



# **International Monetary Fund**

## **FINANCIAL STATEMENTS**

Quarter Ended  
January 31, 2002



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**PART ONE**

**Financial Statements  
of the  
International Monetary Fund**

**I. General Department**

**II. SDR Department**



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





**General Department**  
**Balance Sheets**  
**as at January 31, 2002 and 2001**  
*(In thousands of SDRs)*

	2002	2001		2002	2001
<b>Assets</b>			<b>Liabilities and Resources</b>		
Credit outstanding	53,492,528	44,121,498	Liabilities:		
Usable currencies	100,980,532	105,977,554	Remuneration payable	272,481	441,859
Other currencies	<u>54,624,899</u>	<u>56,018,214</u>	Other liabilities	102,121	201,505
Total currencies (Notes 3 and 4)	<u>209,097,959</u>	<u>206,117,266</u>	Special Contingent Account (Note 10)	<u>1,283,519</u>	<u>1,189,519</u>
SDR holdings	1,432,964	2,601,849	Total Liabilities	<u>1,658,121</u>	<u>1,832,883</u>
Gold holdings (Note 5)	5,851,771	5,851,771	Members' Resources:		
Receivables (Note 6)	500,275	600,308	Quotas, represented by:		
Other assets (Notes 7 and 14)	733,166	655,489	Reserve tranche positions (Notes 2 and 4)	56,810,687	48,722,971
Assets of the Special Disbursement Account			Subscription payments: Usable	100,980,532	105,977,554
Investments (Note 8)	2,523,804	2,375,440	Other	<u>54,623,681</u>	<u>56,018,575</u>
Structural Adjustment Facility loans (Note 3)	349,865	444,500	Total quotas	212,414,900	210,719,100
Total Assets	<u>220,489,804</u>	<u>218,646,623</u>	Reserves of the General Resources Account	3,543,114	3,274,700
			Accumulated resources of the Special Disbursement Account	2,873,669	2,819,940
			Total Liabilities and Resources	<u>220,489,804</u>	<u>218,646,623</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 Nine Months Ended January 31, 2002 and 2001**

*(In thousands of SDRs)*

	<b>2002</b>	<b>2001</b>
Operational Income		
Interest and charges (Note 6)	1,557,174	1,709,710
Interest on SDR holdings	33,492	90,233
Other charges and income	110,787	59,421
	<u>1,701,453</u>	<u>1,859,364</u>
Operational Expenses		
Remuneration and financing costs (Note 9)	973,730	1,339,885
Allocations to the Special Contingent Account	70,500	70,500
	<u>1,044,230</u>	<u>1,410,385</u>
Administrative Expenses (Note 13)	394,608	279,313
Net Income of the General Resources Account	<u>262,615</u>	<u>169,666</u>
Income of the Special Disbursement Account		
Investment income	117,876	119,352
Interest on SAF loans	894	1,225
Net Income of the Special Disbursement Account	<u>118,770</u>	<u>120,577</u>

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

**General Department**  
**Statements of Changes in Resources**  
**for the Nine Months Ended January 31, 2002 and 2001**  
*(In thousands of SDRs)*

	<b>General Resources Account</b>			<b>Total</b>	<b>Special Disbursement Account</b>
	<b>Quotas</b>	<b>Special</b>	<b>Reserves General</b>		<b>Accumulated Resources</b>
Balance at April 30, 2000	210,251,400	2,178,382	926,652	3,105,034	2,767,727
Quota subscriptions	467,700	--	--	--	--
Net income of General Resources Account					
transferred to reserves	--	169,666	--	169,666	--
Net income of the Special Disbursement Account	--	--	--	--	120,577
Transfers from the Trust Fund	--	--	--	--	131
Transfers from the SFF subsidy account					104
Transfers to the PRGF Trust	--	--	--	--	( 26,074)
Transfers to the PRGF-HIPC Trust	--	--	--	--	( 42,525)
Balance at January 31, 2001	210,719,100	2,348,048	926,652	3,274,700	2,819,940
Balance at April 30, 2001	212,414,900	2,344,982	935,517	3,280,499	2,838,454
Quota subscriptions	--	--	--	--	--
Net income of General Resources Account					
transferred to reserves	--	57,906	204,709	262,615	--
Net income of the Special Disbursement Account	--	--	--	--	118,770
Transfers from the Trust Fund	--	--	--	--	191
Transfers from the SFF subsidy account	--	--	--	--	103
Transfers to the PRGF Trust	--	--	--	--	( 38,024)
Transfers to the PRGF-HIPC Trust	--	--	--	--	( 45,825)
Balance at January 31, 2002	212,414,900	2,402,888	1,140,226	3,543,114	2,873,669

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

**General Department**  
**Statements of Cash Flows**  
**for the Nine Months Ended January 31, 2002 and 2001**

*(In thousands of SDRs)*

	<b>2002</b>	<b>2001</b>
<b>Usable currencies and SDRs from operating activities</b>		
Net income of the General Resources Account	262,615	169,666
Net income of the Special Disbursement Account	118,770	120,577
Adjustments to reconcile net income		
to usable resources generated by operations		
Changes in receivables and other assets	24,164	( 58,879)
Changes in remuneration payable and other liabilities	( 167,562)	1,925
Allocation to the Special Contingent Account	70,500	70,500
<b>Net usable currencies and SDRs provided by operating activities</b>	<b><u>308,487</u></b>	<b><u>303,789</u></b>
<b>Usable currencies and SDRs from investment activities</b>		
Net acquisition of investments by the Special Disbursement Account	( 117,876)	( 119,351)
<b>Net usable currencies and SDRs provided/(used) by investment activities</b>	<b><u>( 117,876)</u></b>	<b><u>( 119,351)</u></b>
<b>Usable currencies and SDRs generated/(absorbed) in providing credit to members</b>		
Purchases in currencies and SDRs, including reserve tranche purchases	( 20,647,317)	( 8,201,859)
Repurchases in currencies and SDRs	9,248,275	7,946,643
Repayments of Structural Adjustment Facility loans	82,661	67,138
<b>Net usable currencies and SDRs generated/(absorbed) in providing credit to members</b>	<b><u>( 11,316,381)</u></b>	<b><u>( 188,078)</u></b>
<b>Usable currencies and SDRs from financing activities</b>		
Subscription payments in SDRs and usable currencies	--	61,050
Changes in composition of usable currencies	1,531,649	366,186
Transfers to the PRGF Trust, PRGF-HIPC Trust, and other accounts	( 83,555)	( 68,364)
<b>Net usable currencies and SDRs provided by financing activities</b>	<b><u>1,448,094</u></b>	<b><u>358,872</u></b>
Net increase in usable currencies and SDRs	( 9,677,676)	355,232
Usable currencies and SDRs, beginning of period	112,091,172	108,224,171
<b>Usable currencies and SDRs, end of period</b>	<b><u>102,413,496</u></b>	<b><u>108,579,403</u></b>

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

## General Department

### Notes to the Financial Statements as at January 31, 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 never 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 and the IMF. 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. 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 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, 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.

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### 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 January 31, 2002 were as follows:

<u>Currency</u>	<u>Amount</u>
Euro	0.4260
Japanese yen	21.0000
Pound sterling	0.0984
U.S. dollar	0.5770

As of January 31, 2002, one SDR was equal to 1.24204 U.S. dollars (one SDR was equal to 1.29779 U.S. dollars as of January 31, 2001).

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 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 within specified periods by payments in SDRs or other currencies, as determined by the IMF. 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 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 adjustments to 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 protracted overdue repurchase obligations, 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 (see Note 10).

#### *Currencies*

Currencies consist of members' currencies and securities held by the IMF. Each member has the option to substitute nonnegotiable and non-interest-bearing securities for the IMF's holdings of its currency that exceeds  $\frac{1}{4}$  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 and SDRs. One exception was the quota increase of 1978, which was paid entirely in members' own currencies.

## **General Department**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *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 and 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, including securities, 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 are revalued in terms of the SDR at the end of the IMF's financial year.

#### *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 France, Germany, 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, 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



## **General Department**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

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 on the specific identification method (see Note 5).

#### *SAF Loans in the Special Disbursement Account*

SAF loans in the SDA are valued 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.

#### *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. Investments are marked to fair value 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.

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *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 it may draw on the reserve tranche at any time when it represents that it has a 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 in 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. The IMF has decided that for financial year 2002, net operational income generated by the surcharges on purchases under the Supplemental Reserve Facility (SRF) and the Contingent Credit Lines (CCL) and the surcharges on purchases in the credit tranches and under the Extended Fund Facility, after meeting the expenses of conducting the PRGF Trust, would be transferred to the General 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 was 117.6 percent 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 the nine months ended January 31, 2002 was 3.48 percent (for the nine months ended January 31, 2001 the average rate was 5.32 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 (other than the use 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 obligations 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

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

share of the nonpayment of charges and additions to the SCA-1. The average adjusted rate of remuneration for the nine months ended January 31, 2002 was 2.96 percent (4.60 percent for the nine months ended January 31, 2001). A portion of the reserve tranche is unremunerated. This portion 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 January 31, 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. In financial year 2000, the IMF adopted International Accounting Standard 19 on employee benefits.

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 nine months ended January 31, 2002 were as follows:

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

	April 30, 2001	Purchases	Repurchases	January 31, 2002
	<i>In millions of SDRs</i>			
Regular facilities	16,706	8,672	4,666	20,712
Extended Fund Facility	15,957	959	991	15,925
Supplemental Reserve Facility	4,085	10,891	868	14,108
Systemic Transformation Facility	1,933	--	456	1,477
Enlarged Access	430	--	74	356
Compensatory and Contingency Financing Facility	2,992	--	2,188	804
Supplementary Financing Facility	116	--	5	111
Total credit outstanding	<u>42,219</u>	<u>20,522</u>	<u>9,248</u>	<u>53,493</u>

As of January 31, 2002 and 2001, SDA loans and interest receivable, computed at 0.5 percent per annum, consisted of the following:

	2002	2001
	<i>In millions of SDRs</i>	
Structural Adjustment Facility loans	350	445
Interest accrued	8	7
Less: interest deferred	(8)	(7)
	<u>350</u>	<u>445</u>

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

Scheduled repurchase obligations in the GRA and repayments of SAF loans in the SDA as of January 31, 2002 are summarized below:

Financial Year Ending April 30	General Resources Account	Special Disbursement Account
<i>In millions of SDRs</i>		
2002	2,149	8
2003	20,412	62
2004	9,938	51
2005	9,527	40
2006	4,633	37
2007 and beyond	5,963	--
Overdue	<u>871</u>	<u>152</u>
Total	<u>53,493</u>	<u>152</u>

As of January 31, 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	11,233	21.0%	8,823	20.0%
Three largest users of credit	29,719	55.6%	23,157	52.5%
Five largest users of credit	42,177	78.9%	30,060	68.1%

#### *Overdue Obligations*

At January 31, 2002, seven members (as of January 31, 2001, six members and the Federal Republic of Yugoslavia (Serbia/Montenegro)) were six months or more overdue in settling their financial obligations to the IMF. Six 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 to the General Department were as follows:

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

	Repurchases and SAF Loans		Charges and SAF Interest	
	2002	2001	2002	2001
	<i>In millions of SDRs</i>			
Total overdue	1,022	1,023	1,048	1,005
Overdue for six months or more	999	1,023	1,028	980
Overdue for three years or more	977	997	920	875

The type and duration of these arrears as of January 31, 2002, were as follows:

	Repurchases and SAF Loans	Charges and SAF Interest	Total Obligation	Longest Overdue Obligation
	<i>In millions of SDRs</i>			
Congo, Democratic Republic of	300	81	381	May 1991
Liberia	201	239	440	May 1985
Somalia	106	91	197	July 1987
Sudan	379	634	1,013	July 1985
Zimbabwe	36	4	40	February 2001
Total	<u>1,022</u>	<u>1,049</u>	<u>2,071</u>	

#### 4. Currencies

Changes in the IMF's holdings of members' currencies for the nine months ended January 31, 2002 were as follows:

	April 30, 2001	Net Change	January 31, 2002
	<i>In millions of SDRs</i>		
Members' quotas	212,415	--	212,415
Members' outstanding use of IMF credit in the GRA	42,219	11,274	53,493
Members' reserve tranche positions in the GRA	(46,733)	(10,078)	(56,811)
Administrative currency balances	3	(2)	1
Currencies	<u>207,904</u>	<u>1,194</u>	<u>209,098</u>

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

Receivables and payables arising from valuation adjustments at January 31, 2002, amounted to SDR 7,273 million and SDR 835 million, respectively (SDR 4,418 million and SDR 2,349 million, respectively, at January 31, 2001). Settlements of these receivables or payables are required to be made promptly.

Other currency holdings, other than those resulting from the use of credit or usable currencies, amounted to SDR 54,625 million (SDR 56,018 million as of January 31, 2001); of this amount SDR 28,996 million (SDR 32,949 million as of January 31, 2001) represents currencies of members that use IMF credit.

#### 5. Gold Holdings

During the financial year ended April 30, 2000, the IMF sold 12,944,253 fine ounces of gold at market prices to members with repurchase obligations falling due to the IMF. The same amount of gold, also valued at market price, was accepted in repurchase obligations. Proceeds in excess of the carrying value of gold, amounting to SDR 2,226 million, were placed in the SDA and subsequently invested. Income from investments will be transferred on an "as needed" basis to a separate subaccount of the PRGF-HIPC Trust to finance the HIPC initiative.

At January 31, 2002 and January 31, 2001, the IMF held 3,217,341 kilograms of gold, equal to 103,439,916 fine ounces of gold, at designated depositories. As of January 31, 2002, the value of the IMF's holdings of gold calculated at the market price was SDR 23.4 billion (SDR 21.1 billion at January 31, 2001).

