

IMF Annual Report 2019

Financial Statements



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**INTERNATIONAL
MONETARY
FUND**

Financial Statements

For the Financial Years Ended April 30, 2019, and 2018

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IMF Financial Statements 2019

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Note to readers

The audited financial statements that follow form Appendix VI of the International Monetary Fund's *Annual Report 2019* and can be found, together with Appendixes I through V and other materials, on the *Annual Report 2019* web page (www.imf.org/AR2019). They have been reproduced separately here as a convenience for readers. Quarterly updates of the IMF's financial statements are available at www.imf.org/external/pubs/ft/quart/index.htm.

The print version of the *Annual Report 2019* can be obtained through IMF Publication Services at the following address:

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The *Annual Report* can also be found on the IMF's website, via the *Annual Report* web page, at the address given above.

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I. Financial Statements of the General Department





Report of Independent Auditors

To the Board of Governors of the International Monetary Fund

We have audited the accompanying financial statements of the General Department of the International Monetary Fund, which comprise the statements of financial position as of April 30, 2019 and 2018, and the related statements of comprehensive income, of changes in reserves, resources, and retained earnings and of cash flows for the years then ended.

We are independent of the Department in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United States of America and with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Department or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Department's financial reporting process.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance but is not a guarantee that an audit will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We design audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

In making those risk assessments, we consider internal control relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation, structure, and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

As part of an audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Department to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies or material weaknesses in internal control that we identify during our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Department of the International Monetary Fund as of April 30, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedules appearing on pages 37 to 46 are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. We also subjected the information to the applicable procedures required by International Standards on Auditing. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



McLean, Virginia
June 21, 2019

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Statements of Financial Position at April 30, 2019, and 2018

(in millions of SDRs)

	Note	2019	2018
Assets			
Usable currencies		332,968	361,099
Other currencies		67,360	67,804
Credit outstanding	5	63,694	37,884
Total currencies		464,022	466,787
SDR holdings	6	22,772	26,472
Investments	7	22,050	20,829
Gold holdings	9	3,167	3,167
Property, plant and equipment and intangible assets	10	537	494
Net defined benefit asset	11	113	472
Other assets	12	769	600
Total assets		513,430	518,821
Liabilities			
Special Contingent Account	13	1,188	1,188
Borrowings	14	13,651	19,823
Quota subscriptions	15	475,473	475,473
Net defined benefit liability	11	150	20
Other liabilities	12	992	966
Total liabilities		491,454	497,470
Reserves of the General Resources Account	16	20,871	20,684
Retained earnings of the Investment Account		1,096	658
Resources of the Special Disbursement Account		9	9
Total liabilities, reserves, retained earnings, and resources		513,430	518,821

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

These financial statements were approved by the Managing Director and the Director of Finance on June 21, 2019.

Christine Lagarde /s/
Managing Director

Andrew Tweedie /s/
Director, Finance Department

Statements of Comprehensive Income for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	Note	2019	2018
Operational income			
Basic charges	17	1,035	724
Surcharges	17	419	371
Service charges and commitment fees	17	253	344
Interest on SDR holdings	6	252	182
Net income from investments	7	689	112
Total operational income		2,648	1,733
Operational expenses			
Remuneration of members' reserve tranche positions	18	552	272
Interest expense on borrowings	14	175	161
Administrative expenses	19	931	904
Total operational expenses		1,658	1,337
Net operational income		990	396
Other comprehensive income			
Remeasurement of net defined benefit asset/liability	11	(365)	381
Total comprehensive income		625	777
Total comprehensive income of the General Department comprises:			
Total comprehensive (loss)/income of the General Resources Account		(64)	665
Total comprehensive income of the Investment Account		689	112
Total comprehensive income of the Special Disbursement Account		—	—
		625	777

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

Statements of Changes in Reserves, Resources, and Retained Earnings for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	Note	General Resources Account			Investment Account retained earnings	Special Disbursement Account resources
		Special Reserve	General Reserve	Total reserves		
Balance at April 30, 2017		9,636	10,292	19,928	637	9
Net operational income		142	142	284	112	—
Other comprehensive income		191	190	381	—	—
Total comprehensive income	16	333	332	665	112	—
Transfer of Investment Account income	16	45	46	91	(91)	—
Balance at April 30, 2018		10,014	10,670	20,684	658	9
Net operational income		150	151	301	689	—
Other comprehensive loss		(182)	(183)	(365)	—	—
Total comprehensive (loss)/income	16	(32)	(32)	(64)	689	—
Transfer of Investment Account income	16	125	126	251	(251)	—
Balance at April 30, 2019		10,107	10,764	20,871	1,096	9

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

Statements of Cash Flows for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	2019	2018
Usable currencies and SDRs from operating activities		
Total comprehensive income	625	777
Adjustments to reconcile total comprehensive income to usable currencies and SDRs generated by operations:		
Depreciation and amortization	38	33
Basic charges and surcharges	(1,454)	(1,095)
Interest on SDR holdings	(252)	(182)
Net income from investments	(689)	(112)
Remuneration of members' reserve tranche positions	552	272
Interest expense on borrowings	175	161
Loss on the disposal of property, plant and equipment	3	4
Changes in other assets and liabilities:		
Changes in other assets	5	(3)
Changes in other liabilities	122	26
Changes in the net defined benefit asset/liability	485	(240)
Usable currencies and SDRs from credit to members:		
Purchases, including reserve tranche purchases	(34,030)	(4,527)
Repurchases	8,220	14,610
Interest received and paid:		
Basic charges and surcharges	1,240	1,150
Interest on SDR holdings	241	155
Remuneration of members' reserve tranche positions	(456)	(230)
Interest on borrowings	(177)	(147)
Net usable currencies and SDRs (used in)/provided by operating activities	(25,352)	10,652
Usable currencies and SDRs from investing activities		
Acquisition of property, plant and equipment and intangible assets	(84)	(58)
Transfer of currencies to the Investment Account	(665)	(1,410)
Net usable currencies and SDRs used in investing activities	(749)	(1,468)
Usable currencies and SDRs from financing activities		
Borrowings	—	9
Repayments of borrowings	(6,172)	(9,335)
Quota subscriptions payments in SDRs and usable currencies	—	23
Changes in composition of usable currencies	442	—
Net usable currencies and SDRs used in financing activities	(5,730)	(9,303)
Net decrease in usable currencies and SDR holdings	(31,831)	(119)
Usable currencies and SDR holdings, beginning of year	387,571	387,690
Usable currencies and SDR holdings, end of year	355,740	387,571

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

Notes to the Financial Statements for the Financial Years Ended April 30, 2019, and 2018

1. Nature of operations

The International Monetary Fund (IMF) is an international organization with 189 member countries. The IMF's fundamental mission is to ensure the stability of the international monetary system. It does so in three ways: keeping track of the global economy and the economies of member countries; lending to countries with balance of payments difficulties; and giving practical help to members. It is headquartered in Washington, DC, U.S.A.

The IMF conducts its operations and transactions through the General Department. The General Department comprises three accounts: (i) the General Resources Account (GRA); (ii) the Investment Account (IA); and (iii) the Special Disbursement Account (SDA).

1.1 General Resources Account

The financial operations of the IMF with its members are primarily conducted through the GRA. The assets and liabilities in the GRA reflect the payment of member quota subscriptions, use and repayment of GRA credit, borrowings and repayments, collection of charges from borrowers, payment of remuneration on creditor positions and interest to lenders, and other operations.

A core responsibility of the IMF is to provide financial assistance to member countries experiencing actual or potential balance of payments problems. Upon the request of a member country, GRA resources are made available either under a financing arrangement or in the form of outright purchases (disbursements). An arrangement is a decision by the IMF Executive Board (Executive Board) that gives a member the assurance that the GRA stands ready to provide resources during a specified period and up to a specified amount, in accordance with the terms of the financing instrument.

