</u>
Balance, beginning of the year	74,698	65,543	3,098,340	3,066,520	1,752,745	1,766,187	4,925,783	4,898,250
Investment income (Note 2)	--	--	11,187	14,607	6,476	8,311	17,663	22,918
Interest income on loans	8,394	8,153	--	--	--	--	8,394	8,153
Interest expense	(27,630)	(27,118)	--	--	(18)	(401)	(27,648)	(27,519)
Other expenses	--	--	(418)	(348)	(373)	--	(791)	(348)
Operational (loss) income	(19,236)	(18,965)	10,769	14,259	6,085	7,910	(2,382)	3,204
Contributions (Note 5)	--	--	--	--	10,751	19,256	10,751	19,256
	(19,236)	(18,965)	10,769	14,259	16,836	27,166	8,369	22,460
Transfers from the Special Disbursement Account	--	--	20,239	20,875	--	--	20,239	20,875
Transfers through the Special Disbursement Account to the PRGF-HIPC Trust	--	--	--	(17,825)	--	--	--	(17,825)
Transfers between:								
Reserve and Subsidy Accounts	--	--	--	103	--	(103)	--	--
Loan and Reserve Accounts	(3,056)	(677)	3,056	677	--	--	--	--
Loan and Subsidy Accounts	19,236	19,507	--	--	(19,236)	(19,507)	--	--
Net changes in resources	(3,056)	(135)	34,064	18,089	(2,400)	7,556	28,608	25,510
Balance, end of the period	71,642	65,408	3,132,404	3,084,609	1,750,345	1,773,743	4,954,391	4,923,760

**IV. Financial Statements  
of the  
PRGF-HIPC Trust  
and  
Related Accounts**

## PRGF-HIPC Trust and Related Accounts

### Combined Balance Sheets

*(In thousands of SDRs)*

	<b>July 31, 2004 (unaudited)</b>	<b>April 30, 2004</b>
<b>Assets</b>		
Cash and cash equivalents	574,081	590,613
Investments (Note 2)	574,371	569,013
Interest receivable	2,739	1,311
	<u>          </u>	<u>          </u>
Total Assets	1,151,191	1,160,937
	<u>          </u>	<u>          </u>
<b>Liabilities and Resources</b>		
Borrowings (Note 3)	613,808	612,918
Interest payable	1,225	1,319
	<u>          </u>	<u>          </u>
Total Liabilities	615,033	614,237
	<u>          </u>	<u>          </u>
Resources	536,158	546,700
	<u>          </u>	<u>          </u>
Total Liabilities and Resources	1,151,191	1,160,937
	<u>          </u>	<u>          </u>

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

## PRGF-HIPC Trust and Related Accounts

### Combined Statements of Income and Changes in Resources for the Three Months Ended July 31, 2004 and 2003

(Unaudited)

(In thousands of SDRs)

	Three Months Ended July 31	
	2004	2003
Balance, beginning of the year	546,700	718,634
Investment income (Note 2)	4,586	6,263
Interest expense	( 527)	( 519)
Other expenses	( 70)	( 323)
Operational income	3,989	5,421
Contributions received	22,041	9,346
Disbursements	( 36,572)	( 99,603)
Transfers	( 10,542)	( 84,836)
	--	17,825
Net changes in resources	( 10,542)	( 67,011)
Balance, end of the period	536,158	651,623

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

## PRGF-HIPC Trust and Related Accounts

### Notes to the Financial Statements

#### 1. Basis of Presentation

The unaudited financial statements have been prepared in accordance with International Accounting Standard 34 (*Interim Financial Reporting*). These financial statements do not include all information and notes required by IFRS for complete financial statements and should be read in conjunction with the April 30, 2004 financial statements and the notes included therein.

#### *Unit of Account*

As of July 31, 2004, one SDR was equal to 1.45776 U.S. dollars (one SDR was equal to 1.45183 U.S. dollars as of April 30, 2004).

#### 2. Investments

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

	July 31, 2004	April 30, 2004
	<i>In thousands of SDRs</i>	
Less than 1 year	564,777	564,272
1 - 3 years	<u>9,594</u>	<u>4,741</u>
Total	<u>574,371</u>	<u>569,013</u>

Investments consisted of the following:

	July 31, 2004	April 30, 2004
	<i>In thousands of SDRs</i>	
Debt securities	318,673	314,206
Fixed-term deposits	<u>255,698</u>	<u>254,807</u>
Total	<u>574,371</u>	<u>569,013</u>



**PRGF-HIPC Trust and Related Accounts**

**Notes to the Financial Statements**

Investment income comprised of the following for the three months ended July 31:

	2004	2003
	<i>In thousands of SDRs</i>	
Interest income	6,255	7,112
Realized gains	1,110	2,932
Unrealized (losses)	(2,781)	(3,781)
Exchange rate gains	2	0
Total	<u>4,586</u>	<u>6,263</u>

**3. Borrowings**

The Trust borrows on such terms and conditions as agreed between the Trust and the lenders. Interest rates on borrowings at July 31, 2004 and 2003 varied between 0 percent and 2 percent per annum. 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	
	<i>In thousands of SDRs</i>
2005	15,000
2006	0
2007	310
2008	20,066
2009	25,000
2010 and beyond	<u>553,432</u>
Total	<u>613,808</u>

## **PRGF-HIPC Trust and Related Accounts**

### **Notes to the Financial Statements**

#### **4. Transfers Receivable and Payable**

At July 31, 2004, 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 1,094.7 million, including interest (SDR 1,012.0 million at April 30, 2004). Interest payable between subaccounts is eliminated on combination.