#### 6. Interest and Charges

As of January 31, 2002, the total holdings on which the IMF levies charges amounted to SDR 53,493 million (SDR 44,121 million as of January 31, 2001). Charges and other receivables due to the IMF as of January 31, 2002 and January 31, 2001 were as follows:

	2002	2001
	<i>In millions of SDRs</i>	
Periodic charges due	1,539	1,578
<i>Less: deferred income</i>	<u>(1,047)</u>	<u>(1,010)</u>
	492	568
Other receivables	<u>8</u>	<u>32</u>
Receivables	<u><u>500</u></u>	<u><u>600</u></u>

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

Periodic charges for the months ended January 31, 2002 and 2001 consisted of the following:

	2002	2001
	<hr/>	
	<i>In millions of SDRs</i>	
Periodic charges	1,535	1,683
<i>Add:</i> adjustments for deferred charges, net of refunds, and for contributions to the SCA-1	49	43
<i>Less:</i> income deferred, net of settlements	<u>(27)</u>	<u>(16)</u>
Total periodic charges	<u>1,557</u>	<u>1,710</u>

#### 7. Fixed Assets

Other assets include capital assets, which at January 31, 2002 and 2001 amounted to SDR 225 million and SDR 222 million, respectively, and consisted of:

	2002	2001
	<hr/>	
	<i>In millions of SDRs</i>	
Land and buildings	315	306
Equipment	50	42
	----	----
Total fixed assets	365	348
<i>Less:</i> accumulated depreciation	<u>(140)</u>	<u>(126)</u>
Net fixed assets	<u>225</u>	<u>222</u>

#### 8. Investments of the Special Disbursement Account

As of January 31, the investments consisted of the following:

	2002	2001
	<hr/>	
	<i>In millions of SDRs</i>	
Medium-term instruments	--	1,589
Debt securities	--	782
Fixed-term deposits	<u>2,524</u>	<u>4</u>
Total	<u>2,524</u>	<u>2,375</u>



## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

As of January 31, 2002, the maturity profile of the investments, which were all in fixed income instruments, is summarized below:

	2002	2001
	<hr/>	
	<i>In millions of SDRs</i>	
Less than 1 year	2,524	97
1-3 years	--	2,103
3-5 years	--	175
Total	<u>2,524</u>	<u>2,375</u>

Investment income for the nine months ended January 31, 2002 and 2001 included the following:

	2002	2001
	<hr/>	
	<i>In millions of SDRs</i>	
Interest income	83	109
Realized and unrealized gains	<u>35</u>	<u>10</u>
Net investment income	<u>118</u>	<u>119</u>

#### **9. Remuneration and Financing Costs**

At January 31, 2002, total creditor positions on which the IMF paid remuneration amounted to SDR 50,301 million (SDR 42,210 million at January 31, 2001). Remuneration and financing costs for the nine months ended January 31, 2002 and 2001 consisted of the following:

	2002	2001
	<hr/>	
	<i>In millions of SDRs</i>	
Remuneration	1,023	1,383
Less: adjustments for deferred charges net of refunds, and for contributions to the SCA-1	<u>(49)</u>	<u>(43)</u>
	<u>974</u>	<u>1,340</u>

## **General Department**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### ***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 charges and repurchases, or at such earlier time as the IMF may decide. At January 31, 2002, the balances held in the SCA-1 amounted to SDR 1,284 million (SDR 1,190 million at January 31, 2001).

The 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 859 million at January 31, 2002 (SDR 822 million at January 31, 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 971 million at January 31, 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 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.

#### ***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. At January 31, 2002, the undrawn balances under the 17 arrangements that were in effect in the GRA amounted to SDR 25,232 million (SDR 26,463 million under 24 arrangements at January 31, 2001).

The IMF has committed to lease commercial office space through 2005. Expenditures totaling SDR 45 million will be incurred over this five-year period.

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### 13. Administrative Expenses

The administrative expenses for the nine months ended January 31, 2002 and 2001 were as follows:

	2002	2001
	<hr/>	
	<i>In millions of SDRs</i>	
Personnel	257	157
Travel	52	51
Other	88	74
Less: reimbursements for the administration of the SDR Department	<u>(2)</u>	<u>(3)</u>
Total administrative expenses, net of reimbursements	<u>395</u>	<u>279</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 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.

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

The IMF has established 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. The IMF established a separate account, the Retired Staff Benefits Investment Account (RSBIA), where resources are held and invested to fund part of the cost of these other post-retirement 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.

## General Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

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, 2001. The key assumptions used are as disclosed 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 income statements are as follows:

	2002	2001
	<i>(in millions of SDRs)</i>	
Current service cost	87	68
Interest cost	140	138
Expected return on assets	(222)	(240)
Net actuarial (gain)/loss	<u>(1)</u>	<u>(32)</u>
Total expense/(gain) recognized in income statement	<u><u>4</u></u>	<u><u>(66)</u></u>

Principal actuarial assumptions used:

	2002	2001
	<i>(Percentage)</i>	
Discount rate	7.5	8.0
Expected return on plan assets	9.3	9.3
Future salary increases	6.6-11.0	6.6-11.0
Health care growth rates		
End of financial year	8.5	8.5

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Members' Use of Resources**  
**as at January 31, 2002**

(In thousands of SDRs)

Member	General Resources Account				Use of Resources						
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		SDA 2/		PRGF		Total 4/ (D)
		Total	Percent of quota		Amount	Percent	(B)	+	(C)	=	
Afghanistan, Islamic State of	120,400	115,488	95.9	4,928	--	--	--	--	--	--	--
Albania	48,700	49,763	102.2	3,355	4,413	0.01	--	60,994	--	65,407	
Algeria	1,254,700	2,356,570	187.8	85,082	1,186,947	2.22	--	--	--	1,186,947	
Angola	286,300	286,445	100.1	--	--	--	--	--	--	--	
Antigua and Barbuda	13,500	13,499	100.0	1	--	--	--	--	--	--	
Argentina	2,117,100	13,167,589	622.0	--	11,050,460	20.66	--	--	--	11,050,460	
Armenia, Republic of	92,000	110,286	119.9	--	18,281	0.03	--	117,662	--	135,943	
Australia	3,236,400	2,120,158	65.5	1,116,329	--	--	--	--	--	--	
Austria	1,872,300	1,209,753	64.6	662,530	--	--	--	--	--	--	
Azerbaijan	160,900	305,458	189.8	10	144,558	0.27	--	89,950	--	234,508	
Bahamas, The	130,300	124,063	95.2	6,239	--	--	--	--	--	--	
Bahrain	135,000	67,829	50.2	67,175	--	--	--	--	--	--	
Bangladesh	533,300	631,244	118.4	186	98,125	0.18	--	20,125	--	118,250	
Barbados	67,500	62,784	93.0	4,722	--	--	--	--	--	--	
Belarus, Republic of	386,400	438,975	113.6	20	52,575	0.10	--	--	--	52,575	
Belgium	4,605,200	2,923,472	63.5	1,681,738	--	--	--	--	--	--	
Belize	18,800	14,562	77.5	4,239	--	--	--	--	--	--	
Benin	61,900	59,721	96.5	2,188	--	--	2,100	58,245	--	60,345	
Bhutan	6,300	5,280	83.8	1,020	--	--	--	--	--	--	
Bolivia	171,500	162,638	94.8	8,875	--	--	--	164,837	--	164,837	
Bosnia and Herzegovina	169,100	257,465	152.3	--	88,360	0.17	--	--	--	88,360	
Botswana	63,000	44,389	70.5	18,621	--	--	--	--	--	--	
Brazil	3,036,100	9,670,697	318.5	--	6,633,933	12.40	--	--	--	6,633,933	
Brunei Darussalam	150,000	114,727	76.5	35,285	--	--	--	--	--	--	
Bulgaria	640,200	1,467,039	229.2	32,778	859,597	1.61	--	--	--	859,597	
Burkina Faso	60,200	52,970	88.0	7,231	--	--	7,900	84,803	--	92,703	
Burundi	77,000	76,641	99.5	360	--	--	--	1,934	--	1,934	
Cambodia	87,500	89,584	102.4	--	2,083	--	--	61,428	--	63,511	
Cameroon	185,700	185,159	99.7	543	--	--	--	193,960	--	193,960	
Canada	6,369,200	4,092,818	64.3	2,276,391	--	--	--	--	--	--	
Cape Verde	9,600	9,598	100.0	2	--	--	--	--	--	--	
Central African Republic	55,700	55,589	99.8	111	--	--	--	24,480	--	24,480	
Chad	56,000	55,719	99.5	282	--	--	--	76,282	--	76,282	
Chile	856,100	610,441	71.3	245,659	--	--	--	--	--	--	
China	6,369,200	4,351,099	68.3	2,018,147	--	--	--	--	--	--	
Colombia	774,000	488,202	63.1	285,803	--	--	--	--	--	--	
Comoros	8,900	8,362	93.9	540	--	--	675	--	--	675	
Congo, Democratic Republic of	291,000	448,109	154.0	--	157,109	0.29	142,910	--	--	300,019	
Congo, Republic of	84,600	100,988	119.4	536	16,910	0.03	--	13,896	--	30,806	
Costa Rica	164,100	144,113	87.8	20,000	--	--	--	--	--	--	

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Members' Use of Resources**  
**as at January 31, 2002**

(In thousands of SDRs)

Member	General Resources Account				Use of Resources						
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		SDA 2/		PRGF		Total 4/
		Total	Percent of quota		Amount	Percent	+ (B)	+ (C)	=		
										(A)	
Côte d'Ivoire	325,200	324,884	99.9	320	--	--	--	369,210		369,210	
Croatia, Republic of	365,100	462,175	126.6	159	97,232	0.18	--	--		97,232	
Cyprus	139,600	104,238	74.7	35,369	--	--	--	--		--	
Czech Republic	819,300	698,858	85.3	120,451	--	--	--	--		--	
Denmark	1,642,800	1,075,977	65.5	566,826	--	--	--	--		--	
Djibouti	15,900	18,035	113.4	1,100	3,235	0.01	--	9,087		12,322	
Dominica	8,200	8,192	99.9	9	--	--	--	--		--	
Dominican Republic	218,900	258,599	118.1	3	39,700	0.07	--	--		39,700	
Ecuador	302,300	511,879	169.3	17,153	226,730	0.42	--	--		226,730	
Egypt	943,700	943,718	100.0	--	--	--	--	--		--	
El Salvador	171,300	171,303	100.0	--	--	--	--	--		--	
Equatorial Guinea	32,600	32,609	100.0	--	--	--	1,180	568		1,748	
Eritrea	15,900	15,900	100.0	5	--	--	--	--		--	
Estonia, Republic of	65,200	74,883	114.9	6	9,688	0.02	--	--		9,688	
Ethiopia	133,700	126,587	94.7	7,123	--	--	19,768	64,252		84,020	
Fiji	70,300	55,307	78.7	15,000	--	--	--	--		--	
Finland	1,263,800	807,882	63.9	455,982	--	--	--	--		--	
France	10,738,500	6,844,422	63.7	3,894,067	--	--	--	--		--	
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	180,363	120.0	10	30,063	0.06	--	196,275		226,338	
Germany	13,008,200	8,241,665	63.4	4,766,543	--	--	--	--		--	
Ghana	369,000	369,004	100.0	--	--	--	--	222,922		222,922	
Greece	823,000	538,694	65.5	284,308	--	--	--	--		--	
Grenada	11,700	11,701	100.0	--	--	--	--	--		--	
Guatemala	210,200	210,206	100.0	--	--	--	--	--		--	
Guinea	107,100	107,026	99.9	75	--	--	--	98,083		98,083	
Guinea-Bissau	14,200	17,750	125.0	-- 5/	3,550	0.01	--	14,740		18,290	
Guyana	90,900	90,902	100.0	--	--	--	3,690	73,981		77,671	
Haiti	60,700	75,821	124.9	56	15,175	0.03	--	15,175		30,350	
Honduras	129,500	168,374	130.0	8,627	47,500	0.09	--	126,267		173,767	
Hungary	1,038,400	716,447	69.0	321,954	--	--	--	--		--	
Iceland	117,600	99,023	84.2	18,580	--	--	--	--		--	
India	4,158,200	3,669,498	88.2	488,776	--	--	--	--		--	
Indonesia	2,079,300	9,369,034	450.6	145,479	7,435,212	13.90	--	--		7,435,212	
Iran, Islamic Republic of	1,497,200	1,497,204	100.0	--	--	--	--	--		--	
Iraq	504,000	504,013	100.0	--	--	--	--	--		--	
Ireland	838,400	570,735	68.1	267,682	--	--	--	--		--	
Israel	928,200	770,848	83.0	157,359	--	--	--	--		--	
Italy	7,055,500	4,495,773	63.7	2,559,732	--	--	--	--		--	

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Members' Use of Resources**  
**as at January 31, 2002**

(In thousands of SDRs)

Member	General Resources Account				Use of Resources				
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF		Total 4/
		Total	Percent of quota		Amount	Percent	SDA 2/	Trust 3/	
Jamaica	273,500	305,415	111.7	--	31,865	0.06	--	--	31,865
Japan	13,312,800	9,294,244	69.8	4,018,950	--	--	--	--	--
Jordan	170,500	514,946	302.0	52	344,496	0.64	--	--	344,496
Kazakhstan, Republic of	365,700	365,700	100.0	5	--	--	--	--	--
Kenya	271,400	258,881	95.4	12,536	--	--	--	78,647	78,647
Kiribati	5,600	5,601	100.0	--	--	--	--	--	--
Korea	1,633,600	1,424,766	87.2	208,838	--	--	--	--	--
Kuwait	1,381,100	905,033	65.5	476,067	--	--	--	--	--
Kyrgyz Republic	88,800	98,206	110.6	5	9,406	0.02	--	133,294	142,700
Lao People's Democratic Republic	52,900	52,900	100.0	--	--	--	586	28,577	29,163
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	--	--	--	11,832	11,832
Liberia	71,300	272,242	381.8	28	200,961	0.38	--	--	223,851
Libya	1,123,700	728,206	64.8	395,505	--	--	--	--	--
Lithuania, Republic of	144,200	262,780	182.2	16	118,594	0.22	--	--	118,594
Luxembourg	279,100	200,181	71.7	78,946	--	--	--	--	--
Macedonia, former Yugoslav Republic of	68,900	96,230	139.7	--	27,328	0.05	--	29,004	56,332
Madagascar	122,200	122,174	100.0	27	--	--	--	101,374	101,374
Malawi	69,400	67,136	96.7	2,266	--	--	--	57,900	57,900
Malaysia	1,486,600	878,450	59.1	608,156	--	--	--	--	--
Maldives	8,200	6,646	81.1	1,554	--	--	--	--	--
Mali	93,300	84,468	90.5	8,835	--	--	2,540	133,476	136,016
Malta	102,000	61,746	60.5	40,260	--	--	--	--	--
Marshall Islands	2,500	2,500	100.0	1	--	--	--	--	--
Mauritania	64,400	64,406	100.0	--	--	--	682	79,296	79,978
Mauritius	101,600	87,132	85.8	14,474	--	--	--	--	--
Mexico	2,585,800	2,585,422	100.0	392	--	--	--	--	--
Micronesia, Federated States of	5,100	5,100	100.0	1	--	--	--	--	--
Moldova, Republic of	123,200	219,763	178.4	5	96,563	0.18	--	18,480	115,043
Mongolia	51,100	51,038	99.9	63	--	--	--	37,275	37,275
Morocco	588,200	517,761	88.0	70,441	--	--	--	--	--
Mozambique	113,600	113,600	100.0	7	--	--	--	155,890	155,890
Myanmar	258,400	258,402	100.0	--	--	--	--	--	--
Namibia	136,500	136,463	100.0	38	--	--	--	--	--
Nepal	71,300	65,557	91.9	5,746	--	--	--	6,155	6,155
Netherlands	5,162,400	3,290,744	63.7	1,871,664	--	--	--	--	--
New Zealand	894,600	572,814	64.0	321,789	--	--	--	--	--
Nicaragua	130,000	130,010	100.0	--	--	--	--	125,330	125,330
Niger	65,800	57,240	87.0	8,561	--	--	--	64,254	64,254

**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Members' Use of Resources**  
**as at January 31, 2002**

(In thousands of SDRs)