The Stand-By Arrangement (SBA) is designed for members with medium-term balance of payments problems. The Extended Fund Facility (EFF) is an instrument for members with longer-term balance of payments problems that reflect structural impediments requiring fundamental economic reform. Resources under the SBA and the EFF are made available in phased installments as the member implements economic policies and measures specified under the arrangement.

The Flexible Credit Line (FCL) is available for members with very strong fundamentals, policies, and track records of policy implementation and is intended for crisis prevention and resolution. The Precautionary and Liquidity Line (PLL) is available for members with sound economic fundamentals but with some remaining vulnerabilities that preclude them from using the FCL. The FCL and the PLL provide up-front access to GRA resources.

The financing instrument for outright purchases (disbursements) is the Rapid Financing Instrument (RFI), which is used by members that face an urgent balance of payments need without the need or capacity for a full-fledged program.

1.2 Investment Account

The IA holds resources transferred from the GRA, which are invested to broaden the IMF's income base. The Rules and Regulations of the IA adopted by the Executive Board provide the framework for the implementation of the expanded investment authority authorized under the Fifth Amendment of the Articles of Agreement, which became effective in February 2011. The IA comprises two principal subaccounts: the Fixed-Income Subaccount and the Endowment Subaccount.

The Fixed-Income Subaccount holds resources transferred from the GRA that are not related to profits from gold sales. With a view to generating income while protecting the IMF's balance sheet, the investment objective of the Fixed-Income Subaccount is to produce returns in Special Drawing Rights (SDRs) terms in excess of the three-month SDR interest rate (see Notes 2.1 and 2.2) over time while minimizing the frequency and extent of negative returns and underperformance over an investment horizon of three to four years.

The Endowment Subaccount was credited with SDR 4.4 billion in profits from gold sales during financial years 2010 and 2011. The Endowment Subaccount's investment objective is to achieve a real return of 3 percent in U.S. dollar terms over the long term, consistent with the Endowment Subaccount's general objective to generate investment returns to contribute to covering the IMF's administrative expenditures, while preserving the long-term real value of these assets. The bulk of the assets are managed passively. The actively managed portfolio

represented about 4.4 percent at April 30, 2019, and may grow to up to 10 percent of the Endowment assets.

1.3 Special Disbursement Account

The SDA is the vehicle used to receive profits from the sale of gold held by the IMF at the time of the Second Amendment of the IMF's Articles of Agreement (April 1978). SDA resources can be used for various purposes, as specified in the Articles of Agreement, including transfers to the GRA for immediate use in operations and transactions, transfers to the IA, or operations and transactions that are not authorized by other provisions of the Articles but are consistent with the purposes of the IMF, in particular to provide balance of payments assistance on special terms to low-income member countries.

The SDA currently holds claims related to overdue outstanding loans extended under the Structural Adjustment Facility (SAF). Repayments of principal and interest from SAF loans are transferred from the SDA to the Reserve Account of the Poverty Reduction and Growth Trust (PRG Trust), which is administered separately by the IMF as Trustee.

1.4 Other entities administered by the IMF

The IMF also administers the Special Drawing Rights Department (SDR Department), trusts (Concessional Lending and Debt Relief Trusts), and accounts (Administered Accounts) established to perform financial and technical services consistent with the IMF's purposes. As the General Department does not have control over these entities, their financial statements are presented separately.

The resources of the SDR Department are held separately from the assets of all the other accounts owned or administered by the IMF. As specified in the IMF's Articles of Agreement, these resources may not be used to meet the liabilities, obligations, or losses incurred in the operations of the General Department (or vice versa), except that expenses of conducting the business of the SDR Department are paid by the General Department and are then reimbursed by the SDR Department.

The resources of the trusts and accounts are contributed by members, by other financial institutions, or by the IMF through the SDA. The assets and liabilities of the trusts and accounts are separate from the assets and liabilities of the General Department. The assets of the trusts and accounts cannot be used to meet the liabilities, obligations, or losses incurred in the operations of the General Department. The General Department is reimbursed for the expenses incurred in conducting the business of certain trusts and accounts in accordance with the IMF's Articles of Agreement and relevant decisions of the Executive Board.

2. Basis of preparation and measurement

The financial statements of the General Department are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments at fair value through profit or loss.

2.1 Unit of account

The financial statements are presented in SDRs, which is the IMF's unit of account. The value of the SDR is determined daily by the IMF by summing specific amounts of the basket currencies in U.S. dollar equivalents on the basis of market exchange rates. The IMF reviews the composition of the SDR valuation basket at a minimum of five-year intervals. The last review was completed in November 2015, and the specific amounts of the currencies in the basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
U.S. dollar	0.58252

At April 30, 2019, 1 SDR was equal to US\$1.38576 (US\$1.43806 at April 30, 2018).

The next review of the method of valuation of the SDR will take place by September 30, 2021, unless developments in the interim justify an earlier review.

2.2 SDR interest rate

The SDR interest rate provides the basis for basic charges levied on credit outstanding (see Note 17), interest on SDR holdings (Note 6), remuneration paid on members' reserve tranche positions (Note 18), and interest on borrowings (Note 14).

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the members whose currencies are included in the SDR valuation basket:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
U.S. dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places.

The average SDR interest rate was 1.036 percent per annum and 0.676 percent per annum during the financial years ended April 30, 2019, and 2018, respectively.

2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The most significant estimates and judgements used in applying accounting policies include expected credit losses measurement for credit outstanding (see Notes 3.2.1.1 and 5.1), fair value measurement of financial instruments (see Notes 3.11 and 8), and actuarial assumptions used in calculating the net defined benefit asset/liability (see Note 11.3).

3. Summary of significant accounting policies

3.1 Financial instruments

IFRS 9, "Financial Instruments", as issued by the IASB in July 2014 was adopted with a date of initial application of May 1, 2018. The requirements of IFRS 9 represent a significant change from the standard it superseded, International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement". See Note 3.12 for the effect of IFRS 9 adoption.

Measurement at initial recognition

Financial instruments are recognized when the General Department becomes a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount.

Derecognition

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the General Department transfers substantially all the risks and rewards of ownership, or (ii) the General Department neither transfers nor retains substantially all the risks and rewards of ownership and the General Department has not retained control. Financial liabilities are derecognized when they are extinguished (i.e., when the obligation specified in the contract is discharged, canceled, or expires).

Classification and subsequent measurement of financial assets

A financial asset is classified on initial recognition based on two factors: the business model for managing the financial asset and its contractual cash flow characteristics.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost (AC). Interest income from these financial assets is included in the statements of comprehensive income using the effective interest method. Any gain or loss arising on derecognition is recognized in the statements of comprehensive income.

Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, would be measured at fair value through other comprehensive income (FVOCI). The General Department did not have financial assets at FVOCI during the financial years ended April 30, 2019, and 2018.

All other financial assets that do not meet the criteria to be measured at AC or FVOCI are measured at fair value, with changes in fair value recognized in profit or loss (FVPL).

Impairment

At each reporting date, the General Department assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets at AC and with the undrawn commitments under its financing arrangements for members. The measurement of ECL reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (ii) the time value of money; and (iii) reasonable and supportable information that

is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

If ECL needed to be recognized, they would be recorded as impairment allowances for assets at AC and as a liability provision for undrawn commitments.

Should any financial asset become credit-impaired, interest income would be calculated for it by applying the effective interest rate to its amortized cost (i.e., net of the impairment allowance).

Classification and subsequent measurement of financial liabilities

Derivative financial liabilities are measured at fair value with changes in fair value recognized in profit or loss.

All other financial liabilities are measured at amortized cost. Interest expense from these financial liabilities is included in the statements of comprehensive income using the effective interest method.