#### **5. 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:

Note 5

## PRGF-HIPC Trust and Related Accounts

### Combining Balance Sheets

*(In thousands of SDRs)*

	July 31, 2004 (unaudited)							April 30, 2004			
	PRGF-HIPC Trust Account subaccount				Umbrella Account for HIPC Operations	Post-SCA-2 Administered Account	Combined Total	PRGF-HIPC Trust Account	Umbrella Account for HIPC Operations	Post-SCA-2 Administered Account	Combined Total
	PRGF-HIPC	PRGF	HIPC	Combined							
<b>Assets</b>											
Cash and cash equivalents	125,450	11,777	--	137,227	396,264	40,590	574,081	197,165	353,017	40,431	590,613
Investments	560,021	14,350	--	574,371	--	--	574,371	569,013	--	--	569,013
Transfers to and from subaccounts	1,094,732	--	( 1,094,732)	--	--	--	--	--	--	--	--
Interest receivable	1,546	--	--	1,546	1,012	181	2,739	682	470	159	1,311
Total Assets	<u>1,781,749</u>	<u>26,127</u>	<u>( 1,094,732)</u>	<u>713,144</u>	<u>397,276</u>	<u>40,771</u>	<u>1,151,191</u>	<u>766,860</u>	<u>353,487</u>	<u>40,590</u>	<u>1,160,937</u>
<b>Liabilities and Resources</b>											
Borrowings	613,808	--	--	613,808	--	--	613,808	612,918	--	--	612,918
Interest payable	1,225	--	--	1,225	--	--	1,225	1,319	--	--	1,319
Total Liabilities	<u>615,033</u>	<u>--</u>	<u>--</u>	<u>615,033</u>	<u>--</u>	<u>--</u>	<u>615,033</u>	<u>614,237</u>	<u>--</u>	<u>--</u>	<u>614,237</u>
Resources	1,166,716	26,127	( 1,094,732)	98,111	397,276	40,771	536,158	152,623	353,487	40,590	546,700
Total Liabilities and Resources	<u>1,781,749</u>	<u>26,127</u>	<u>( 1,094,732)</u>	<u>713,144</u>	<u>397,276</u>	<u>40,771</u>	<u>1,151,191</u>	<u>766,860</u>	<u>353,487</u>	<u>40,590</u>	<u>1,160,937</u>

Note 5 (concluded)

## PRGF-HIPC Trust and Related Accounts

### Combining Statements of Income and Changes in Resources for the Three Months Ended July 31, 2004 and 2003

(In thousands of SDRs)

	Three Months Ended July 31, 2004							Three Months Ended July 31, 2003			
	PRGF-HIPC Trust Account subaccount				Umbrella Account for HIPC Operations	Post-SCA-2 Administered Account	Combined Total	PRGF-HIPC Trust Account	Umbrella Account for HIPC Operations	Post-SCA-2 Administered Account	Combined Total
	PRGF-HIPC	PRGF	HIPC	Combined							
Balance, beginning of the year	1,142,327	22,254	( 1,011,958)	152,623	353,487	40,590	546,700	257,128	421,309	40,197	718,634
Investment income	6,732	86	--	2,978	1,427	181	4,586	4,496	1,606	161	6,263
Interest expense	( 527)	--	( 3,840)	( 527)	--	--	( 527)	( 519)	--	--	( 519)
Other expenses	( 67)	( 3)	--	( 70)	--	--	( 70)	( 323)	--	--	( 323)
Operational income/(loss)	6,138	83	( 3,840)	2,381	1,427	181	3,989	3,654	1,606	161	5,421
Contributions received	18,251	3,790	--	22,041	--	--	22,041	9,346	--	--	9,346
Grants	--	--	( 78,934)	( 78,934)	78,934	--	--	( 24,211)	24,211	--	--
Disbursements	--	--	--	--	( 36,572)	--	( 36,572)	--	( 99,603)	--	( 99,603)
	24,389	3,873	( 82,774)	( 54,512)	43,789	181	( 10,542)	( 11,211)	( 73,786)	161	( 84,836)
Transfers	--	--	--	--	--	--	--	17,825	--	--	17,825
Net changes in resources	24,389	3,873	( 82,774)	( 54,512)	43,789	181	( 10,542)	6,614	( 73,786)	161	( 67,011)
Balance, end of the period	1,166,716	26,127	( 1,094,732)	98,111	397,276	40,771	536,158	263,742	347,523	40,358	651,623

<sup>1</sup> Interest payable between subaccounts amounting to SDR 3.8 million (SDR 12.9 million at July 31, 2003) has been eliminated in the combined totals.