Member	General Resources Account				Use of Resources					
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		PRGF			Total 4/ (D)
		Total	Percent of quota		Amount	Percent	SDA 2/ (B)	Trust 3/ (C)	Total 4/ (D)	
(A)	+	=	(D)							
Nigeria	1,753,200	1,753,122	100.0	143	--	--	--	--	--	--
Norway	1,671,700	1,094,382	65.5	577,343	--	--	--	--	--	--
Oman	194,000	130,328	67.2	63,739	--	--	--	--	--	--
Pakistan	1,033,700	2,019,915	195.4	114	986,327	1.84	--	444,740	--	1,431,067
Palau	3,100	3,100	100.0	1	--	--	--	--	--	--
Panama	206,600	237,652	115.0	11,860	42,900	0.08	--	--	--	42,900
Papua New Guinea	131,600	216,847	164.8	299	85,540	0.16	--	--	--	85,540
Paraguay	99,900	78,428	78.5	21,475	--	--	--	--	--	--
Peru	638,400	946,230	148.2	--	307,797	0.58	--	--	--	307,797
Philippines	879,900	2,303,464	261.8	87,182	1,510,742	2.82	--	--	--	1,510,742
Poland, Republic of	1,369,000	1,002,164	73.2	366,836	--	--	--	--	--	--
Portugal	867,400	567,977	65.5	299,424	--	--	--	--	--	--
Qatar	263,800	185,421	70.3	78,380	--	--	--	--	--	--
Romania	1,030,200	1,330,657	129.2	--	300,452	0.56	--	--	--	300,452
Russian Federation	5,945,400	11,769,344	198.0	1,137	5,824,991	10.89	--	--	--	5,824,991
Rwanda	80,100	84,204	105.1	--	4,091	0.01	--	61,880	--	65,971
St. Kitts and Nevis	8,900	10,445	117.4	82	1,625	--	--	--	--	1,625
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	4,959,388	71.0	2,026,116	--	--	--	--	--	--
Senegal	161,800	160,380	99.1	1,436	--	--	--	195,197	--	195,197
Seychelles	8,800	8,799	100.0	1	--	--	--	--	--	--
Sierra Leone	103,700	103,685	100.0	24	--	--	13,510	107,302	--	120,812
Singapore	862,500	564,516	65.5	298,019	--	--	--	--	--	--
Slovak Republic	357,500	357,505	100.0	--	--	--	--	--	--	--
Slovenia, Republic of	231,700	167,544	72.3	64,162	--	--	--	--	--	--
Solomon Islands	10,400	9,867	94.9	543	--	--	--	--	--	--
Somalia	44,200	140,907	318.8	--	96,701	0.18	8,840	--	--	112,004
South Africa	1,868,500	1,868,147	100.0	356	--	--	--	--	--	--
Spain	3,048,900	1,993,828	65.4	1,055,084	--	--	--	--	--	--
Sri Lanka	413,400	468,989	113.4	47,785	103,350	0.19	--	61,600	--	164,950
Sudan	169,700	549,077	323.6	11	379,357	0.72	--	--	--	438,584
Suriname	92,100	85,975	93.4	6,125	--	--	--	--	--	--
Swaziland	50,700	44,154	87.1	6,552	--	--	--	--	--	--
Sweden	2,395,500	1,568,386	65.5	827,121	--	--	--	--	--	--
Switzerland	3,458,500	2,199,785	63.6	1,258,732	--	--	--	--	--	--
Syrian Arab Republic	293,600	293,603	100.0	5	--	--	--	--	--	--



**General Department**  
**Quotas, IMF's Holdings of Currencies, Reserve Tranche Positions,**  
**and Members' Use of Resources**  
**as at January 31, 2002**

(In thousands of SDRs)

Member	General Resources Account				Use of Resources					
	Quota	IMF's holdings of currencies 1/		Reserve tranche position	GRA		SDA 2/ (B)	PRGF		Total 4/ (D)
		Total	Percent of quota		Amount (A)	Percent +		Trust 3/ (C)	=	
Tajikistan, Republic of	87,000	95,438	109.7	2	8,438	0.02	--	78,280	86,718	
Tanzania	198,900	188,932	95.0	9,975	--	--	--	271,220	271,220	
Thailand	1,081,900	2,419,395	223.6	20	1,337,500	2.50	--	--	1,337,500	
Togo	73,400	73,103	99.6	300	--	--	--	45,294	45,294	
Tonga	6,900	5,197	75.3	1,710	--	--	--	--	--	
Trinidad and Tobago	335,600	311,036	92.7	24,566	--	--	--	--	--	
Tunisia	286,500	266,338	93.0	20,167	--	--	--	--	--	
Turkey	964,000	12,084,088	1,253.5	112,775	11,232,860	21.00	--	--	11,232,860	
Turkmenistan, Republic of	75,200	75,200	100.0	5	--	--	--	--	--	
Uganda	180,500	180,506	100.0	-- 5/	--	--	--	217,137	217,137	
Ukraine	1,372,000	2,892,742	210.8	3	1,520,742	2.84	--	--	1,520,742	
United Arab Emirates	611,700	434,651	71.1	177,050	--	--	--	--	--	
United Kingdom	10,738,500	6,804,669	63.4	3,933,835	--	--	--	--	--	
United States	37,149,300	22,976,277	61.8	14,171,465	--	--	--	--	--	
Uruguay	306,500	385,032	125.6	35,675	114,200	0.21	--	--	114,200	
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, República Bolivariana de	2,659,100	2,337,201	87.9	321,900	--	--	--	--	--	
Vietnam	329,100	338,160	102.8	5	9,060	0.02	--	282,120	291,180	
Yemen, Republic of	243,500	297,834	122.3	13	54,344	0.10	--	238,750	293,094	
Yugoslavia, Federal Republic of (Serbia/Montenegro)	467,700	734,639	157.1	--	266,925	0.50	--	--	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	0.22	--	89,484	208,439	
<b>Total</b>	<b>212,414,900</b>	<b>209,097,959</b>		<b>56,810,687</b>	<b>53,492,528</b>	<b>100.00</b>	<b>349,781</b>	<b>5,971,621</b>	<b>59,902,511</b>	

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

2/ The Special Disbursement Account (SDA) of the General Department provides financing under Structural Adjustment Facility (SAF) and Poverty Reduction Growth Facility (PRGF) arrangements.

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

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

5/ Less than SDR 500.

**General Department**  
**Financial Resources and Liquidity Position**  
**in the General Resources Account**  
**as at January 31, 2002 and 2001**

*(In thousands of SDRs)*

	2002	2001
<b>Total Resources</b>		
Currencies	209,097,959	206,117,266
SDR holdings	1,432,964	2,601,849
Gold holdings	5,851,771	5,851,771
Sundry assets, net of sundry liabilities <sup>1/</sup>	858,839	612,433
Total resources	<u>217,241,533</u>	<u>215,183,319</u>
<b>Less: Non-Usable Resources</b> <sup>2/</sup>	<u>114,828,037</u>	<u>106,603,916</u>
<b>Equals: Usable Resources</b> <sup>3/</sup>	<u>102,413,496</u>	<u>108,579,403</u>
<b>Resources Committed and Working Balances</b>		
Undrawn balances under arrangements <sup>4/</sup>	21,917,634	19,461,300
Minimum working balances <sup>4/</sup>	15,466,430	15,120,910
Resources committed and working balances	<u>37,384,064</u>	<u>34,582,210</u>
<b>Net Uncommitted Usable Resources</b> <sup>5/</sup>	<u><u>65,029,432</u></u>	<u><u>73,997,193</u></u>
<b>Liquid Liabilities</b>		
Reserve tranche positions <sup>6/</sup>	<u>56,810,687</u>	<u>48,722,971</u>
<b>Liquidity Ratio</b> <sup>7/</sup>	114.5%	151.9%
<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. 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. The IMF cannot challenge a request by a member to draw on its reserve position, 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 January 31, 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 1/	7,180,490
Brazil	September 14, 2001	December 13, 2002	12,144,400 2/	8,468,817
Croatia, Republic of	March 19, 2001	May 18, 2002	200,000	200,000
Gabon	October 23, 2000	April 22, 2002	92,580	79,360
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
Panama	June 30, 2000	March 29, 2002	64,000	64,000
Romania	October 31, 2001	April 29, 2003	300,000	248,000
Sri Lanka	April 20, 2001	June 19, 2002	200,000	96,650
Turkey	December 22, 1999	December 21, 2002	15,038,400 3/	3,299,440
Uruguay	May 31, 2000	March 31, 2002	150,000	150,000
Yugoslavia, Federal Republic of	June 11, 2001	March 31, 2002	200,000	50,000
Total Stand-By Arrangements			45,445,700	19,956,277
<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	April 14, 2002	127,880	60,890
Kazakhstan, Republic of	December 13, 1999	December 12, 2002	329,100	329,100
Ukraine	September 4, 1998	September 3, 2002	1,919,950	726,950
Total Extended Arrangements			7,971,930	5,275,900
Total General Resources Account			53,417,630	25,232,177

1/ Includes SDR 6.09 billion available until January 11, 2002 under the Supplemental Reserve Facility.

2/ Includes SDR 9.95 billion available until September 13, 2002 under the Supplemental Reserve Facility.

3/ Includes SDR 5.78 billion available until December 20, 2001 under the Supplemental Reserve Facility.



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



**SDR Department**  
**Balance Sheets**  
**as at January 31, 2002 and 2001**

*(In thousands of SDRs)*

	2002	2001		2002	2001
<b>Assets</b>			<b>Liabilities</b>		
Charges receivable	125,056	255,221	Interest payable	125,529	255,664
Overdue assessments and charges (Note 3)	106,687	94,576			
Participants with holdings below allocations (Note 2)			Participants with holdings above allocations (Note 2)		
Allocations	12,179,908	12,848,934	SDR holdings	16,058,550	14,555,170
<i>Less</i> : SDR holdings	3,592,714	3,880,045	<i>Less</i> : allocations	9,253,422	8,584,396
Allocations in excess of holdings	<u>8,587,194</u>	<u>8,968,889</u>	Holdings in excess of allocations	<u>6,805,128</u>	<u>5,970,774</u>
			Holdings by the General Resources Account	1,432,964	2,601,850
			Holdings of SDRs by prescribed holders	<u>455,316</u>	<u>490,398</u>
Total Assets	<u>8,818,937</u>	<u>9,318,686</u>	Total Liabilities	<u>8,818,937</u>	<u>9,318,686</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 Nine Months Ended January 31, 2002 and 2001**  
*(In thousands of SDRs)*

	<b>2002</b>	<b>2001</b>
<hr/>		
<b>Revenue</b>		
Net charges from participants with holdings below allocations	194,472	303,332
Assessment on SDR allocations	1,725	2,625
	<hr/>	<hr/>
	196,197	305,957
	<hr/>	<hr/>
<b>Expenses</b>		
Interest on SDR holdings		
Net interest to participants with holdings above allocations	151,173	191,750
General Resources Account	33,492	90,233
Prescribed holders	9,807	21,349
	<hr/>	<hr/>
	194,472	303,332
Administrative expenses	1,725	2,625
	<hr/>	<hr/>
	196,197	305,957
	<hr/>	<hr/>
Net Income	--	--
	=====	=====

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



## SDR Department

### Statements of Cash Flows for the Nine Months Ended January 31, 2002 and 2001

*(In thousands of SDRs)*

	<b>2002</b>	<b>2001</b>
<b>Cash flows from operating activities</b>		
Receipts of SDRs		
Transfers among participants and prescribed holders	4,049,362	5,617,085
Transfers from participants to the General Resources Account	3,128,276	4,513,874
Transfers from the General Resources Account to participants and prescribed holders	4,132,056	4,635,916
Total Receipts of SDRs	11,309,694	14,766,875
Uses of SDRs		
Transfers among participants and prescribed holders	3,863,856	5,390,863
Transfers from participants to the General Resources Account	3,080,755	4,428,380
Transfers from the General Resources Account to participants and prescribed holders	4,132,056	4,635,916
Charges paid in the SDR Department	224,585	322,661
Other	8,442	(10,945)
Total Uses of SDRs	11,309,694	14,766,875

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

## **SDR Department**

### **Notes to the Financial Statements as at January 31, 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 January 31, 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 January 31, 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.

## **SDR Department**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *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 will 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, the IMF elected early adoption of IAS 39, *Financial Instruments: Recognition and Measurement*. The adoption of IAS 39 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 January 31, 2002 and 2001 and their amounts were as follows:

## SDR Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

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

As of January 31, 2002, one SDR was equal to 1.24204 U.S. dollars (one SDR was equal to 1.29779 U.S. dollars as of January 31, 2001).

#### *Allocations and Holdings*

At January 31, 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 January 31, 2002 and 2001 were as follows:

	2002			2001		
	<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	12,179.9	9,253.4	21,433.3	12,848.9	8,584.4
Holdings of SDRs by participants	<u>19,651.2</u>	<u>3,592.7</u>	<u>16,058.5</u>	<u>18,435.2</u>	<u>3,880.0</u>	<u>14,555.2</u>
Net SDR positions	<u>1,782.1</u>	<u>8,587.2</u>	<u>(6,805.1)</u>	<u>2,998.1</u>	<u>8,968.9</u>	<u>(5,970.8)</u>

## SDR Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

A summary of SDR holdings as of January 31 is provided below:

	2002	2001
	<i>In millions of SDRs</i>	
Participants	19,651.2	18,435.2
General Resources Account	1,433.0	2,601.8
Prescribed holders	<u>455.3</u>	<u>490.4</u>
	21,539.5	21,527.4
Less: Overdue charges receivable	<u>106.2</u>	<u>94.1</u>
Total holdings	<u>21,433.3</u>	<u>21,433.3</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 negative balance or 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 France, Germany, 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.

## SDR Department

### Notes to the Financial Statements as at January 31, 2002 and 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 January 31, 2002, assessments and charges amounting to SDR 106.7 million were overdue to the SDR Department (SDR 94.6 million at January 31, 2001). At January 31, 2002 and 2001, six members were six months or more overdue in meeting their financial obligations to the SDR Department. The Federal Republic of Yugoslavia (Serbia/Montenegro) notified the IMF in January 1993 that it agreed to its share in the assets and liabilities of the former Socialist Federal Republic of Yugoslavia (SFRY) in the IMF. On December 20, 2000, the IMF's Executive Board made a finding that the Federal Republic of Yugoslavia (Serbia/Montenegro) is able to fulfill its obligations under the Articles of Agreement and therefore succeeds to the membership in the IMF effective December 14, 1992. On December 20, 2000, the Federal Republic of Yugoslavia (Serbia/Montenegro) settled its overdue charges and assessments.