3.2 Financial assets

3.2.1 Currencies

Currencies are financial assets that consist of members' currencies held by the GRA with the designated depositories, in the form of account balances or non-interest-bearing promissory notes that are encashable by the GRA on demand. All currencies in the GRA are classified at AC.

- Usable currencies are currencies of members considered to be in a sufficiently strong external position that they can be used to finance GRA transactions with other members.
- Currencies of members that are not considered to have a sufficiently strong balance of payments and reserves position to finance GRA transactions with other members are presented as other currencies.
- Holdings of member currencies that represent purchases of usable currencies or SDRs in exchange for their own currencies are presented as credit outstanding (see Note 3.2.1.1).

The currency balances in the statements of financial position include receivables and payables arising from the currency revaluations (see Note 5).

3.2.1.1 Credit outstanding and charges

Credit outstanding is a financial asset that represents financing provided to members under the various GRA financing facilities. Members receive financing in the GRA by purchasing SDRs or usable currencies in exchange for their own currencies. GRA credit is repaid by members by repurchasing holdings of their currencies in exchange for SDRs or usable currencies.

Charges and fees

The GRA earns interest, referred to as basic charges, on members' use of GRA credit (see Note 17). Basic charges are recognized using the effective interest method.

In addition to basic charges, outstanding GRA credit is also subject to level- and time-based surcharges (see Note 17). Surcharges are recognized when the relevant level- and time-based thresholds set by the Executive Board are reached.

Charges not received from members within the required timeframe are recovered by the GRA under the burden sharing mechanism, through adjustments to increase the rate of charge for debtor members and decrease the rate of remuneration on members' reserve tranche positions (see Note 13).

A service charge is levied by the GRA on all purchases except reserve tranche purchases. Service charges are paid when the purchases are made and are recognized as income upon payment.

A commitment fee is levied on the amount available for financing under an arrangement for each 12-month period. Commitment fees are refunded as the member makes purchases under the arrangement. At the arrangement's expiration or cancellation, any unrefunded amount is recognized as income. Pending refund or recognition as income, commitment fees are recognized as part of other liabilities in the statements of financial position.

Impairment of credit outstanding

The General Department's application of the impairment requirements of IFRS 9 is grounded in the context of the nature of the IMF's financing and its unique institutional status:

- The IMF has a unique relationship with its member countries, all of which are shareholders in the institution.
- IMF financing is linked to regular reviews of performance under a program of economic policies that the member commits to in order to overcome balance of payments problems, return to external viability, and repay the IMF.
- The IMF employs a comprehensive set of measures to mitigate credit risk (see Note 4.2.1).
- The IMF also has de facto preferred creditor status, which has been recognized by the official community and generally accepted by private creditors.

Taken together, these factors significantly reduce the likelihood of the General Department incurring credit losses.

The General Department has not recognized any impairment losses since inception. Also, unlike large financial institutions

in the private sector, the General Department's credit portfolio consists of a relatively small number of exposures to its member countries, with each member's circumstances varying. Therefore, a statistical approach to credit risk assessment, such as probability of default (PD) and loss given default (LGD) modeling, as typically followed in the financial sector is neither feasible nor appropriate for the General Department.

Similarly, the assessment of the General Department's credit risk cannot rely on external credit risk ratings. Due to its unique characteristics, the IMF's credit risk exposure is not comparable to sovereign credit risk faced by commercial financial entities and, as a cooperative member organization, the IMF does not produce its own internal credit rating grades. Accordingly, credit risk for the General Department is assessed holistically based on qualitative and quantitative considerations pertaining to each debtor member, such as the status of the economic programs underlying IMF financing, the member's cooperation on policy implementation and timely settlement of IMF financial obligations, and forward-looking assessment of the member's capacity to repay.

The General Department has developed a model for ECL estimation based on changes in credit quality since initial recognition where credit quality is referred to as Stage 1, Stage 2, and Stage 3. Credit outstanding for which credit risk has increased significantly since initial recognition (Stage 2), or that is credit-impaired (Stage 3), has its ECL measured on a lifetime basis. Credit outstanding for which there was no significant increase in credit risk since initial recognition (Stage 1) has its ECL measured as a portion of lifetime ECL that result from default events possible within the next 12 months.

The key judgements and assumptions adopted by the General Department in the measurement of ECL are discussed below:

(i) Definition of default and credit-impaired

For the purposes of application of IFRS 9, the General Department considers a member country to be in default when it is six months or more overdue in settling its financial obligations to the General Department. This rebuts the presumption in IFRS 9 that default does not occur later than 90 days past due, reflecting the nature of the IMF's financing and its unique institutional status, as well as consistency with the threshold for internal risk management purposes. Credit outstanding is considered credit-impaired when the obligation has defaulted.

(ii) Significant increase in credit risk

The General Department assesses whether a significant increase in credit risk has occurred on a member-by-member

basis by comparing the risk of default at the reporting date to the risk of default at the date of the most recent disbursement to the debtor member. The assessment is performed on each reporting date and takes into account a range of qualitative and quantitative criteria, including overdue obligations to the IMF, signals of non-cooperation by the member, and forward-looking indicators of capacity to repay the IMF. The criteria used to identify significant increases in credit risk are monitored and reviewed for appropriateness at least annually.

The assessment does not rely on any single factor and may, on the basis of other relevant considerations, rebut the presumption that credit risk has increased significantly when contractual payments are more than 30 days past due. During the financial years ended April 30, 2019, and 2018, the General Department did not have any debtor member more than 30 days past due, except for the members in protracted arrears (see Note 5.2).

(iii) Low credit risk

The General Department assumes that the credit risk of a member country has not increased significantly since initial recognition if the member is determined to have low credit risk at the reporting date.

Credit risk related to the General Department's exposure to a member country is considered low if: (i) it has a low risk of default; (ii) the member country has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the member country to fulfill its contractual cash flow obligations.

(iv) Measuring ECL

ECL are determined by comparing expected cash flows with contractual cash flows, and discounting the expected cash shortfalls at the effective interest rate, which is the basic rate of charge. ECL are estimated by assessing a range of possible outcomes in light of expected future economic conditions, weighted according to the assessed probability of each outcome. This entails considerable judgement and uncertainty about the estimates.

For the purpose of ECL measurement, financial safeguards that are integral to the IMF's financial structure and operations are also considered, such as the burden sharing mechanism to compensate the IMF for loss of income due to overdue payments (see Note 13).

Write-off

In the unlikely event that a member with credit outstanding withdraws from the Fund, repudiates its outstanding obligations to the Fund, and no prospects of recovering

amounts due to the Fund remain in the foreseeable future, the Fund would recognize the ultimate loss and the withdrawn member's credit outstanding to the General Department would be written off.

3.2.2 SDR holdings

SDR holdings represent SDRs held by the GRA (see Note 6). SDR holdings are measured at AC.

Interest on SDR holdings is recognized using the effective interest method.

3.2.3 Investments

Investments are financial assets that include equity securities, fixed-income securities, real estate investment trusts (REITs), short-term investments, fixed-term deposits, and derivative assets. Derivative liabilities are disclosed as part of other liabilities in the statements of financial position.

Investments in each of the two subaccounts are managed in accordance with the respective investment strategy (see Note 7) and their performance is evaluated on a fair value basis. The business model for the invested portfolios focuses on achieving fair value gains as opposed to collecting contractual cash flows. Accordingly, these securities are classified at FVPL. Funds pending suitable investment in accordance with the investment strategy may be kept in fixed-term deposits, which are measured at amortized cost.

Purchases and sales of investments are recognized on the trade date. The corresponding investment trades receivable or payable are recognized in other assets and other liabilities, respectively, pending settlement of a transaction.

Investment income comprises interest income on investments at AC, interest and dividend income, and realized and unrealized gains and losses from FVPL investments, including currency valuation differences arising from exchange rate movements against the SDR, net of all trading-related fees and commissions.