As of January 31, 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>	
Total	106.7	94.6
Overdue for six months or more	101.4	87.6
Overdue for three years or more	71.5	60.6

## SDR Department

### Notes to the Financial Statements as at January 31, 2002 and 2001

The amount and duration of arrears as of January 31, 2002 were as follows:

	Total	Longest Overdue Obligation
<hr/>		
<i>In millions of SDRs</i>		
Afghanistan, Islamic State of	7.1	February 1996
Congo, Democratic Republic of	18.9	April 1992
Iraq	49.0	November 1990
Liberia	22.3	April 1986
Somalia	9.3	February 1991
Sudan	<u>0.1</u>	April 1991
Total	<u>106.7</u>	

**SDR Department**  
**Statements of Changes in SDR Holdings**  
**for the Nine Months Ended January 31, 2002 and 2001**  
*(In thousands of SDRs)*

	Participants	General		Total	
		Resources Account	Prescribed Holders	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	2,887,407	--	56,453	2,943,860	4,123,012
Operations					
Loans	--	--	--	--	162,169
Settlement of financial obligations	88,210	--	131,520	219,730	369,366
IMF-related operations					
SAF and PRGF loans	193,496	--	--	193,496	96,309
SAF repayments and interest	--	--	16,921	16,921	11,498
Special charges on SAF, PRGF, Trust Fund	--	--	1	1	3
PRGF contributions and payments	74,902	--	72,185	147,087	293,740
PRGF repayments and interest	--	--	275,405	275,405	228,217
HIPC payments	4,510	--	--	4,510	912
PRGF-HIPC contributions	719	--	60,392	61,111	104,438
SCA-2 refunds	--	--	1,182	1,182	1,199
Post-Conflict Subsidy payments	553	--	--	553	--
Net interest on SDRs	172,921	--	12,585	185,506	226,222
Transfers from participants to the General Resources Account					
Repurchases	--	1,339,272	--	1,339,272	2,537,881
Charges	--	1,741,483	--	1,741,483	1,829,369
Quota payments	--	--	--	--	61,050
Interest on SDRs	--	47,521	--	47,521	85,494
Assessment on SDR allocation	--	--	--	--	80
Transfers from the General Resources Account to participants and prescribed holders					
Purchases	2,176,515	--	--	2,176,515	2,599,963
In exchange for currencies of other members					
Acquisitions to pay charges	787,800	--	--	787,800	684,615
Remuneration	1,089,516	--	--	1,089,516	1,332,694
Other					
Refunds and adjustments	78,225	--	--	78,225	18,644
Total receipts	7,554,774	3,128,276	626,644	11,309,694	14,766,875



## SDR Department

### Statements of Changes in SDR Holdings for the Nine Months Ended January 31, 2002 and 2001

(In thousands of SDRs)

	Participants	General Resources Account	Prescribed Holders	Total	
				2002	2001
<b>Uses of SDRs</b>					
Transfers among participants and prescribed holders					
Transactions by agreement	2,642,686	--	301,174	2,943,860	4,123,012
Operations					
Loans	--	--	--	--	162,169
Settlement of financial obligations	131,520	--	88,210	219,730	369,366
IMF-related operations					
SAF and PRGF loans	--	--	193,496	193,496	96,309
SAF repayments and interest	16,921	--	--	16,921	11,498
Special charges on SAF, PRGF, Trust Fund	1	--	--	1	3
PRGF contributions and payments	72,185	--	74,902	147,087	293,740
PRGF repayments and interest	275,405	--	--	275,405	228,217
HIPC payments	--	--	4,510	4,510	912
PRGF-HIPC contributions	14,650	--	46,461	61,111	104,438
SCA-2 refunds	1,182	--	--	1,182	1,199
Post-Conflict Subsidy payments	--	--	553	553	--
Transfers from participants to the General Resources Account					
Repurchases	1,339,272	--	--	1,339,272	2,537,881
Charges	1,741,483	--	--	1,741,483	1,829,369
Quota payments	--	--	--	--	61,050
Assessment on SDR allocation	--	--	--	--	80
Transfers from the General Resources Account to participants and prescribed holders					
Purchases	--	2,176,515	--	2,176,515	2,599,963
In exchange for currencies of other members					
Acquisitions to pay charges	--	787,800	--	787,800	684,615
Remuneration	--	1,089,516	--	1,089,516	1,332,694
Other					
Refunds and adjustments	--	78,225	--	78,225	18,644
Charges paid in the SDR department					
Net charges due	233,027	--	--	233,027	311,716
Total uses	6,468,332	4,132,056	709,306	11,309,694	14,766,875
Charges not paid when due	10,032	--	--	10,032	13,370
Settlement of unpaid charges	(1,589)	--	--	(1,589)	(24,315)
Total holdings, January 31	19,651,264	1,432,964	455,316	21,539,544	21,527,463

## SDR Department Allocations and Holdings of Participants

as at January 31, 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	--	64,018	--	64,018
Algeria	128,640	13,051	10.1	(115,589)
Angola	--	138	--	138
Antigua and Barbuda	--	6	--	6
Argentina	318,370	138,519	43.5	(179,851)
Armenia, Republic of	--	6,741	--	6,741
Australia	470,545	86,802	18.4	(383,743)
Austria	179,045	185,332	103.5	6,287
Azerbaijan	--	1,589	--	1,589
Bahamas, The	10,230	89	0.9	(10,141)
Bahrain	6,200	841	13.6	(5,359)
Bangladesh	47,120	40,950	86.9	(6,170)
Barbados	8,039	89	1.1	(7,950)
Belarus, Republic of	--	315	--	315
Belgium	485,246	375,697	77.4	(109,549)
Belize	--	1,370	--	1,370
Benin	9,409	297	3.2	(9,112)
Bhutan	--	211	--	211
Bolivia	26,703	27,316	102.3	613
Bosnia and Herzegovina	20,481	4,865	23.8	(15,616)
Botswana	4,359	31,529	723.3	27,170
Brazil	358,670	8,425	2.3	(350,245)
Brunei Darussalam	--	6,245	--	6,245
Bulgaria	--	43,397	--	43,397
Burkina Faso	9,409	415	4.4	(8,994)
Burundi	13,697	125	0.9	(13,572)
Cambodia	15,417	405	2.6	(15,012)
Cameroon	24,463	150	0.6	(24,313)
Canada	779,290	488,964	62.7	(290,326)
Cape Verde	620	15	2.4	(605)
Central African Republic	9,325	62	0.7	(9,263)
Chad	9,409	63	0.7	(9,346)
Chile	121,924	23,024	18.9	(98,900)
China	236,800	678,500	286.5	441,700
Colombia	114,271	107,811	94.3	(6,460)
Comoros	716	18	2.5	(698)
Congo, Democratic Republic of	86,309	--	--	(86,309)
Congo, Republic of	9,719	190	2.0	(9,529)
Costa Rica	23,726	74	0.3	(23,652)

## SDR Department Allocations and Holdings of Participants

as at January 31, 2002

(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Côte d'Ivoire	37,828	581	1.5	(37,247)
Croatia, Republic of	44,205	85,488	193.4	41,283
Cyprus	19,438	1,127	5.8	(18,311)
Czech Republic	--	681	--	681
Denmark	178,864	198,309	110.9	19,445
Djibouti	1,178	100	8.5	(1,078)
Dominica	592	10	1.6	(583)
Dominican Republic	31,585	350	1.1	(31,235)
Ecuador	32,929	1,793	5.4	(31,136)
Egypt	135,924	29,435	21.7	(106,489)
El Salvador	24,985	24,985	100.0	--
Equatorial Guinea	5,812	788	13.6	(5,024)
Eritrea	--	--	--	--
Estonia, Republic of	--	13	--	13
Ethiopia	11,160	150	1.3	(11,010)
Fiji	6,958	4,809	69.1	(2,149)
Finland	142,690	186,189	130.5	43,499
France	1,079,870	391,736	36.3	(688,134)
Gabon	14,091	565	4.0	(13,526)
Gambia, The	5,121	49	1.0	(5,072)
Georgia	--	835	--	835
Germany	1,210,760	1,391,432	114.9	180,672
Ghana	62,983	451	0.7	(62,532)
Greece	103,544	7,705	7.4	(95,839)
Grenada	930	12	1.3	(918)
Guatemala	27,678	6,732	24.3	(20,946)
Guinea	17,604	378	2.1	(17,226)
Guinea-Bissau	1,212	158	13.0	(1,055)
Guyana	14,530	1,962	13.5	(12,568)
Haiti	13,697	408	3.0	(13,289)
Honduras	19,057	254	1.3	(18,803)
Hungary	--	16,358	--	16,358
Iceland	16,409	95	0.6	(16,314)
India	681,170	4,147	0.6	(677,023)
Indonesia	238,956	12,265	5.1	(226,691)
Iran, Islamic Republic of	244,056	267,403	109.6	23,347
Iraq	68,464	--	--	(68,464)
Ireland	87,263	43,457	49.8	(43,806)
Israel	106,360	1,374	1.3	(104,986)
Italy	702,400	248,629	35.4	(453,771)

## SDR Department Allocations and Holdings of Participants

as at January 31, 2002  
(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Jamaica	40,613	1,192	2.9	(39,421)
Japan	891,690	1,818,268	203.9	926,578
Jordan	16,887	555	3.3	(16,332)
Kazakhstan, Republic of	--	3	--	3
Kenya	36,990	781	2.1	(36,209)
Kiribati	--	9	--	9
Korea	72,911	2,656	3.6	(70,255)
Kuwait	26,744	85,902	321.2	59,157
Kyrgyz Republic	--	1,053	--	1,053
Lao People's Democratic Republic	9,409	2,134	22.7	(7,275)
Latvia, Republic of	--	262	--	262
Lebanon	4,393	19,369	440.9	14,976
Lesotho	3,739	465	12.4	(3,274)
Liberia	21,007	--	--	(21,007)
Libya	58,771	441,189	750.7	382,418
Lithuania, Republic of	--	35,711	--	35,711
Luxembourg	16,955	4,996	29.5	(11,959)
Macedonia, former Yugoslav Republic of	8,379	1,772	21.1	(6,607)
Madagascar	19,270	192	1.0	(19,078)
Malawi	10,975	668	6.1	(10,307)
Malaysia	139,048	99,585	71.6	(39,463)
Maldives	282	249	88.2	(33)
Mali	15,912	298	1.9	(15,614)
Malta	11,288	26,393	233.8	15,105
Marshall Islands	--	--	--	--
Mauritania	9,719	156	1.6	(9,563)
Mauritius	15,744	16,815	106.8	1,071
Mexico	290,020	283,473	97.7	(6,547)
Micronesia, Federated States of	--	1,149	--	1,149
Moldova, Republic of	--	592	--	592
Mongolia	--	15	--	15
Morocco	85,689	90,951	106.1	5,262
Mozambique	--	51	--	51
Myanmar	43,474	445	1.0	(43,029)
Namibia	--	17	--	17
Nepal	8,105	71	0.9	(8,034)
Netherlands	530,340	598,281	112.8	67,941
New Zealand	141,322	12,818	9.1	(128,504)
Nicaragua	19,483	263	1.3	(19,220)
Niger	9,409	251	2.7	(9,158)

## SDR Department Allocations and Holdings of Participants

as at January 31, 2002  
(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Nigeria	157,155	1,528	1.0	(155,627)
Norway	167,770	282,027	168.1	114,257
Oman	6,262	5,020	80.2	(1,242)
Pakistan	169,989	3,089	1.8	(166,900)
Palau	--	--	--	--
Panama	26,322	1,095	4.2	(25,227)
Papua New Guinea	9,300	6,932	74.5	(2,368)
Paraguay	13,697	81,326	593.8	67,629
Peru	91,319	1,438	1.6	(89,881)
Philippines	116,595	11,154	9.6	(105,441)
Poland, Republic of	--	20,539	--	20,539
Portugal	53,320	49,424	92.7	(3,896)
Qatar	12,822	17,897	139.6	5,075
Romania	75,950	5,422	7.1	(70,528)
Russian Federation	--	2,285	--	2,285
Rwanda	13,697	9,595	70.1	(4,102)
St. Kitts and Nevis	--	13	--	13
St. Lucia	742	1,461	197.0	719
St. Vincent and the Grenadines	354	33	9.2	(321)
Samoa	1,142	2,345	205.3	1,203
San Marino, Republic of	--	338	--	338
São Tomé & Príncipe	620	7	1.2	(613)
Saudi Arabia	195,527	192,266	98.3	(3,261)
Senegal	24,462	3,632	14.8	(20,830)
Seychelles	406	18	4.5	(388)
Sierra Leone	17,455	303	1.7	(17,152)
Singapore	16,475	119,561	725.7	103,086
Slovak Republic	--	528	--	528
Slovenia, Republic of	25,431	4,003	15.7	(21,428)
Solomon Islands	654	6	0.8	(649)
Somalia	13,697	--	--	(13,697)
South Africa	220,360	222,562	101.0	2,202
Spain	298,805	279,189	93.4	(19,616)
Sri Lanka	70,868	1,380	1.9	(69,488)
Sudan	52,192	--	--	(52,192)
Suriname	7,750	1,556	20.1	(6,194)
Swaziland	6,432	2,453	38.1	(3,979)
Sweden	246,525	157,080	63.7	(89,445)
Switzerland	--	163,043	--	163,043
Syrian Arab Republic	36,564	324	0.9	(36,240)

## SDR Department Allocations and Holdings of Participants

as at January 31, 2002  
(In thousands of SDRs)

PARTICIPANT	NET CUMULATIVE ALLOCATIONS	TOTAL	HOLDINGS	
			PERCENT OF CUMULATIVE ALLOCATIONS	(+) ABOVE (-) BELOW ALLOCATIONS
Tajikistan, Republic of	--	2,927	--	2,927
Tanzania	31,372	385	1.2	(30,987)
Thailand	84,652	4,186	4.9	(80,466)
Togo	10,975	184	1.7	(10,791)
Tonga	--	153	--	153
Trinidad and Tobago	46,231	408	0.9	(45,823)
Tunisia	34,243	1,338	3.9	(32,905)
Turkey	112,307	43,563	38.8	(68,744)
Turkmenistan, Republic of	--	--	--	--
Uganda	29,396	464	1.6	(28,932)
Ukraine	--	199,797	--	199,797
United Arab Emirates	38,737	1,759	4.5	(36,978)
United Kingdom	1,913,070	234,068	12.2	(1,679,002)
United States	4,899,530	8,580,441	175.1	3,680,911
Uruguay	49,977	1,469	2.9	(48,508)
Uzbekistan, Republic of	--	615	--	615
Vanuatu	--	789	--	789
Venezuela	316,890	7,917	2.5	(308,973)
Vietnam	47,658	11,585	24.3	(36,073)
Yemen, Republic of	28,743	30,458	106.0	1,715
Yugoslavia, Federal Republic of (Serbia/Montenegro)	56,665	6,662	11.8	(50,003)
Zambia	68,298	53,252	78.0	(15,046)
Zimbabwe	10,200	64	0.6	(10,136)
ABOVE ALLOCATIONS	9,253,422	16,058,550	173.5	6,805,128
BELOW ALLOCATIONS	12,179,908	3,592,714	29.5	(8,587,194)
TOTAL PARTICIPANTS	21,433,330	19,651,264		
GENERAL RESOURCES ACCOUNT		1,432,964		
PRESCRIBED HOLDERS		455,316		
OVERDUE CHARGES	106,214			
	21,539,544	21,539,544		

**PART TWO**

**Financial Statements**  
**of the**  
**Accounts Administered**  
**by the**  
**International Monetary Fund**





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



## Poverty Reduction and Growth Facility Trust

### Combined Balance Sheets as at January 31, 2002 and 2001

(In thousands of SDRs)

	2002	2001
<b>Assets</b>		
Cash and cash equivalents	2,353,695	1,055,449
Investments (Note 3)	2,915,697	3,903,973
Loans receivable (Note 4)	5,971,621	5,821,147
Interest receivable	7,199	11,289
Total Assets	11,248,212	10,791,858
	=====	=====
<b>Liabilities and Resources</b>		
Borrowings (Note 5)	6,526,599	6,289,970
Interest payable	30,960	45,631
Total Liabilities	6,557,559	6,335,601
Accumulated Resources	4,690,653	4,456,257
Total Liabilities and Resources	11,248,212	10,791,858
	=====	=====

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 Income Statements and Changes in Resources for the Nine Months Ended January 31, 2002 and 2001

*(In thousands of SDRs)*

	<b>2002</b>	<b>2001</b>
Balance, beginning of the year	4,518,775	4,305,726
Investment income (Note 3)	202,057	217,358
Interest on loans	22,713	21,756
Interest expense	(141,184)	(180,637)
Other expenses	(1,189)	(847)
Operational income	82,397	57,630
Contributions (Note 6)	51,457	66,827
	133,854	124,457
Transfers from the Special Disbursement Account	83,849	68,599
Transfers through the Special Disbursement Account to the PRGF-HIPC Trust (Note 8)	(45,825)	( 42,525)
Net changes in resources	171,878	150,531
Balance, end of the period	4,690,653	4,456,257

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

## **Poverty Reduction and Growth Facility Trust**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### ***1. Nature of Operations***

The name of the Enhanced Structural Adjustment Facility Trust was changed to the Poverty Reduction and Growth Facility Trust ("PRGF Trust" or "the Trust") on November 22, 1999. The 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 January 31, 2002, loans totaling SDR 5,971.6 million were outstanding (SDR 5,821.1 million at January 31, 2001).