Interest income from investments is recognized using the effective interest method. Dividend income is recognized based on the ex-dividend date.

3.3 Cash and cash equivalents

Usable currencies and SDR holdings are considered cash and cash equivalents in the statements of cash flows.

3.4 Gold holdings

Gold holdings (acquired prior to the Second Amendment of the Articles of Agreement in April 1978) are carried at historical cost using the specific identification method. The carrying value is determined by the restrictions on the use of the IMF's gold holdings and the disposition of profits from the

sale of gold. In accordance with the provisions of the Articles of Agreement, whenever the IMF sells gold that was held on the date of the effectiveness of the Second Amendment of the Articles, that portion of the proceeds equal to the historical cost must be placed in the GRA. Any proceeds in excess of the historical cost will be held in the SDA or transferred to the Endowment Subaccount of the IA (see Note 9). The IMF may also sell such gold holdings to those members that were members on August 1, 1975, in exchange for their currencies and at a price equal to the historical cost.

3.5 Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets are measured at cost less accumulated depreciation or amortization. Property, plant and equipment and intangible assets are capitalized and depreciated or amortized over the estimated remaining useful lives using the straight-line method. Buildings are depreciated over 30 years and other property, plant and equipment over three to 20 years. Leasehold improvements are depreciated over the term of the lease agreement. Software is amortized over three to five years.

3.6 Leases

The IMF has entered into operating lease agreements as a lessor and lessee. As a lessee, all the risks and benefits of ownership are retained by the lessor. Payments made under operating leases are recognized as an expense on a straight-line basis over the period of the lease. As a lessor, the IMF retains the leased assets in the statements of financial position and recognizes lease income on a straight-line basis over the period of the lease.

3.7 Post-employment benefits

The IMF sponsors various post-employment benefit plans for its employees, which include defined benefit and other post-employment benefits such as medical and life insurance benefits.

The net defined benefit liability or asset recognized in the statements of financial position is the present value of the defined benefit obligation less the fair value of the plan assets. Changes resulting from remeasurements are reported in other comprehensive income. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on high-quality corporate bonds using the projected unit credit method.

Net periodic pension cost includes service cost and net interest cost on the net defined benefit liability.

3.8 Financial liabilities

3.8.1 Special Contingent Account

The General Department has accumulated precautionary balances against possible credit default in the Special Contingent Account (SCA-1) under the burden sharing mechanism (see Note 13). Balances in the SCA-1 are akin to refundable non-interest-bearing deposits.

3.8.2 Borrowings

Borrowings are financial liabilities that represent financing received under the various borrowing arrangements (see Note 14).

Interest expense on borrowings is calculated by applying the effective interest method.

3.8.3 Quota subscriptions

Members' quota subscriptions are financial liabilities that represent subscription payments by members, including payments as a result of quota increases (see Note 15). An increase in quota subscription for an existing member becomes effective when the member consents to the quota increase and makes the actual payment (provided that any other requirements for the effectiveness of specific quota increase are met), and is recorded in the financial statements on the payment date. Typically, a quarter of a member's quota subscription (reserve asset portion) is paid either in SDRs or in the currencies of other members specified by the IMF, or in any combination of SDRs and such currencies, and the remainder is paid in the member's own currency.

Quota subscriptions are classified as liabilities in the statements of financial position, as they embody an unconditional repayment obligation in the case of a member's withdrawal from the IMF.

3.8.3.1 Reserve tranche positions and remuneration

In exchange for the reserve asset portion of its quota subscription payment, and from the use of the member's currency in the GRA's transactions or operations, a member acquires a reserve tranche position in the GRA. The reserve tranche is determined as the difference between the member's quota subscription and the GRA's holdings of its currency, excluding holdings that reflect the member's use of GRA credit and administrative balances (see Note 15). A member's reserve tranche is also considered a part of its international reserves and a liquid claim against the GRA that can be encashed by the member at any time upon the representation of a balance of payments need.

The GRA pays interest, referred to as remuneration, on a remunerated portion of the member's reserve tranche position (see Note 18). Remuneration expense is recognized on an accrual basis.

3.9 Provisions

Provisions in accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets", are recognized when the IMF has a current legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are measured at the present value of the amounts that are expected to be paid to settle the obligations.

3.10 Foreign currency translation

Transactions denominated in currencies and not in SDRs are recorded at the rate of exchange on the date of the transaction. Assets and liabilities denominated in other currencies are reported using the SDR exchange rate on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those at the originating date of the transactions are included in the determination of total comprehensive income.

3.11 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

A three-level fair value hierarchy is used to determine fair value under which financial instruments are categorized based on the priority of the inputs to the valuation technique. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When the inputs used to measure the fair value of an asset or liability fall within multiple levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest-level input that is significant to the fair value measurement of the instrument in its entirety. Thus, a Level 3 fair value measurement may include inputs that are both observable and unobservable.

The valuation techniques used to determine fair value are described in Note 8.

3.12 New IFRS that became effective in the financial year ended April 30, 2019

3.12.1 IFRS 9, "Financial Instruments"

IFRS 9, "Financial Instruments", which replaces IAS 39, "Financial Instruments: Recognition and Measurement", is effective for annual periods starting on or after January 1, 2018, and was adopted on May 1, 2018. The requirements of IFRS 9 represent a significant change from IAS 39.

Classification and measurement

IFRS 9 requires financial assets to be classified at FVPL, FVOCI, or AC based on the entity's business model for managing the assets and their contractual cash flow characteristics. Financial liabilities are classified and measured at AC or FVPL (see Note 3.1).

The General Department has performed a detailed analysis of its business models for managing financial instruments and of their cash flow characteristics. The carrying amounts and measurement categories of financial assets and liabilities in accordance with IAS 39 and IFRS 9 at May 1, 2018 are as follows:

	Carrying amount	Measurement category	
	(in millions of SDRs)	IAS 39	IFRS 9
Financial assets:			
Usable currencies	361,099		AC
Credit outstanding	37,884		AC
Other currencies	67,804		AC
SDR holdings	26,472		AC
Investments (fixed-term deposits)	2,322		AC
Investments (short-term investments)	376	AC	FVPL
Investments (derivative assets)	55		FVPL
Investments (other than fixed-term deposits, short-term investments, and derivative assets)	18,076		FVPL ¹
Other financial assets	532		AC
Financial liabilities:			
Special Contingent Account	1,188		AC
Borrowings	19,823		AC
Derivative liabilities	39		FVPL
Other financial liabilities	657		AC
Quota subscriptions	475,473		AC

¹ FVPL IAS 39 classification was designated, while IFRS 9 classification is mandatory.

As a part of the transition to IFRS 9, short-term investments of SDR 376 million were classified as FVPL in accordance with the business model for managing the invested portfolio as a whole. Previously such securities were classified at AC. The change in measurement category did not have an impact on the carrying amount of the instruments.

Impairment

IFRS 9 introduces a revised impairment model, which requires entities to recognize expected credit losses based on reasonable and available information about past periods, current circumstances, and forward-looking information that indicates the possibility of such losses. This model replaced the previous impairment model under which impairment was recognized only if a loss had already been incurred.

The General Department adapted its approach to assessing credit risk to comply with the revised impairment model under IFRS 9 (see Note 3.2.1.1).

Application of IFRS 9 impairment requirements to prior periods did not result in adjustments to the amounts previously recognized in the financial statements. No impairment had been recognized in accordance with IAS 39 at April 30, 2018. Similarly, no impairment had been recognized in accordance with IFRS 9 at May 1, 2018.

Other changes

IFRS 9 introduces amendments to a number of other standards, most notably IFRS 7, "Financial Instruments: Disclosures", and IAS 1, "Presentation of Financial Statements".

Application of IFRS 9 amendments to other standards resulted in presentational changes to the General Department's statements of comprehensive income necessary to comply with the new requirement in IAS 1 to disclose separately in the statements of comprehensive income interest income calculated using the effective interest method:

- "Surcharges" and "Basic charges" are now presented as separate lines in the statements of comprehensive income, whereas previously they were grouped in "Charges" and disclosed separately in the notes to the financial statements.
- Burden sharing adjustment to remuneration is now grouped with "Basic charges" in the statements of comprehensive income, whereas previously it was netted against "Remuneration". As a result of this presentational change, the basic charges and the remuneration expense for the year ended April 30, 2018 have both increased by SDR 2 million.

In addition, the following presentational change was made as at April 30, 2018 to better illustrate the nature of the derivative financial instruments:

- Derivative assets are now presented in the “Investments” line of the statements of financial position, while previously they were grouped with “Other assets”. As a result of this change in presentation, the investments have increased and other assets have decreased by SDR 55 million as at April 30, 2018.

Transition to IFRS 9 adoption

Changes in accounting policies and presentation resulting from the adoption of IFRS 9 have been applied retrospectively. The consequential amendments to IFRS 7 disclosures have also been applied to all periods presented.

3.12.2 IFRS 15, “Revenue from Contracts with Customers”

IFRS 15, “Revenue from Contracts with Customers”, is effective for annual periods starting on or after January 1, 2018, and was adopted by the General Department on May 1, 2018. IFRS 15 provides a principles-based approach for revenue recognition that applies to all contracts with customers except those related to financial instruments, leases, and insurance contracts. It requires an entity to recognize revenue as performance obligations are satisfied.

Adoption of IFRS 15 had no material effect on the financial statements of the General Department.

3.13 New standards and amendments to existing standards effective in future years

The following new standards and amendments to existing standards issued by the IASB will become effective in future financial years:

IFRS 16, “Leases”, which replaced IAS 17, “Leases”, was issued in January 2016 and is effective for annual periods starting on or after January 1, 2019. IFRS 16 will be adopted by the General Department for the financial year ending April 30, 2020. The standard requires lessees to recognize a “right-of-use asset” and a lease liability reflecting future lease payments for all but short-term leases and leases of low-value assets. The adoption of IFRS 16 is not expected to have a material effect on the General Department’s financial statements.

Amendments to IAS 19, “Employee Benefits”, issued in February 2018 are effective for annual periods starting on or after January 1, 2019. They will be adopted by the General Department for the financial year ending April 30, 2020. The amendments are not expected to have a material effect on the financial statements of the General Department.

4. Financial risk management

The General Department is exposed to various types of operational and financial risks, including credit, market, and liquidity risks.

4.1 Risk management framework

By virtue of its role established through the Articles of Agreement, the IMF faces a range of financial and nonfinancial risks. The Executive Board has approved a risk acceptance statement guiding risk acceptance and assessment across the IMF’s activities. The IMF has adopted the three lines of defense model for risk management.

- Risks inherent in day-to-day operations are mitigated by establishing and maintaining a system of internal controls.
- A risk management function is responsible for developing and maintaining the risk management framework, fostering the development of risk management tools, and reporting on the General Department’s overall risk profile, highlighting areas where additional mitigation efforts are needed.
- An internal audit function is responsible for providing an independent assessment of the effectiveness of governance and internal control processes.

Oversight is provided by committees established to monitor and make decisions in specific risk areas, which supports the cycle of risk assessment, ownership, and mitigation vis-à-vis risk acceptance.

4.2 Financial assets and liabilities other than investments

Financial assets and liabilities other than investments are exposed to credit, market, and liquidity risks.

4.2.1 Credit risk on financial assets and liabilities other than investments

Credit risk is the risk of suffering financial losses, should any of the IMF’s members or counterparties fail to fulfill their financial obligations to the General Department. Credit risk arises on credit outstanding and undrawn committed amounts under approved financing arrangements.

Credit risk is inherent in the IMF’s unique role in the international monetary system because the IMF has limited ability to diversify its credit portfolio and generally provides financing when other sources of credit are not available to a member. In addition, the IMF’s credit concentration is generally high due to the nature of the financial assistance provided to its member countries.

Measures to help mitigate the IMF’s credit risk include program design and conditionality, which serve to help member countries solve their balance of payments problems

within the period of an IMF-supported program and to provide the needed assurances that the member will be able to repay the IMF. Other risk mitigating policies include access limits, monitoring and post-program monitoring, surcharge policies, preventive and remedial measures for dealing with overdue financial obligations, and the burden sharing mechanism (see Note 13).

The IMF has established limits on overall access to resources in the GRA, except for the FCL arrangements. The annual limit is currently set at 145 percent of a member's quota, with a cumulative limit of 435 percent of a member's quota (net of scheduled repurchases). Access in excess of these limits is granted in exceptional circumstances. Except for PLL arrangements, there is no pre-specified maximum on exceptional access to IMF resources, which is assessed on a case-by-case basis in accordance with the policy framework on exceptional access. The IMF assesses factors such as the size of balance of payments needs, the member's debt sustainability and its ability to regain access to financing from other sources, and the strength of policies to be adopted. There was one arrangement with exceptional access approved during the financial year ended April 30, 2019 (none during the financial year ended April 30, 2018).

FCL arrangements are not subject to any access limits. PLL arrangements have a cumulative access limit of 500 percent of quota (net of scheduled repurchases). Access under a six-month PLL arrangement is subject to a limit of 125 percent of quota. In exceptional circumstances where a member is experiencing or has the potential to experience larger short-term balance of payments needs due to the impact of exogenous shocks, including heightened regional or global stress conditions, access is subject to a higher limit of 250 percent of quota.

Disbursements under GRA arrangements are made in tranches and are subject to conditionality in the form of performance criteria, structural benchmarks, and prior actions.

In addition, the IMF has adopted a safeguards policy to mitigate the risk of misuse of resources and a misreporting policy to deal with incorrect reporting of data or performance against any conditions under an IMF-supported program. Safeguards assessments of member central banks are undertaken to provide the IMF with reasonable assurance that the central bank's legal structure, governance, control, reporting, and auditing systems are adequate to maintain the integrity of its operations and to manage resources, including IMF disbursements. When IMF resources are provided as direct budget financing to the government, the safeguards policy also requires that IMF disbursements be deposited at the central bank, and that an appropriate framework agreement between the central bank and the government be

in place to ensure timely servicing of the member's financial obligations to the IMF. Further, a fiscal safeguards review of a state treasury is required for cases where a member requests exceptional access, and at least 25 percent of IMF funds are expected to be used for direct budget financing.

The maximum credit risk exposure is the carrying value of the IMF's credit outstanding and undrawn commitments.

4.2.1.1 Credit outstanding

Credit outstanding comprised SDR 63,694 million and SDR 37,884 million at April 30, 2019, and 2018, respectively (see Note 5). The concentration of GRA outstanding credit by region was as follows:

	April 30, 2019		April 30, 2018	
	<i>(in millions of SDRs and as a percentage of total GRA credit outstanding)</i>			
Africa	1,329	2.1%	347	0.9%
Asia and Pacific	878	1.4%	651	1.7%
Europe	16,496	25.9%	22,447	59.3%
Middle East and Central Asia	15,651	24.5%	13,572	35.8%
Western Hemisphere	29,340	46.1%	867	2.3%
Total	63,694	100.0%	37,884	100.0%

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

	April 30, 2019		April 30, 2018	
	(in millions of SDRs and as a percentage of total GRA credit outstanding)			
Largest user of credit	28,014	44.0%	9,041	23.9%
Three largest users of credit	43,266	67.9%	21,554	56.9%
Five largest users of credit	54,582	85.7%	29,715	78.4%

The five largest users of GRA credit at April 30, 2019, in descending order, were Argentina, Ukraine, Greece, Egypt, and Pakistan (Greece, Ukraine, Pakistan, Egypt, and Portugal at April 30, 2018).