#### ***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 payments, 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 (formerly ESAF 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.

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### 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, the IMF elected early adoption of IAS 39, *Financial Instruments: Recognition and Measurement*. The adoption of IAS 39 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 January 31, 2002 and 2001 and their amounts were as follows:

<u>Currency</u>	<u>Amount</u>
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of January 31, 2002, one SDR was equal to 1.24204 U.S. dollars (one SDR was equal to 1.29779 dollars as of January 31, 2001).

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements as at January 31, 2002 and 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 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 income, realized and unrealized gains and losses, 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.

#### *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.

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *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 from 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:

<u>Maturity from January 31</u>	<u>2002</u>	<u>2001</u>
	<i>In thousands of SDRs</i>	
Less than 1 year	1,988,889	465,597
1 – 3 years	894,856	3,198,939
3 – 5 years	-	218,375
Over 5 years	<u>31,952</u>	<u>21,062</u>
Total	<u>2,915,697</u>	<u>3,903,973</u>

At January 31, the investments consisted of the following:

	<u>2002</u>	<u>2001</u>
	<i>In thousands of SDRs</i>	
Debt securities	2,521,420	3,618,799
Fixed-term deposits	<u>394,277</u>	<u>285,174</u>
Total	<u>2,915,697</u>	<u>3,903,973</u>

At January 31, investment income was comprised of the following:

	<u>2002</u>	<u>2001</u>
	<i>In thousands of SDRs</i>	
Interest income	166,671	181,722
Realized gains (losses), net	(13,765)	(53,161)
Unrealized gains (losses), net	50,331	89,881
Exchange rate gains (losses), net	<u>(1,180)</u>	<u>(1,084)</u>
Total	<u>202,057</u>	<u>217,358</u>



## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### 4. 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 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 ½ of 1 percent per annum. Scheduled repayments of loans by borrowers are summarized below:

Financial Year Ending April 30	
<i>In thousands of SDRs</i>	
2002	128,554
2003	722,241
2004	834,998
2005	876,190
2006	857,453
2007 and beyond	2,522,841
Overdue	<u>29,344</u>
Total	<u>5,971,621</u>

The above includes one member that is overdue as of January 31, 2002 for less than six months for an amount of SDR 29.3 million.

As of January 31, 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	10.6%	691.7	11.8%
Three largest users of credit	1,450.1	24.3%	1,506.3	25.9%
Five largest users of credit	2,003.5	33.5%	1995.3	34.2%

## Poverty Reduction and Growth Facility Trust

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### 5. Borrowings

The following summarizes the borrowing agreements concluded as of January 31, 2002 and 2001:

	Amount Undrawn	
	2002	2001
	<i>In thousands of SDRs</i>	
Loan Account	4,970,928	3,548,580
Subsidy Account	4,664	5,331

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 January 31, 2002 and January 31, 2001 varied between 0.5 percent and 4.0 percent a year. The principal amounts of the borrowings are repayable in one installment and their maturity dates.

Scheduled repayments of borrowings are summarized below:

Financial Year Ending April 30	
	<i>In thousands of SDRs</i>
2003	605,066
2004	704,176
2005	953,566
2006	1,504,589
2007	982,706
2008 and beyond	<u>1,776,496</u>
Total	<u>6,526,599</u>

## **Poverty Reduction and Growth Facility Trust**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### ***6. Contributions***

The Trustee accepts contributions for the Subsidy Account on such terms and conditions as agreed between the Trust and the contributorS. At January 31, 2002, cumulative contributions received, including transfers from the Special Disbursement Account, amounted to SDR 2,343.8 million (SDR 2,232.2 million at January 31, 2001).

#### ***7. Commitments Under Loan Arrangements***

An arrangement is a decision of the IMF that gives a member the assurance that the PRGF Trust 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 January 31, 2002, undrawn balances under 36 loan arrangements amounted to SDR 2,757.2 million (SDR 1,848.1 million under 34 arrangements at January 31, 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 amount transferred for the period ending January 31, 2002 was SDR 45.8 million. (SDR 42.5 million for the period ending January 31, 2001).

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 grants or loans to eligible members under the HIPC initiative. At January 31, 2002 and 2001, SDR 43.5 million had been transferred for this purpose.

#### ***9. Combining Balance Sheets, Income Statements, and Statements of Resources***

The balance sheets, 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 January 31, 2002 and 2001**

*(In thousands of SDRs)*

	<u>Loan Account</u>		<u>Reserve Account</u>		<u>Subsidy Account</u>		<u>Combined</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
<b>Assets</b>								
Cash and cash equivalents	156,256	234,584	1,175,855	556,825	1,021,584	264,040	2,353,695	1,055,449
Investments (Notes 3)	341,377	159,594	1,686,374	2,121,885	887,946	1,622,494	2,915,697	3,903,973
Loans receivable (Note 4)	5,971,621	5,821,147	--	--	--	--	5,971,621	5,821,147
Accrued account transfers	(17,573)	3,577	46,987	33,537	(29,414)	(37,114)	--	--
Interest receivable	5,985	7,363	1,002	2,907	212	1,019	7,199	11,289
Total Assets	<u>6,457,666</u>	<u>6,226,265</u>	<u>2,910,218</u>	<u>2,715,154</u>	<u>1,880,328</u>	<u>1,850,439</u>	<u>11,248,212</u>	<u>10,791,858</u>
<b>Liabilities and Resources</b>								
Borrowings (Note 5)	6,427,782	6,181,820	--	--	98,817	108,150	6,526,599	6,289,970
Interest payable	29,884	44,445	--	--	1,076	1,186	30,960	45,631
Total Liabilities	<u>6,457,666</u>	<u>6,226,265</u>	<u>--</u>	<u>--</u>	<u>99,893</u>	<u>109,336</u>	<u>6,557,559</u>	<u>6,335,601</u>
Accumulated Resources	<u>--</u>	<u>--</u>	<u>2,910,218</u>	<u>2,715,154</u>	<u>1,780,435</u>	<u>1,741,103</u>	<u>4,690,653</u>	<u>4,456,257</u>
Total Liabilities and Resources	<u>6,457,666</u>	<u>6,226,265</u>	<u>2,910,218</u>	<u>2,715,154</u>	<u>1,880,328</u>	<u>1,850,439</u>	<u>11,248,212</u>	<u>10,791,858</u>



## Poverty Reduction and Growth Facility Trust

### Schedule of Outstanding Loans as at January 31, 2002

(In thousands of SDRs)

Member	PRGF Loan Account		Structural Adjustment Facility 1/	
	Balance	Percent	Balance	Percent
Albania	60,994	1.02	--	--
Armenia, Republic of	117,662	1.97	--	--
Azerbaijan	89,950	1.51	--	--
Bangladesh	20,125	0.34	--	--
Benin	58,245	0.98	2,100	0.60
Bolivia	164,837	2.76	--	--
Burkina Faso	84,803	1.42	7,900	2.26
Burundi	1,934	0.03	--	--
Cambodia	61,428	1.03	--	--
Cameroon	193,960	3.25	--	--
Central African Republic	24,480	0.41	--	--
Chad	76,282	1.28	--	--
Comoros	--	--	675	0.19
Congo, Democratic Republic of	--	--	142,910	40.86
Congo, Republic of	13,896	0.23	--	--
Côte d'Ivoire	369,210	6.18	--	--
Djibouti	9,087	0.15	--	--
Equatorial Guinea	568	0.01	1,180	0.34
Ethiopia	64,252	1.08	19,768	5.65
Gambia, The	20,610	0.35	--	--
Georgia	196,275	3.29	--	--
Ghana	222,922	3.73	--	--
Guinea	98,083	1.64	--	--
Guinea-Bissau	14,740	0.25	--	--
Guyana	73,981	1.24	3,690	1.05
Haiti	15,175	0.25	--	--
Honduras	126,267	2.11	--	--
Kenya	78,647	1.32	--	--
Kyrgyz Republic	133,294	2.23	--	--
Lao People's Democratic Republic	28,577	0.48	586	0.17
Lesotho	11,832	0.20	--	--
Macedonia, former Yugoslav Republic of	29,004	0.49	--	--
Madagascar	101,374	1.70	--	--
Malawi	57,900	0.97	--	--
Mali	133,476	2.24	2,540	0.73

## Poverty Reduction and Growth Facility Trust

### Schedule of Outstanding Loans as at January 31, 2002

(In thousands of SDRs)

Member	PRGF Loan Account		Structural Adjustment Facility 1/	
	Balance	Percent	Balance	Percent
Mauritania	79,296	1.33	682	0.19
Moldova, Republic of	18,480	0.31	--	--
Mongolia	37,275	0.62	--	--
Mozambique	155,890	2.61	--	--
Nepal	6,155	0.10	--	--
Nicaragua	125,330	2.10	--	--
Niger	64,254	1.08	--	--
Pakistan	444,740	7.45	--	--
Rwanda	61,880	1.04	--	--
São Tomé and Príncipe	1,902	0.03	--	--
Senegal	195,197	3.27	--	--
Sierra Leone	107,302	1.80	13,510	3.86
Somalia	--	--	8,840	2.53
Sri Lanka	61,600	1.03	--	--
Tajikistan, Republic of	78,280	1.31	--	--
Tanzania	271,220	4.54	--	--
Togo	45,294	0.76	--	--
Uganda	217,137	3.64	--	--
Vietnam	282,120	4.72	--	--
Yemen, Republic of	238,750	4.00	--	--
Zambia	636,165	10.62	145,400	41.57
Zimbabwe	89,484	1.50	--	--
Total loans outstanding	5,971,621	100.00	349,781	100.00

1/ 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 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 January 31, 2002

*(In thousands of SDRs)*

Contributor 1/	Amount
<b>Direct contributions to the Subsidy Account</b>	
Argentina	18,133
Australia	4,488
Bangladesh	387
Canada	168,897
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	6,762
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	1,791,391
<b>Net income transferred from PRGF Administered Accounts</b>	
Austria	39,329
Belgium	75,150
Botswana	1,400
Chile	2,910
Greece	25,612
Indonesia	3,993
Iran, Islamic Republic of	1,177
Portugal	2,868
Total net income transferred from Administered Accounts	152,439
Total contributions received	1,943,830



## Poverty Reduction and Growth Facility Trust

### Contributions to and Resources of the Subsidy Account as at January 31, 2002

(In thousands of SDRs)

<b>Contributor 1/</b>	<b>Amount</b>
Transfers from Special Disbursement Account	<u>400,000</u>
Total contributions received and transfers from Special Disbursement Account	2,343,830
Cumulative net income of the Subsidy Account	785,372
Resources disbursed to subsidize Trust lending	( <u>1,348,767</u> )
Total resources of the Subsidy Account	<u><u>1,780,435</u></u>

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

## Poverty Reduction and Growth Facility Trust

### Schedule of Borrowing Agreements as at January 31, 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 1/	300,000	300,000	174,199
France	0.50 2/	800,000	800,000	322,564
Germany	Variable 3/	700,000	700,000	340,307
Italy	Variable 3/	370,000	370,000	201,440
Japan	Variable 3/	2,200,000	2,200,000	1,242,543
Korea	Variable 3/	65,000	65,000	26,873
Norway	Variable 3/	90,000	90,000	42,093
Spain	Variable 3/	220,000	216,429 4/	39,506
		4,745,000	4,741,429	2,389,525
For enlargement of PRGF				
Belgium	Variable 3/	350,000	198,041	198,041
Canada	Variable 3/	400,000	249,148	249,148
China	Variable 3/	200,000	100,000	100,000
Denmark	Variable 3/	100,000	21,180	21,180
Egypt	Variable 3/	155,600	100,000	100,000
France	Variable 3/	1,350,000	611,023	611,023
Germany	Variable 3/	1,050,000	517,904	517,904
Italy	Variable 3/	800,000	233,000	233,000
Japan	Variable 3/	2,934,800	1,155,633	1,155,633
Korea	Variable 3/	27,700	27,700	27,700
Netherlands	Variable 3/	450,000	29,930	29,930
Norway	Variable 3/	60,000	60,000	60,000
OPEC Fund for International Development	Variable 3/	39,753 5/	36,732	36,732
Spain	0.50	192,000	48,633	48,633
Switzerland	Variable 3/	401,700	151,700	151,700
		8,511,553	3,540,624	3,540,624
Resources held pending repayment	6/	--	--	497,633 6/
		13,256,553	8,282,053	6,427,782

## Poverty Reduction and Growth Facility Trust

### Schedule of Borrowing Agreements as at January 31, 2002

(In thousands of SDRs)

<b>Member</b>	<b>Interest Rate (in percent)</b>	<b>Amount of Agreement</b>	<b>Amount Drawn</b>	<b>Outstanding Balance</b>
<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	5,336	5,336
Singapore	2.00	80,000	80,000	40,000
Tunisia	0.50	3,551	3,551	3,551
Uruguay	Variable 7/	7,200	7,200	7,200
		143,481	138,817	98,817
		143,481	138,817	98,817
<b>Total--Subsidy Account</b>				

1/ The loans under this agreement are made at market-related rates of interest fixed at the time the loan was disbursed.

2/ 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 1.3 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.

3/ The loans under these agreements are made at variable, market-related rates of interest.

4/ The agreement expired with an undrawn balance of SDR 3.6 million.

5/ The agreement with the OPEC Fund for International Development is for an amount of \$50 million.

6/ This amount represents principal repayments held and invested on behalf of a lender.

7/ 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 1/ as at January 31, 2002

(In thousands of SDRs)

Member	Date of Arrangement	Expiration	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	72,400
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	Sep. 9, 2002	39,120	11,170
Cambodia	Oct. 22, 1999	Oct. 21, 2002	58,500	25,072
Cameroon	Dec. 21, 2000	Dec. 20, 2003	111,420	79,580
Chad	Jan. 7, 2000	Jan. 6, 2003	47,600	18,400
Djibouti	Oct. 18, 1999	Oct. 17, 2002	19,082	9,995
Ethiopia	Mar. 22, 2001	Mar. 21, 2004	86,900	52,138
Georgia	Jan. 12, 2001	Jan. 11, 2004	108,000	81,000
Ghana	May. 3, 1999	May. 2, 2002	228,800	105,165
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	27,170
Lesotho	Mar. 9, 2001	Mar. 8, 2004	24,500	17,500
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
Nicaragua	Mar. 18, 1998	Mar. 17, 2002	148,955	33,635
Niger	Dec. 22, 2000	Dec. 21, 2003	59,200	42,280
Pakistan	Dec. 6, 2001	Dec. 5, 2004	1,033,700	947,540
Rwanda	Jun. 24, 1998	Apr. 30, 2002	71,400	9,520
São Tomé and Príncipe	Apr. 28, 2000	Apr. 27, 2003	6,657	4,755
Senegal	Apr. 20, 1998	Apr. 19, 2002	107,010	19,536
Sierra Leone	Sep. 26, 2001	Sep. 25, 2004	130,840	84,002
Tanzania	Apr. 4, 2000	Apr. 3, 2003	135,000	55,000
Vietnam	Apr. 13, 2001	Apr. 12, 2004	290,000	207,200
Zambia	Mar. 25, 1999	Mar. 28, 2003	254,450	149,630
			<u>4,213,769</u>	<u>2,757,179</u>

1/ The Saudi Fund for Development may also provide resources to support arrangements under the PRGF through loans to qualifying members in association with loans under the PRGF. As at January 31, 2002, SDR 49.5 million of such associated loans had been disbursed.

**II. Financial Statements  
of the  
Poverty Reduction and Growth  
Facility Administered Accounts**



## Poverty Reduction and Growth Facility Administered Accounts

### Balance Sheets as at January 31, 2002 and 2001

(In thousands of SDRs)

	Austria		Belgium		Botswana			
	2002	2001	2002	2001	2002	2001	2002	2001
<b>Assets</b>								
Cash and cash equivalents	--	--	--	--	--	--	--	--
Investments (Note 3)	40,000	50,000	80,000	80,000	6,894	6,894		
Interest receivable	--	--	487	1,571	--	--		
Advance payments to the PRGF Trust Subsidy Account	117	148	--	--	82	83		
Total Assets	40,117	50,148	80,487	81,571	6,976	6,977		
<b>Liabilities and Resources</b>								
Deposits (Note 4)	40,000	50,000	80,000	80,000	6,894	6,894		
Interest payable	117	141	104	133	82	82		
Other liabilities	--	7	--	--	--	1		
Total Liabilities	40,117	50,148	80,104	80,133	6,976	6,977		
Accumulated Resources	--	--	383	1,438	--	--		
Total Liabilities and Resources	40,117	50,148	80,487	81,571	6,976	6,977		
<b>Assets</b>								
Cash and cash equivalents	--	--	--	233	--	--	--	--
Investments (Note 3)	17,500	24,500	25,000	25,469	5,000	5,000	11,831	12,708
Interest receivable	--	--	93	7	--	--	--	--
Advance payments to the PRGF Trust Subsidy Account	90	119	55	--	17	17	42	47
Total Assets	17,590	24,619	25,148	25,709	5,017	5,017	11,873	12,755
<b>Liabilities and Resources</b>								
Deposits (Note 4)	17,500	24,500	25,000	25,000	5,000	5,000	11,831	12,708
Interest payable	90	115	148	388	17	16	42	45
Other liabilities	--	4	--	--	--	1	--	2
Total Liabilities	17,590	24,619	25,148	25,388	5,017	5,017	11,873	12,755
Accumulated Resources	--	--	--	321	--	--	--	--
Total Liabilities and Resources	17,590	24,619	25,148	25,709	5,017	5,017	11,873	12,755

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

### Income Statements and Changes in Resources for the Nine Months Ended January 31, 2002 and 2001

(In thousands of SDRs)

	<u>Austria</u>		<u>Belgium</u>		<u>Botswana</u>			
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>		
Balance, beginning of the year	--	--	10	2,331	--	--		
Investment income	1,895	2,525	1,960	6,856	311	349		
Other expenses	(21)	(29)	--	--	(3)	(5)		
Interest expense on deposits	(158)	(189)	(302)	(681)	(105)	(104)		
Net income	1,716	2,307	1,658	6,175	203	240		
Transfers to the:								
PRGF Trust Subsidy Account	(1,716)	(2,307)	(1,285)	1,140	(203)	(240)		
PRGF/HIPC Trust Account	--	--	--	(8,208)	--	--		
Net changes in resources	--	--	373	(893)	--	--		
Balance, end of the period	--	--	383	1,438	--	--		
	=====	=====	=====	=====	=====	=====		
	<u>Greece</u>		<u>Indonesia</u>		<u>Iran, I. R. of</u>		<u>Portugal</u>	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Balance, beginning of the year	--	361	--	117	--	26	--	11
Investment income	935	1,851	515	1,255	226	253	536	642
Other expenses	(10)	(16)	--	--	(3)	(3)	(6)	(7)
Interest expense on deposits	(75)	(101)	(271)	(372)	(19)	(19)	(45)	(48)
Net Income	850	1,734	244	883	204	231	485	587
Transfers to the:								
PRGF Trust Subsidy Account	(850)	(2,095)	(244)	(679)	(204)	(257)	(485)	(598)
PRGF/HIPC Trust Account	--	--	--	--	--	--	--	--
Net changes in resources	--	(361)	--	204	--	(26)	--	(11)
Balance, end of the period	--	--	--	321	--	--	--	--
	=====	=====	=====	=====	=====	=====	=====	=====

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 January 31, 2002 and 2001**

#### ***1. Nature of Operations***

The name of the Enhanced Structural Adjustment Facility Administered Accounts was changed to the Poverty Reduction and Growth Facility Administered Accounts ("the Administered Accounts" or "PRGF Administered Accounts") on November 22, 1999. At the request of certain member countries, the IMF established administered accounts for the benefit of the Subsidy Account of the Poverty Reduction and Growth Facility Trust (the PRGF Trust, formerly the Enhanced Structural Adjustment Facility Trust). 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.

In addition to the PRGF Administered Accounts, the IMF also administers the Saudi Fund for Development (SFD) Special Account which was established at the request of the SFD to provide supplementary financing in association with loans under the Poverty Reduction and Growth Facility. 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, the IMF elected early adoption of IAS 39, *Financial Instruments: Recognition and Measurement*. The adoption of IAS 39 had no material effect on the PRGF Administered Accounts' financial statements.

## Poverty Reduction and Growth Facility Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *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. 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 January 31, 2002 and 2001 and their amounts were as follows:

<u>Currency</u>	<u>Amount</u>
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of January 31, 2002, one SDR was equal to 1.24204 U.S. dollars (1.29779 U.S. dollars as of January 31, 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.

## Poverty Reduction and Growth Facility Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *Investments*

The resources of the Administered Accounts are invested pending their use. Investments are made in debt securities and fixed deposits, either directly or by participation in an investment pool. Investments are marked to market value 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 income, realized and unrealized gains and losses 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 from 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 Subsidy Account*

The difference between the income earned by the PRGF Administered Accounts on investments and the interest payable on the deposits, net of any cost, is to be transferred to the Subsidy 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.

## Poverty Reduction and Growth Facility Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### 3. Investments

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

Maturity as at January 31	2002	2001
	<i>in thousands of SDRs</i>	
Less than 1 year	169,314	115,250
1 – 3 years	16,911	86,149
3 – 5 years	--	2,993
Over 5 years	--	179
Total	<u>186,225</u>	<u>204,571</u>

At January 31, investments consisted of the following:

	2002	2001
	<i>in thousands of SDRs</i>	
Debt securities	81,225	99,102
Fixed-term deposits	<u>105,000</u>	<u>105,469</u>
Total	<u>186,225</u>	<u>204,571</u>

At January 31, investment income is comprised of:

	2002	2001
	<i>In thousands of SDRs</i>	
Interest income	5,617	13,041
Realized gains (losses), net	2,069	(715)
Unrealized gains (losses), net	<u>(1,308)</u>	<u>1,405</u>
Total	<u>6,378</u>	<u>13,731</u>

#### 4. Deposits

##### *Administered Account – 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 ½ of 1 percent a year. The first deposit from Austria had been repaid in full.

## Poverty Reduction and Growth Facility Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *Administered Account – 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 ½ 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 ½ 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 as of August 31, 2001.

#### *Administered Account – 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.

#### *Administered Account – 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 ½ of 1 percent a year. The first deposit from Greece has been repaid in full.

#### *Administered Account – Indonesia*

The Administered Account Indonesia was established on June 30, 1994 for the administration of resources deposited in the account by the Bank of Indonesia. The deposit, totaling SDR 25.0 million, is to be repaid in one installment ten years after the date the

## Poverty Reduction and Growth Facility Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

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.

#### *Administered Account – 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 1/2 of 1 percent a year.

#### *Administered Account – 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 made 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 1/2 of 1 percent a year.

#### ***5. Associated Loans Under the Saudi Fund for Development 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 1/2 of 1 percent a year.

The receipts and uses of resources for the Saudi Fund for Development Special Account as of January 31 were as follows:

## Poverty Reduction and Growth Facility Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

	2002	2001
	<hr/> <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	31,300	21,400
Cumulative receipts of interest on associated loans	1,783	1,668
Interest on associated loans	8	12
	----	----
	<u>82,591</u>	<u>72,580</u>
<b>Uses of Resources</b>		
Associated loans	49,500	49,500
Cumulative repayments to the Saudi Fund for Development	31,300	21,400
Cumulative payments of interest on transfers	1,783	1,668
Interest on transfers	8	12
	----	----
	<u>82,591</u>	<u>72,580</u>





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



## PRGF-HIPC Trust and Related Accounts

### Combined Balance Sheets as at January 31, 2002 and 2001

*(In thousands of SDRs)*

	<b>2002</b>	<b>2001</b>
<b>Assets</b>		
Cash and cash equivalents	1,139,750	603,686
Investments (Note 3)	245,685	749,480
Interest receivable	4,484	5,980
	<u>          </u>	<u>          </u>
Total Assets	1,389,919	1,359,146
	=====	=====
<b>Liabilities and Resources</b>		
Borrowings (Note 5)	540,898	378,676
Interest payable	888	765
Other liabilities	1	10
	<u>          </u>	<u>          </u>
Total Liabilities	541,787	379,451
	<u>          </u>	<u>          </u>
Accumulated resources	848,132	979,695
	<u>          </u>	<u>          </u>
Total Liabilities and Resources	1,389,919	1,359,146
	=====	=====

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

/s/ Eduard Brau  
*Treasurer*

/s/ Horst Köhler  
*Managing Director*

## PRGF-HIPC Trust and Related Accounts

### Combined Income Statements and Changes in Resources for the Nine Months Ended January 31, 2002 and 2001

*(In thousands of SDRs)*

	2002	2001
Balance, beginning of the year	975,533	928,927
Investment income (Note 3)	42,752	48,766
Interest expense	( 1,435)	( 1,054)
Other expenses	( 155)	( 154)
Operational income	41,162	47,558
Contributions received	232,685	401,253
Grants	( 178,663)	( 246,381)
Disbursements	( 223,848)	( 68,532)
	( 128,664)	133,898
Transfers	1,263	( 83,130)
Net changes in resources	( 127,401)	50,768
Balance, end of the period	848,132	979,695
	=====	=====

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

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

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *1. Nature of 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 (formerly the ESAF-HIPC Trust)*

The name of the Trust for Special ESAF Operations for the Heavily Indebted Poor Countries and for Interim ESAF Subsidy Operations was changed to the Trust for Special PRGF Operations for the Heavily Indebted Poor Countries and for Interim PRGF Subsidy Operations (the "PRGF-HIPC Trust") on November 22, 1999. 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 (formerly the ESAF-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 or through 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.

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

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *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 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, disclose 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 PRGF-HIPC Trust and Related Accounts' financial statements.

## PRGF-HIPC Trust and Related Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *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. 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 January 31, 2002 and 2001 and their amounts were as follows:

<u>Currency</u>	<u>Amount</u>
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of January 31, 2002, one SDR was equal to 1.24204 U.S. dollars (one SDR was equal to 1.29779 U.S. dollars as of January 31, 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, either directly or by participation in an investment pool. Investments are valued at their market value 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 income, realized and unrealized gains and losses, 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

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

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

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 from 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.



## PRGF-HIPC Trust and Related Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### 3. Investments

The maturities of the investments in debt securities are as follows:

Maturity as at January 31	2002	2001
	<i>In thousands of SDRs</i>	
Less than 1 year	170,963	529,723
1 - 3 years	74,722	211,954
3 - 5 years	--	7,364
Over 5 years	--	439
Total	<u>245,685</u>	<u>749,480</u>

At January 31, investments consisted of the following:

	2002	2001
	<i>In thousands of SDRs</i>	
Debt securities	242,617	308,850
Fixed-term deposits	<u>3,068</u>	<u>440,630</u>
Total	<u>245,685</u>	<u>749,480</u>

At January 31, investment income was comprised of:

	2002	2001
	<i>In thousands of SDRs</i>	
Interest income	39,846	46,769
Realized gains (losses), net	5,966	(1,366)
Unrealized gains (losses), net	(3,141)	3,381
Exchange rate gains (losses), net	<u>81</u>	<u>(18)</u>
Total	<u>42,752</u>	<u>48,766</u>

## PRGF-HIPC Trust and Related Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

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

At January 31, 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 384.8 million, including interest (SDR 209.5 million at January 31, 2001). Interest payable between subaccounts is eliminated on combination.