4.2.1.2 Undrawn commitments

Undrawn commitments under GRA arrangements comprised SDR 90,368 million and SDR 91,446 million at April 30, 2019, and 2018, respectively, and were represented as follows (see Schedule 3):

	April 30, 2019		April 30, 2018	
	<i>(number of arrangements and undrawn commitment amount in millions of SDRs)</i>			
Credit tranches:				
SBA	4	18,032	3	4,241
FCL	2	61,324	2	70,569
PLL	1	2,151	1	2,504
EFF	13	8,861	11	14,132
Total	20	90,368	17	91,446

4.2.2 Market risk on financial assets and liabilities other than investments

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk for financial assets and liabilities other than investments includes interest rate risk and exchange rate risk.

4.2.2.1 Interest rate risk

Interest rate risk is the risk that future net cash flows will fluctuate because of changes in market interest rates. All interest-bearing financial instruments other than investments of the General Department accrue interest either at the SDR interest rate or at a rate that is linked to the SDR interest rate (see Note 2.2). Interest rate risk is primarily managed by linking the rate of charge directly, by means of a fixed margin, to the cost of financing (which is equal to the SDR interest rate).

4.2.2.2 Exchange rate risk

Exchange rate risk is the risk that the General Department's financial position and cash flows will be affected by fluctuations in foreign currency exchange rates.

- The General Department has no exchange rate risk exposure on its holdings of members' currencies in the GRA, because the members are maintaining the value of such holdings in SDR terms (see Note 5).
- The General Department has other assets and liabilities denominated in currencies other than SDRs, and makes administrative payments largely in U.S. dollars, but the exchange rate risk exposure associated with these activities is limited.
- The General Department has no exchange rate exposure from its current borrowing arrangements because all drawings are denominated in SDRs.

4.2.3 Liquidity risk on financial assets and liabilities other than investments

Liquidity risk is the risk to the General Department of non-availability of resources to meet the financing needs of members and its own obligations. The IMF must have usable resources available to meet members' demand for IMF financing. While the IMF's resources are largely of a revolving nature, uncertainties in the timing and amount of credit extended to members during financial crises expose the IMF to liquidity risk. Moreover, the IMF must also stand ready to provide resources for unexpected needs, for example, to (i) meet, upon a member's representation of need, potential demands for a drawing on the member's reserve tranche position and (ii) authorize drawings to meet demands for encashment of creditor claims under the New Arrangements to Borrow (NAB) or bilateral borrowing agreements (see Note 14).

The IMF manages its liquidity risk by closely scrutinizing developments in its liquidity position. The IMF's main liquidity measure—Forward Commitment Capacity (FCC)—represents the IMF's capacity to make new GRA resources available to its members (see Schedule 2).

Long-term liquidity needs are addressed by reviewing the adequacy of quota-based resources. General reviews of members' quotas are conducted at intervals of no more than five years to evaluate the adequacy of quota-based resources to meet members' demand for IMF financing. The IMF may also borrow to supplement its quota resources (see Note 14).

Short-term liquidity needs for financing activities are reviewed and approved by the Executive Board on a periodic basis through a financial transactions plan for quota resources, and the resource mobilization plan for borrowed resources.

4.2.3.1 Maturity profile of financial assets and liabilities other than investments

Depending on the type of financing instrument, repurchase periods for GRA credit vary from 3¼ to 10 years. Scheduled and overdue repurchases of outstanding GRA credit are summarized below:

Financial year	April 30, 2019	April 30, 2018
	(in millions of SDRs)	
2019	—	4,358
2020	4,869	4,869
2021	4,578	4,578
2022	10,797	7,188
2023	19,410	5,785
2024	13,315	4,378
2025 and beyond	10,476	6,479
Overdue	249	249
Total	63,694	37,884

In addition, SDR 9 million in overdue repayments of SAF loans in the SDA are included in other assets (see Note 12).

Repayments of outstanding borrowings are determined according to the schedule of repurchases of credit that was financed by borrowed resources. They also take into account the maximum maturities of outstanding borrowings. Maximum maturities range from 5 to 10 years. Scheduled repayments of outstanding borrowings are summarized below:

Financial year	April 30, 2019	April 30, 2018
	(in millions of SDRs)	
2019	—	3,196
2020	3,391	3,391
2021	2,800	2,800
2022	2,768	4,423
2023	2,553	3,352
2024	1,969	2,407
2025 and beyond	170	254
Total	13,651	19,823

Future interest on borrowings calculated at the SDR interest rate as at April 30, 2019 represents SDR 135 million for the financial year ending April 30, 2020. Thereafter, a total of SDR 221 million will be paid through the last repayment date.

Usable and other currencies, SDR holdings, and quota subscriptions do not have maturity dates.

4.3 Investments

Investments are exposed to credit and market risks.

4.3.1 Credit risk on investments

Credit risk on investments represents the potential loss if issuers and counterparties were to default on their contractual obligations.

Credit risk in the IA is minimized by limiting fixed-income investments to financial instruments with a credit rating equivalent to at least A (based on Standard & Poor's

long-term rating scale) for the Fixed-Income Subaccount, and at least BBB+ for sovereign bonds and BBB– for corporate bonds for the Endowment Subaccount, except for instruments issued by the Bank for International Settlements (BIS), which does not have a credit rating, central bank deposits, and short-term instruments. Minor holdings of corporate bonds of lower quality could be held by the managers if their credit rating has decreased below BBB– subsequent to the acquisition. See Notes 7.1 and 7.2 for eligible investment classes for the Fixed-Income and Endowment Subaccounts, respectively. Counterparty risk for derivative instruments is mitigated by strict exposure limits, credit rating requirements, and collateral requirements.

The carrying amount of the fixed-income securities represents the maximum exposure to credit risk. The maximum exposure to credit risk for derivative instruments is the amount of any unrealized gains on such contracts.

The credit risk exposure for fixed-term instruments in the IA was as follows:

Fixed-Income Subaccount		
	April 30, 2019	April 30, 2018
	(as a percentage of total investments in fixed-income securities)	
Not rated (BIS)	39.3%	41.0%
AAA	16.4%	17.4%
AA+ to AA–	24.7%	21.9%
A+ to A	19.6%	19.7%
Total	100.0%	100.0%

The credit risk exposure for derivative instruments in the Fixed-Income Subaccount amounted to SDR 14 million and SDR 20 million at April 30, 2019, and 2018, respectively.

Endowment Subaccount		
	April 30, 2019	April 30, 2018
	(as a percentage of total investments in fixed-income securities)	
Not rated (BIS)	—	3.4%
AAA	6.1%	9.2%
AA+ to AA–	56.5%	48.6%
A+ to A–	23.3%	22.4%
BBB+ to BBB–	14.0%	16.4%
BB+	0.1%	—
Total	100.0%	100.0%

The credit risk exposure for derivative instruments in the Endowment Subaccount amounted to SDR 8 million and SDR 35 million at April 30, 2019, and 2018, respectively.

4.3.2 Market risk on investments

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk for investments includes interest rate risk, exchange rate risk, and other price risks.

The investment objectives of the Fixed-Income and Endowment Subaccounts differ, and the investment strategies, including asset allocation and risk tolerance, are tailored for each of the subaccounts, thereby exposing them to different types of market risk.

4.3.2.1 Fixed-Income Subaccount

The Fixed-Income Subaccount holds debt obligations of a broad range of issuers within limits defined by the Rules and Regulations of the IA (see Note 7.1 for the eligible investments). Market risk is mitigated through asset class diversification and within asset classes through broad security selection.

The Fixed-Income Subaccount authorizes the use of derivative instruments for managing interest rate risk, currency hedging, or reducing costs in the context of portfolio balancing, benchmark replication, and market access.

Exchange rate risk is mitigated by hedging investments denominated in non-SDR currencies into SDR basket currencies with the objective of preserving the Fixed-Income Subaccount's SDR basket composition.

4.3.2.2 Endowment Subaccount

For the passively managed portion of the portfolio, investments are divided into seven categories, which are subject to varying market risks and benefits from diversification properties (see Note 7.2 for the eligible investments). For the actively managed portion of the portfolio, the Rules and Regulations of the IA establish a bond/equity allocation, but no strategic asset allocation is set for the subcomponents of these two broad asset classes. Market risk is mitigated through asset class diversification and within asset classes through broad security selection.

The passively managed portion of the Endowment Subaccount authorizes derivative instruments for managing interest rate risk, currency hedging, or to reduce costs in the context of portfolio balancing, benchmark replication, and market access. The actively managed portion of the Endowment Subaccount permits wider use of derivative instruments, but subject to risk control parameters.

Because the IMF's administrative expenditures are largely in U.S. dollars and the Endowment Subaccount's general objective is to contribute to covering such expenditures (see Note 1.2), the performance of the Endowment Subaccount is measured in U.S. dollars as the base currency but reported

in SDRs. For the passively managed portion of the Endowment Subaccount, the Rules and Regulations of the IA provide for hedging against the exchange rate risk for fixed-income instruments denominated in developed market currencies vis-à-vis the U.S. dollar. For the actively managed portion, the managers have the discretion to hedge exchange rate risks. The valuation changes from the exchange rate fluctuations are included in the determination of investment income.

4.3.2.3 Value at Risk

Exposures to market risk, including interest rate, exchange rate, and other price risks, are measured using value at risk (VaR), which considers not only known market risks in each of the asset categories but also the effect of asset class diversification. The VaR estimates reported below represent the maximum potential loss in value of the assets over the next year due to adverse market movements with a 95 percent confidence level. Conversely, there is a 1 in 20 chance that annual losses on investment assets would be expected to equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

VaR models are based predominantly on historical simulations and provide plausible future scenarios based on these simulations. There is no standard methodology for estimating VaR, and the modeling of the market risk characteristics of the investments involves many assumptions and approximations. Different assumptions or approximations could produce significantly different VaR estimates.

The VaR for the Fixed-Income Subaccount portfolio was as follows:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Tranche 1 (see Note 7)	64	54
Tranche 2 (see Note 7)	39	23
Diversification effects	(39)	(27)
Total Fixed-Income Subaccount	64	50

The VaR for the Endowment Subaccount portfolio was as follows:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Passively managed portfolio:		
Developed market equities	276	312
Emerging market equities	108	79
Developed market sovereign bonds	59	70
Developed market corporate bonds	54	53
Emerging market bonds	20	43
Inflation-linked bonds	67	59
Real estate investment trusts	57	48
Diversification effects	(203)	(170)
Total for passively managed portfolio	438	494
Actively managed portfolio:		
Fixed-income securities	10	6
Equity securities	18	9
Diversification effects	(8)	(4)
Total for actively managed portfolio	20	11
Total Endowment Subaccount	458	505

4.3.3 Maturity profile of investments

The maturities of the fixed-income securities and derivatives in the Fixed-Income Subaccount were as follows:

	April 30, 2019	April 30, 2018
Financial year	<i>(in millions of SDRs)</i>	
2019	—	10,120
2020	8,665	2,312
2021	3,392	1,314
2022	2,007	868
2023	1,134	691
2024	754	338
2025 and beyond	576	85
Total	16,528	15,728

The maturities of the fixed-income securities and derivatives in the Endowment Subaccount were as follows:

	April 30, 2019	April 30, 2018
Financial year	<i>(in millions of SDRs)</i>	
2019	—	268
2020	236	359
2021	380	336
2022	406	321
2023	395	321
2024	371	223
2025 and beyond	1,572	1,478
Total	3,360	3,306

Investments in both subaccounts represent liquid investments, which could be sold earlier than their maturity, whenever necessary.

4.4 Post-employment benefit plans

The General Department is exposed to investment, liquidity, and longevity risks associated with post-employment benefit plans (the Plans). These risks are balanced against the need to meet the financial obligations of each plan. The Plans have adopted general guidelines on permissible investments and plan assets are invested according to a strategic asset allocation, which is expected to generate a rate of return at or in excess of the rate of growth in the Plans' liabilities. The strategic asset allocation is reviewed periodically by the Investment Committee. The strategic asset allocation is designed to minimize the level of portfolio market risk (volatility) for the targeted rate of return, while better aligning portfolio volatility with the potential volatility of the Plans' liabilities. Through a global, multiple-asset-class investment approach, the portfolio risk is reduced for any targeted rate of return, because asset class returns are not perfectly correlated as regional and global economic, financial, and political events unfold. The Plans do not utilize specific, targeted asset-liability matching instruments or strategies such as annuities, longevity swaps, cash flow matching, or duration matching.

The primary objective with respect to liquidity is to have sufficient liquid resources available to pay benefits when due. This risk is monitored to ensure that payments due to the participants and beneficiaries can be met from the holdings of cash and highly liquid investments of the Plans.

5. Currencies, including credit outstanding

Under the Articles of Agreement, members are required to maintain the value of the GRA's holdings of their currencies in terms of the SDR. Any depreciation or appreciation in a member's currency vis-à-vis the SDR gives rise to a currency valuation adjustment receivable or payable that must be settled by the member promptly after the end of the financial year or at other times as requested by the IMF or the member.

All holdings of members' currencies were last revalued at April 30, 2019. Currency holdings of SDR 464,022 million at April 30, 2019 included receivables and payables arising from those valuation adjustments of SDR 25,762 million and SDR 6,527 million, respectively (currency holdings of SDR 466,787 million at April 30, 2018, included receivables and payables of SDR 19,207 million and SDR 6,589 million, respectively).

5.1 Credit outstanding

At April 30, 2019, and 2018, members' use of GRA credit was represented by currency holdings of SDR 63,694 million and SDR 37,884 million, respectively.

Changes in the outstanding use of GRA credit under the various facilities of the GRA were as follows:

	April 30, 2018	Purchases	Repurchases	April 30, 2019
<i>(in millions of SDRs)</i>				
Credit tranches:				
SBA	5,126	29,014	(2,363)	31,777
RFI	1,163	—	(227)	936
EFF	31,414	5,016	(5,630)	30,800
Other facilities ¹	181	—	—	181
Total credit outstanding	37,884	34,030	(8,220)	63,694

¹ Other facilities include legacy credit under Enlarged Access, Compensatory and Contingency Financing Facility, and Supplementary Financing Facility.

	April 30, 2017	Purchases	Repurchases	April 30, 2018
<i>(in millions of SDRs)</i>				
Credit tranches:				
SBA	6,503	584	(1,961)	5,126
RFI	1,164	—	(1)	1,163
EFF	40,450	3,610	(12,646)	31,414
Other facilities	183	—	(2)	181
Total credit outstanding	48,300	4,194	(14,610)	37,884

Repurchases during the financial years ended April 30, 2019, and 2018, included advance repurchases of SDR 3,863 million and SDR 11,606 million, respectively.

The General Department has performed an impairment analysis of credit outstanding in accordance with its ECL model (see Note 3.2.1.1). Based on this analysis, no loss allowance was deemed to be necessary at April 30, 2019, and 2018. As described in Note 3.2.1.1, the impairment analysis of the General Department's credit outstanding takes into account the unique nature of the IMF's financing and its institutional status, and is performed holistically based on qualitative and quantitative considerations. In this context, the results of an impairment analysis at April 30, 2019, and 2018 are not materially sensitive to reasonable changes in input parameters of the ECL calculation.