#### 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:

Period Ending January 31	<i>In thousands of SDRs</i>
2002	14,607
2003	--
2004	--
2005	15,000
2006	--
2007 and beyond	<u>511,291</u>
Total	<u><u>540,898</u></u>

**6. Combining Balance Sheets and Income Statements and Changes in Resources**

The balance sheets and income statements 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 January 31, 2002 and 2001**

*(In thousands of SDRs)*

	2002							2001			
	PRGF-HIPC Trust Account subaccount			Combined	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								
<b>Assets</b>											
Cash and cash equivalents	778,736	5,972	--	784,708	305,182	49,860	1,139,750	351,539	116,041	136,106	603,686
Investments	237,167	8,518	--	245,685	--	--	245,685	521,254	228,226	--	749,480
Transfers to and from subaccounts	384,778	--	( 384,778)	--	--	--	--	--	--	--	--
Interest receivable	3,151	14	--	3,165	1,034	285	4,484	2,385	1,600	1,995	5,980
<b>Total Assets</b>	<u>1,403,832</u>	<u>14,504</u>	<u>( 384,778)</u>	<u>1,033,558</u>	<u>306,216</u>	<u>50,145</u>	<u>1,389,919</u>	<u>875,178</u>	<u>345,867</u>	<u>138,101</u>	<u>1,359,146</u>
<b>Liabilities and Resources</b>											
Borrowings	540,898	--	--	540,898	--	--	540,898	378,676	--	--	378,676
Interest payable	888	--	--	888	--	--	888	765	--	--	765
Other liabilities	1	--	--	1	--	--	1	10	--	--	10
<b>Total Liabilities</b>	<u>541,787</u>	<u>--</u>	<u>--</u>	<u>541,787</u>	<u>--</u>	<u>--</u>	<u>541,787</u>	<u>379,451</u>	<u>--</u>	<u>--</u>	<u>379,451</u>
Accumulated resources	862,045	14,504	( 384,778)	491,771	306,216	50,145	848,132	495,727	345,867	138,101	979,695
<b>Total Liabilities and Resources</b>	<u>1,403,832</u>	<u>14,504</u>	<u>( 384,778)</u>	<u>1,033,558</u>	<u>306,216</u>	<u>50,145</u>	<u>1,389,919</u>	<u>875,178</u>	<u>345,867</u>	<u>138,101</u>	<u>1,359,146</u>

Note 6 (continued)

**Combining Income Statements and Changes in Resources  
for the Nine Months Ended January 31, 2002 and 2001**

*(In thousands of SDRs)*

	2002							2001			
	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	<u>735,089</u>	<u>14,003</u>	<u>( 210,287)</u>	<u>538,805</u>	<u>343,410</u>	<u>93,318</u>	<u>975,533</u>	<u>511,051</u>	<u>160,825</u>	<u>257,051</u>	<u>928,927</u>
Investment income	48,960	505	49	33,372 <sup>1</sup>	7,991	1,389	42,752	34,868	7,193	6,705	48,766
Interest expense	( 1,435)	--	( 16,142)	( 1,435) <sup>1</sup>	--	--	( 1,435)	( 1,054)	--	--	( 1,054)
Other expenses	( 149)	( 4)	( 2)	( 155)	--	--	( 155)	( 154)	--	--	( 154)
Operational income/(loss)	47,376	501	( 16,095)	31,782	7,991	1,389	41,162	33,660	7,193	6,705	47,558
Contributions received	33,755	--	20,267	54,022	178,663	--	232,685	154,872	246,381	--	401,253
Grants	--	--	( 178,663)	( 178,663)	--	--	( 178,663)	( 246,381)	--	--	( 246,381)
Disbursements	--	--	--	--	( 223,848)	--	( 223,848)	--	( 68,532)	--	( 68,532)
	<u>81,131</u>	<u>501</u>	<u>( 174,491)</u>	<u>( 92,859)</u>	<u>( 37,194)</u>	<u>1,389</u>	<u>( 128,664)</u>	<u>( 57,849)</u>	<u>185,042</u>	<u>6,705</u>	<u>133,898</u>
Transfers	<u>45,825</u>	<u>--</u>	<u>--</u>	<u>45,825</u>	<u>--</u>	<u>( 44,562)</u>	<u>1,263</u>	<u>42,525</u>	<u>--</u>	<u>( 125,655)</u>	<u>( 83,130)</u>
Net changes in resources	<u>126,956</u>	<u>501</u>	<u>( 174,491)</u>	<u>( 47,034)</u>	<u>( 37,194)</u>	<u>( 43,173)</u>	<u>( 127,401)</u>	<u>( 15,324)</u>	<u>185,042</u>	<u>( 118,950)</u>	<u>50,768</u>
Balance, end of the period	<u>862,045</u>	<u>14,504</u>	<u>( 384,778)</u>	<u>491,771</u>	<u>306,216</u>	<u>50,145</u>	<u>848,132</u>	<u>495,727</u>	<u>345,867</u>	<u>138,101</u>	<u>979,695</u>

<sup>1</sup> Interest payable between subaccounts amounting to SDR 16.1 million (SDR 8.8 million at January 31, 2001) has been eliminated in the combined totals.

## Post-SCA-2 Administered Account

### Interest, Transfers and Changes in Holdings for the Nine Months Ended January 31, 2002 and 2001

(In thousands of SDRs)

Member	Balance Beginning of Year	Interest Earned	Transfers from Member	Transfers to Member	Transfers to PRGF-HIPC Trust	Balance End of Period
Algeria	412	--	--	--	(412)	--
Argentina	20,794	121	--	--	(15,629)	5,286
Brazil	10,598	240	--	--	--	10,838
Brunei Darussalam	55	1	--	--	(56)	--
Colombia	--	12	1,182	--	(1,194)	--
Croatia, Republic of	31	--	--	--	(31)	--
Dominican Republic	957	22	--	--	--	979
Estonia, Republic of	146	3	--	--	--	149
Fiji	206	4	--	--	--	210
Finland	322	--	--	--	(322)	--
Gabon	458	--	--	--	(458)	--
Jordan	1,087	24	--	--	--	1,111
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	53	--	--	--	2,387
Tunisia	136	--	--	--	(136)	--
United Arab Emirates	5,450	45	--	--	(5,495)	--
Vanuatu	46	1	--	--	--	47
Venezuela	28,467	643	--	--	--	29,110
Total at January 31, 2002	93,318	1,389	1,182	(2)	(45,742)	50,145
Total at January 31, 2001	257,051	6,705	--	(197)	(125,458)	138,101

## PRGF-HIPC Trust Account

### Contributions and Transfers for the Nine Months Ended January 31, 2002 and 2001 (In thousands of SDRs)

<i>Period ended January 31, 2001</i>	Subaccount			Combined
	PRGF-HIPC	PRGF	HIPC	
Australia	--	--	3,910	3,910
Austria	--	--	9,560	9,560
Belgium	12,208	--	--	12,208
Belize	20	--	--	20
Denmark	2,374	--	--	2,374
Egypt	37	--	--	37
France	17,196	--	--	17,196
Iceland	183	--	--	183
India	390	--	--	390
Indonesia	124	--	--	124
Italy	43,309	--	--	43,309
Kuwait	108	--	--	108
Mexico	8,000	--	--	8,000
Morocco	49	--	--	49
Netherlands	--	2,991	--	2,991
New Zealand	1,158	--	--	1,158
Norway	1,144	--	--	1,144
Pakistan	105	--	--	105
Poland, Republic of	877	--	--	877
Russian Federation	10,086	--	--	10,086
South Africa	4,000	--	--	4,000
Sri Lanka	12	--	--	12
Switzerland	3,184	--	--	3,184
United Kingdom	--	--	33,837	33,837
Vietnam	10	--	--	10
	<u>104,574</u>	<u>2,991</u>	<u>47,307</u>	<u>154,872</u>
Transfers from SDA	42,525	--	--	42,525
	<u>147,099</u>	<u>2,991</u>	<u>47,307</u>	<u>197,397</u>

## PRGF-HIPC Trust Account

### Contributions and Transfers for the Nine Months Ended January 31, 2002 and 2001 (In thousands of SDRs)

	Subaccount			Combined
	PRGF-HIPC	PRGF	HIPC	
<i>Period ended January 31, 2002</i>				
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
Finland	322	--	--	322
Gabon	458	--	--	458
Latvia, Republic of	15	--	--	15
Malaysia	478	--	--	478
Mexico	7,982	--	--	7,982
Netherlands	--	--	16,347 <sup>1</sup>	16,347
Nigeria	4,314	--	--	4,314
Oman	73	--	--	73
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
	33,755	--	20,267	54,022
Transfers from SDA	45,825	--	--	45,825
	79,580	--	20,267	99,847

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

**PRGF-HIPC Trust Account****Borrowings  
as at January 31, 2002 and 2001***(In thousands of SDRs)*

<b>Date of Arrangement</b>	<b>Maturity <sup>1</sup></b>	<b>Interest Rate (in Percent)</b>	<b>Outstanding Balance</b>	
			<b>2002</b>	<b>2001</b>
<b>PRGF-HIPC subaccount</b>				
<i>SDR-denominated</i>				
April 30, 1997	April 29, 2002	2.0	14,607	14,607
May 30, 1997	May 29, 2007	0.5	1,000	1,000
May 30, 1998	May 29, 2007	0.5	1,000	1,000
June 29, 1998	June 28, 2008	2.0	15,000	15,000
November 20, 1998	November 19, 2008	2.0	10,000	10,000
May 30, 1999	May 29, 2007	0.5	1,000	1,000
August 24, 1999	August 23, 2009	2.0	5,000	5,000
August 30, 1999	August 29, 2009	2.0	10,000	10,000
October 4, 1999	October 3, 2004	0.5	15,000	15,000
January 31, 2000	January 30, 2010	1.5	6,144	6,144
February 24, 2000	February 23, 2020	0.0	5,664	5,664
March 31, 2000	December 30, 2018	0.0	31,370	31,370
April 24, 2000	December 23, 2018	0.0	789	789
May 17, 2000	May 16, 2010	0.5	982	982
May 24, 2000	December 31, 2018	0.0	523	523
May 27, 2000	December 31, 2018	0.0	750	750
May 30, 2000	May 29, 2007	0.5	1,000	1,000
June 12, 2000	June 11, 2020	0.0	7,074	7,074
June 16, 2000	December 31, 2018	0.0	1,724	1,724
June 22, 2000	June 21, 2020	0.0	2,187	2,187
June 22, 2000	June 21, 2020	0.0	4,659	4,659
July 18, 2000	December 17, 2018	0.0	4,850	4,850
July 25, 2000	December 24, 2018	0.0	4,197	4,197
August 23, 2000	August 22, 2010	0.5	100	100
August 30, 2000	August 29, 2010	2.0	10,000	10,000
December 8, 2000	December 7, 2018	0.0	9,237	9,237
February 27, 2001	February 26, 2011	0.0	5,440	--
February 28, 2001	December 30, 2018	0.0	5,812	--
March 14, 2001	March 13, 2020	0.0	6,128	--
March 20, 2001	March 19, 2021	0.5	2,362	--
March 27, 2001	December 26, 2018	0.0	16,710	--
March 27, 2001	December 26, 2018	0.5	3,000	--
March 27, 2001	December 26, 2018	0.5	49,820	--
March 27, 2001	March 26, 2021	0.0	7,600	--
April 9, 2001	January 8, 2019	0.0	519	--
April 13, 2001	January 12, 2019	0.5	1,500	--



## PRGF-HIPC Trust Account

### Borrowings

as at January 31, 2002 and 2001

(In thousands of SDRs)

Date of Arrangement	Maturity <sup>1</sup>	Interest Rate (in Percent)	Outstanding Balance	
			2002	2001
April 24, 2001	April 23, 2011	0.0	4,046	--
May 4, 2001	May 3, 2020	0.0	15,628	--
May 29, 2001	December 28, 2018	0.0	7,368	--
May 30, 2001	May 29, 2011	0.5	1,000	--
June 22, 2001	March 21, 2019	0.5	200	--
July 5, 2001	January 4, 2019	0.0	1,057	--
July 24, 2001	December 23, 2018	0.0	5,141	--
July 31, 2001	April 29, 2019	0.5	250	--
August 29, 2001	August 28, 2011	2.0	10,000	--
September 21, 2001	December 20, 2018	0.0	1,182	--
September 27, 2001	June 26, 2019	0.5	3,000	--
October 12, 2001	July 11, 2019	0.5	1,500	--
October 24, 2001	December 23, 2018	0.0	52	--
November 1, 2001	December 31, 2018	0.0	18,600	--
December 18, 2001	December 17, 2006	1.0	310	--
December 21, 2001	September 20, 2019	0.5	200	--
			332,282	163,857
<i>Currency-denominated</i>				
February 11, 2000	February 10, 2010	0.0	208,616 <sup>2</sup>	214,819
Total			540,898	378,676

<sup>1</sup> The principal amounts of all the deposits are payable in one installment at their maturity dates.

<sup>2</sup> The principal amount of the borrowing is for euro 300 million.

## Umbrella Account for HIPC Operations

### Grants, Interest, Disbursements and Changes in Resources for the Nine Months Ended January 31, 2002 and 2001

(In thousands of SDRs)

	Opening Balance	Grants from PRGF-HIPC Trust Account	Interest Earned	Disbursements	Ending Balance
<i>Period ended January 31, 2001</i>					
Benin	--	3,700	65	2,433	1,332
Bolivia	7,906	--	189	5,451	2,644
Burkina Faso	--	17,800	436	2,222	16,014
Cameroon	--	2,240	22	919	1,343
Gambia, The	--	80	--	9	71
Guinea	--	2,424	12	--	2,436
Guinea-Bissau	--	541	4	158	387
Guyana	18,862	6,140	660	4,655	21,007
Madagascar	--	677	4	--	681
Malawi	--	2,314	11	--	2,325
Mali	--	11,490	210	523	11,177
Mauritania	--	9,922	16	3,778	6,160
Mozambique	83,423	--	2,537	18,402	67,558
Niger	--	430	2	--	432
Rwanda	--	6,762	31	911	5,882
Senegal	--	1,690	19	1,433	276
Tanzania	13,375	--	240	11,684	1,931
Uganda	37,259	62,971	1,933	15,954	86,209
Zambia	--	117,200	802	--	118,002
	-----	-----	-----	-----	-----
	160,825	246,381	7,193	68,532	345,867
	=====	=====	=====	=====	=====
<i>Period ended January 31, 2002</i>					
Benin	802	3,680	44	2,845	1,681
Bolivia	2,584	44,234	872	6,188	41,502
Burkina Faso	14,696	2,650	369	3,233	14,482
Cameroon	431	--	11	--	442
Chad	--	2,850	50	1,416	1,484
Ethiopia	--	4,036	18	546	3,508
Gambia, The	72	--	2	9	65
Guinea	2,235	--	30	2,196	69
Guinea-Bissau	391	--	7	393	5
Guyana	18,640	--	397	5,554	13,483

**Umbrella Account for HIPC Operations**  
**Grants, Interest, Disbursements and Changes in Resources**  
**for the Nine Months Ended January 31, 2002 and 2001**  
*(In thousands of SDRs)*

	<b>Opening Balance</b>	<b>Grants from PRGF-HIPC Trust Account</b>	<b>Interest Earned</b>	<b>Disbursements</b>	<b>Ending Balance</b>
Honduras	--	4,500	32	1,218	3,314
Madagascar	6	1,446	5	--	1,457
Malawi	1,144	--	22	1,112	54
Mali	10,238	5,746	297	4,224	12,057
Mauritania	5,009	6,960	90	6,845	5,214
Mozambique	63,732	12,519	1,540	15,814	61,977
Niger	437	--	10	430	17
Rwanda	3,708	2,367	72	4,510	1,637
Senegal	3,115	--	39	3,132	22
Tanzania	13,420	69,715	433	13,332	70,236
Uganda	83,374	1,585	1,917	16,964	69,912
Zambia	119,376	16,375 <sup>1</sup>	1,734	133,887	3,598
	<u>343,410</u>	<u>178,663</u>	<u>7,991</u>	<u>223,848</u>	<u>306,216</u>
	=====	=====	=====	=====	=====

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

## PRGF-HIPC Trust Account

### Cumulative Contributions and Transfers

as at January 31, 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
Finland	2,573	--	--	2,573
France	55,892	--	--	55,892
Gabon	458	--	--	458
Greece	2,200	--	--	2,200
Iceland	459	--	--	459
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	82,914	--	--	82,914
Korea	10,625	--	--	10,625
Kuwait	108	--	--	108
Latvia, Republic of	284	--	--	284
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
Nigeria	5,416	--	--	5,416

Schedule 5 (concluded)

## PRGF-HIPC Trust Account

### Cumulative Contributions and Transfers

as at January 31, 2002

(In thousands of SDRs)

	Subaccount			Combined
	PRGF-HIPC	PRGF	HIPC	
Norway	8,396	--	--	8,396
Oman	73	--	--	73
Pakistan	105	--	--	105
Philippines	4,500	--	--	4,500
Poland, Republic of	877	--	--	877
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>399,354</u>	<u>13,092</u>	<u>299,116</u>	<u>711,562</u>
Transfers from SDA	272,222	--	--	272,222
Transfers from GRA	72,456	--	--	72,456
	<u>344,678</u>	<u>--</u>	<u>--</u>	<u>344,678</u>
	<u>744,032</u>	<u>13,092</u>	<u>299,116</u>	<u>1,056,240</u>

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



**IV. Financial Statements  
of Other  
Administered Accounts**





## Other Administered Accounts

### Balance Sheets as at January 31, 2002 and 2001

	Administered Account Japan		Administered Account for Selected Fund Activities - Japan		Framework Administered Account for Technical Assistance Activities		Administered Account - Spain		Supplementary Financing Facility Subsidy Account		The Post-Conflict Emergency Assistance Subsidy Account for PRGF-Eligible Members	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	<----- (In thousands of U.S. dollars) ----->						<----- (In thousands of SDRs) ----->					
<b>Assets</b>												
Cash and cash equivalents	116,779	112,753	4,300	5,932	5,942	3,855	--	--	2,277	2,292	804	--
Interest receivable	--	--	--	--	--	--	--	--	13	27	--	--
Total Assets	116,779	112,753	4,300	5,932	5,942	3,855	--	--	2,290	2,319	804	--
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====
<b>Resources</b>												
Total Resources	116,779	112,753	4,300	5,932	5,942	3,855	--	--	2,290	2,319	804	--
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

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

/s/ Eduard Brau  
Treasurer

/s/ Horst Köhler  
Managing Director

**Other Administered Accounts**  
**Income Statements and Changes in Resources**  
**for the Nine Months Ended January 31, 2002 and 2001**

	Administered Account Japan		Administered Account for Selected Fund Activities - Japan		Framework Administered Account for Technical Assistance Activities		Administered Account - Spain		Supplementary Financing Facility Subsidy Account		The Post-Conflict Emergency Assistance Subsidy Account for PRGF-Eligible Members	
	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001	2002	2001
	<----- (In thousands of U.S. dollars) ----->						<----- (In thousands of SDRs) ----->					
Balance, beginning of the year	114,184	107,439	14,580	18,854	4,539	4,201	--	--	2,342	2,343	--	--
Income earned on investments	2,595	5,314	216	591	101	201	33	--	51	80	(4)	--
Contributions received	--	--	3,002	634	4,698	2,333	329,114	--	--	--	1,361	--
Payments to and on behalf of beneficiaries	--	--	(13,498)	(14,147)	(3,396)	(2,880)	(329,147)	--	--	--	(553)	--
	2,595	5,314	(10,280)	(12,922)	1,403	(346)	--	--	51	80	804	--
Transfers to the Special Disbursement Account (Note 4)	--	--	--	--	--	--	--	--	(103)	(104)	--	--
Net changes in resources	2,595	5,314	(10,280)	(12,922)	1,403	(346)	--	--	(52)	(24)	804	--
Balance, end of the period	116,779	112,753	4,300	5,932	5,942	3,855	--	--	2,290	2,319	804	--
	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====	=====

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

## **Other Administered Accounts**

### **Notes to the Financial Statements as at January 31, 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.

## **Other Administered Accounts**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *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.

## **Other Administered Accounts**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *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 programs 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.

## **Other Administered Accounts**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### **The Post-Conflict Emergency Assistance Subsidy Account for PRGF-Eligible Members**

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. The final Trust Loan settlement was due on March 31, 1991. As of January 31, 2002 and 2001, the Trust Fund had no assets other than loans receivable of SDR 88.6 million and SDR 88.8 million, respectively. 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.

#### *Loans*

Loans in the Trust Fund 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.

An overdue member would have to become current in the IMF and in the Trust Fund before access to credit could be restored and consequently no loss is expected on the loans. The member's resources or other resources would be used to reimburse the Trust Fund.

## Other Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *Deferred Income*

Interest income and special charges (apply to overdue repayments and overdue charges that are less than six months) on outstanding Trust Fund loans in arrears for six months or more are being deferred and are recognized as income only when paid.

#### *Overdue Obligations*

At January 31, 2002 and 2001, 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 January 31, 2002, total deferred income amounted to SDR 27.6 million (SDR 27.1 million at January 31, 2001). Overdue loan repayments and interest and special charges due from these members as at January 31, 2002 and 2001 were as follows:

	Loans		Interest and Special Charges	
	2002	2001	2002	2001
<i>In millions of SDRs</i>				
Total overdue	88.6	88.8	27.6	27.1
Overdue six months or more	88.6	88.8	27.4	26.9
Overdue three years or more	88.6	88.8	26.3	25.8

The type and duration of the arrears of these members at January 31, 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	<u>59.2</u>	<u>19.1</u>	<u>78.3</u>	June 1985
Total	<u>88.6</u>	<u>27.6</u>	<u>116.2</u>	

## **Other Administered Accounts**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *Transfer of Resources*

Since the activities of the Trust are limited to the conclusion of its affairs, the resources of the Trust Fund from the settlement of the overdue obligations will be transferred to the Special Disbursement Account.

#### **Supplementary Financing Facility Subsidy Account**

The Supplementary Financing Facility Subsidy Account administered by the IMF was established in December 1980 to assist low-income developing country members to meet the costs 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 of SDR 2.2 million 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.

## **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, the IMF elected early adoption of IAS 39, Financial Instruments: Recognition and Measurement. The adoption of IAS 39 had no material effect on the other Administered Accounts' financial statements.



## Other Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *Unit of Account*

*Administered Account Japan, Administered Account for Selected Fund Activities - Japan, and 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 for PRGF-Eligible Members, Trust Fund, and the 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 January 31, 2002 and 2001 and their amounts were as follows:

Currency	Amount
	January 31, 2002
Euro	0.426
Japanese yen	21.0
Pound sterling	0.0984
U.S. dollar	0.577

As of January 31, 2002, one SDR was equal to 1.24204 U.S. dollars (one SDR was equal to 1.29779 U.S. dollars as of January 31, 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.

## **Other Administered Accounts**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### *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 from 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.

## Other Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

#### *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 IMF 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, from investment earnings, an annual fee of \$40,000 for administrative costs incurred. As at January 31, 2002 the administrative costs for Administered Account for Selected Fund Activities – Japan amounted to \$1.6 million (\$1.4 million at January 31, 2001), and for Framework Administered Account for Technical Assistance Activities \$0.4 million (\$0.4 million at January 31, 2001). These amounts are included in payments to and on behalf of beneficiaries on the income statements and changes in resources.

#### *Comparatives*

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

### **3. Cumulative Contributions and Disbursements**

The cumulative contributions to and disbursements from these administered accounts are as follows:

Account	January 31, 2002		January 31, 2001	
	Cumulative Contributions	Cumulative Disbursements <sup>1</sup>	Cumulative Contributions	Cumulative Disbursements <sup>1</sup>
<i>(In millions of U.S. dollars)</i>				
<i>Administered Account Japan</i>	135.2	72.5	135.2	72.5
<i>Administered Account for Selected Fund Activities – Japan</i>	156.6	159.3	139.1	139.8
Technical Assistance	141.2	145.7	128.6	129.4
Scholarships	10.3	8.7	6.6	6.6
Office of Asia and Pacific	5.1	4.9	3.9	3.8

## Other Administered Accounts

### Notes to the Financial Statements as at January 31, 2002 and 2001

<i>Framework Administered Account for Technical assistance Activities</i>	23.6	18.8	17.4	14.5
Subaccount for Japan Advanced Scholarship Program	7.2	6.8	5.7	5.3
Rwanda - Macroeconomic Management Capacity Subaccount	1.5	1.6	1.5	1.6
Australia - IMF Scholarship Program for Asia Subaccount	2.0	1.7	1.3	1.4
Switzerland Technical Assistance Subaccount	7.1	6.5	6.8	5.2
French Technical Assistance Subaccount	0.7	0.5	0.7	0.3
Denmark Technical Assistance Subaccount	0.5	0.5	0.5	0.5
Australia Technical Assistance Subaccount	0.3	-	0.3	-
The Netherlands Technical Assistance Subaccount	1.0	1.0	0.6	0.2
The United Kingdom DFID Technical Assistance Subaccount	1.5	0.2	-	-
Italy Technical Assistance Subaccount	1.8	-	-	-
<i>Administered Account Spain</i>	835.4	835.5	-	-
		(In millions of SDRs)		
<i>The Post-Conflict Emergency Assistance Subsidy Account for PRGF-Eligible Members</i>	1.4	0.6	-	-

<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 January 31, 2002 and 2001, subsidy payments totaling SDR 2.2 million had not been made to Liberia and Sudan and were being held pending the payment of overdue charges by these members.

## **Other Administered Accounts**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### ***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 for PRGF-Eligible Members*

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



**V. Financial Statements  
of the  
Retired Staff Benefits  
Investment Account**





## Retired Staff Benefits Investment Account

### Balance Sheets as at January 31, 2002 and 2001

*(In thousands of U.S. dollars)*

	2002	2001
<hr/>		
<b>Assets</b>		
Investments (Note 3)		
Cash equivalents	50,878	12,194
Other	295,405	222,220
Accrued interest receivable	1,057	891
	<hr/>	<hr/>
Total assets	347,340	235,305
	=====	=====
<b>Liabilities and Resources</b>		
Accounts payable	918	1,138
Resources	346,422	234,167
	<hr/>	<hr/>
Total liabilities and resources	347,340	235,305
	=====	=====
<hr/>		

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

/s/ Eduard Brau  
*Treasurer*

/s/ Horst Köhler  
*Managing Director*

## Retired Staff Benefits Investment Account

### Income Statements and Changes in Resources for the Nine Months Ended January 31, 2002 and 2001

*(In thousands of U.S. dollars)*

	2002	2001
Balance, beginning of the year	351,676	236,072
Contributions received	22,500	4,934
Investment income		
Interest and dividends	6,870	6,429
Net realized gain (loss) on investments	(4,205)	(12,199)
Net unrealized (loss ) gain on investments	(10,640)	--
Exchange gain (loss)	(90)	--
Less: investment fees	(1,290)	(1,069)
Net investment income (loss)	(9,355)	(6,839)
Long-Term Benefits payments	(18,399)	--
Net increase (decrease)	(5,254)	(1,905)
Balance, end of the period	346,422	234,167

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

## **Retired Staff Benefits Investment Account**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

#### ***1. Purpose***

The Retired Staff Benefits Investment Account (“the RSBIA”) was established to hold, administer, and invest resources contributed by the IMF for meeting postretirement medical and life insurance benefits to eligible retirees of the IMF and other beneficiaries. The RSBIA accumulates resources to finance benefits of current and future retirees.

The assets of the RSBIA consist of IMF contributions and the income earned thereon. Assets are owned solely by the IMF and are to be used to meet the claims of retirees and the administrative costs of the RSBIA. Contributions are made periodically from the General Resources Account to the RSBIA, taking into consideration the actuarial valuation of the IMF’s cumulative cost of these benefits. Cumulative contributions received by the RSBIA amounted to \$316.8 million at January 31, 2002 (\$164.8 million at January 31, 2001).

On March 23, 2001, the RSBIA was amended to include the funding and administration of existing long terms benefits, other than pension benefits, including separation and repatriation benefits, accrued annual leave up to 60 days, payments in lieu of pension for contractual employees, and associated tax allowances. These benefits were partially funded with a contribution from the General Resources Account of \$128.2 million on March 29, 2001.

The assets of the RSBIA are kept 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.

#### ***2. Accounting Policies***

##### *Basis of Presentation*

The financial statements of the RSBIA 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 revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### *Valuation of Investments*

In accordance with its investments policy, the RSBIA invests in short-term investments, debt securities, equity securities, and real estate. Cash equivalents are short-term investments with maturities of three months or less. These investments include short-term Treasury securities and other short-term, highly liquid investments and are carried at cost, which approximates market value. Investments in securities listed on stock exchanges are valued at the last

## Retired Staff Benefits Investment Account

### Notes to the Financial Statements as at January 31, 2002 and 2001

reported market sales price on the last business day of the accounting period. Over-the-counter securities are valued at their bid price on the last business day of the accounting period. The valuation of purchases and sales is made on the trade date basis. For investments in real estate, market value is the last reported adjusted appraised value.

Investment income comprises interest and dividends, realized and unrealized gains and losses, and, for investments denominated in currencies other than the U.S. dollar, valuation differences arising from exchange rate changes of other currencies against the dollar market value.

#### *Comparatives*

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

#### **3. Investments**

A summary of the RSBIA's investments at market value or fair value as of January 31 is as follows:

Investments	2002	2001
	In millions of U.S. dollars	
Short-term investments	51	12
Debt securities	81	49
Equity securities	183	143
Real Estate	<u>32</u>	<u>31</u>
	<u>347</u>	<u>235</u>

## **Retired Staff Benefits Investment Account**

### **Notes to the Financial Statements as at January 31, 2002 and 2001**

In addition to these investments, the RSBIA held commitments in fixed-income futures contracts to minimize interest rate risk. At January 31, 2002, the notional value of these derivatives amounted to \$2.6 million (\$2.3 million at January 31, 2001) and the unrealized gain was less than \$0.1 million (\$0.1 million at January 31, 2001)

#### ***4. Actuarial Valuation***

The defined benefit obligation for long-term employee benefits other than pension benefits is actuarially determined, based on the data in effect at the beginning of the year. The IMF's actuarially determined cost was estimated at \$570 million at April 30, 2001 (\$561 million at April 30, 2000, including the obligation for benefits due to the March 23, 2001 amendment). Each year the IMF transfers amounts from the General Resources Account to the RSBIA to be held and invested pending their use by the IMF. During the nine months ended January 31, 2002, \$22.5 million was transferred to the RSBIA (\$5 million during the nine months ended January 31, 2001).

#### ***5. Account Termination***

The RSBIA can be terminated by the IMF at any time. After meeting any existing obligations, the resources remaining in the RSBIA are to be transferred to the General Resources Account of the IMF.