5.2 Overdue obligations

At April 30, 2019, and 2018, two members were six months or more overdue in settling their financial obligations to the General Department as follows:

	GRA repurchases and SAF loans		GRA charges and SAF interest	
	April 30		April 30	
	2019	2018	2019	2018
<i>(in millions of SDRs)</i>				
Total overdue	257	257	861	857
Overdue for six months or more	257	257	859	854
Overdue for three years or more	257	257	850	847

The type and duration of the overdue amounts in the General Department were as follows at April 30, 2019:

	GRA repurchase s and SAF loans	GRA charges and SAF interest	Total obligation	Longest overdue obligation
<i>(in millions of SDRs)</i>				
Somalia	105	128	233	July 1987
Sudan	152	733	885	July 1985
Total	257	861	1,118	

6. SDR holdings

The General Department receives SDRs from members in the settlement of their financial obligations to the GRA and quota subscription payments. In addition, the GRA can use or receive SDRs in transactions and operations with members, including the provision of financial assistance to members, the receipt of charges and fees, and the payment of remuneration on reserve tranche positions or interest on borrowings to member countries and lenders.

At April 30, 2019, and 2018 the SDR holdings of the General Department comprised SDR 22,772 million and SDR 26,472 million, respectively.

The GRA earns interest on its SDR holdings at the same rate as other holders of SDRs. Interest on SDR holdings comprised SDR 252 million during the financial year ended April 30, 2019 (SDR 182 million for the financial year ended April 30, 2018).

7. Investments

Investments comprised the following:

	April 30, 2019	April 30, 2018
<i>(in millions of SDRs)</i>		
Fixed-Income Subaccount	16,528	15,728
Endowment Subaccount	5,522	5,101
Total	22,050	20,829

During the financial year ended April 30, 2019, SDR 665 million was transferred from the GRA to the IA, as approved by the Executive Board (SDR 1,410 million during the financial year ended April 30, 2018).

7.1 Fixed-Income Subaccount

The Fixed-Income Subaccount comprises two tranches, a shorter-duration Tranche 1 and a longer-duration Tranche 2. Tranche 1 is managed actively within tight risk controls against a zero- to three-year government bond benchmark index. Tranche 2 is managed according to a buy-and-hold approach against a zero- to five-year government bond benchmark index and is being phased in over a five-year period, which commenced in 2017.

Both tranches can be invested in fixed-income securities issued by national governments of members, their central banks and official agencies, international financial institutions, and obligations of the BIS. Eligible investments in Tranche 1 also include fixed-income securities issued by subnational governments, corporate bonds, mortgage-backed and other asset-backed securities, and cash instruments with maturities of one year or less. Assets are being invested by external managers, except for short-term investments, fixed-term deposits, and medium-term instruments (BIS). Investments in the Fixed-Income Subaccount were as follows:

	April 30, 2019		
	Tranche 1	Tranche 2	Total
	<i>(in millions of SDRs)</i>		
At fair value through profit or loss:			
International financial institutions obligations:			
Medium-term instruments (BIS)	—	5,255	5,255
Others	215	621	836
Sovereign bonds	4,855	1,163	6,018
Corporate bonds	2,596	—	2,596
Securitized assets	414	—	414
Short-term investments	182	77	259
Derivative assets	14	—	14
Total at fair value through profit or loss	8,276	7,116	15,392
At amortized cost:			
Fixed-term deposits	—	1,136	1,136
Total	8,276	8,252	16,528

	April 30, 2018		
	Tranche 1	Tranche 2	Total
	<i>(in millions of SDRs)</i>		
At fair value through profit or loss:			
International financial institutions obligations:			
Medium-term instruments (BIS)	—	4,096	4,096
Others	320	574	894
Sovereign bonds	4,010	815	4,825
Corporate bonds	2,958	—	2,958
Securitized assets	403	—	403
Short-term investments	240	80	320
Derivative assets	20	—	20
Total at fair value through profit or loss	7,951	5,565	13,516
At amortized cost:			
Fixed-term deposits	—	2,212	2,212
Total	7,951	7,777	15,728

Fair values of derivative assets and liabilities in the Fixed-Income Subaccount at April 30, 2019 were SDR 14 million and SDR 30 million, respectively (SDR 20 million and SDR 31 million for derivative assets and liabilities, respectively, at April 30, 2018). Notional values of derivative instruments were as follows:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Futures		
Long positions	292	463
Short positions	1,514	2,038
Currency forwards	1,237	1,229
Interest rate swaps	242	279
Currency swaps	840	565
Options on futures	1	1
Swaptions	100	—

7.2 Endowment Subaccount

The assets of the Endowment Subaccount are invested in a globally diversified portfolio consisting of fixed-income and equity instruments (including REITs). Assets are invested by external managers, except for short-term investments and fixed-term deposits. The passively managed portfolio is invested in accordance with the strategic asset allocation in select investment categories approved by the Executive Board. Each investment category is invested to achieve exposure to broad characteristics of the specified asset class. The actively managed portfolio is invested in the same asset categories and has target shares for fixed-income instruments and equities without specific allocation requirements within those shares.

The Executive Board reviewed and amended the Rules and Regulations of the IA during the financial year ended April 30, 2018. The new strategic asset allocation, implemented during the financial year ended April 30, 2019, resulted in minor allocation changes between the investment categories for the passively managed portfolio and a shift in the fixed-income/equities ratio from 65/35 to 60/40. On May 13, 2019, the Executive Board approved the allocation of 5 percent of the passively managed portion of the Endowment assets to private infrastructure debt, and the related investment arrangements. Accordingly, the Rules and Regulations for the Investment Account were also amended and approved. The new investment arrangements are expected to be implemented during the financial year ending April 30, 2020.

Investments consisted of the following investment categories:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
At fair value through profit or loss:		
<i>Passively managed portfolio:</i>		
Developed market sovereign bonds	789	928
Developed market corporate bonds	1,036	694
Emerging market bonds	252	472
Inflation-linked bonds	1,043	942
Developed market equities	1,291	1,267
Emerging market equities	503	257
Real estate investment trusts	275	231
Short-term investments	80	53
Total passively managed portfolio	5,269	4,844
<i>Actively managed portfolio:</i>		
Fixed-income securities	144	69
Equity securities	93	40
Short-term investments	8	3
Total actively managed portfolio	245	112
Derivative assets	8	35
Total fair value through profit or loss	5,522	4,991
At amortized cost:		
Fixed-term deposits	—	110
Total	5,522	5,101

Investment categories comprise funds managed to achieve exposure to broad characteristics of the specified asset class. Funds may include holdings in other asset classes. Market exposure may be achieved through derivative instruments, where necessary and as determined under the IA's Rules and Regulations.

Fair values of derivative assets and liabilities in the Endowment Subaccount at April 30, 2019 were SDR 8 million

and SDR 3 million, respectively (SDR 35 million and SDR 8 million for derivative assets and liabilities, respectively, at April 30, 2018). Notional values of derivative instruments were as follows:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Futures		
Long positions	37	9
Short positions	38	—
Currency forwards	2,183	3,599

7.3 Investment income

Net income from investments consisted of the following:

	2019		
	Fixed-Income Subaccount	Endowment Subaccount	Total
	<i>(in millions of SDRs)</i>		
Investment income on FVPL investments	230	442	672
Interest income on investments at AC	28	1	29
Investment fees	(7)	(5)	(12)
Total	251	438	689

	2018		
	Fixed-Income Subaccount	Endowment Subaccount	Total
	<i>(in millions of SDRs)</i>		
Investment income on FVPL investments	68	26	94
Interest income on investments at AC	29	1	30
Investment fees	(6)	(6)	(12)
Total	91	21	112

8. Fair value measurement

Valuation techniques used to value financial instruments include the following:

Level 1

The fair value of publicly traded investments is based on quoted market prices in an active market for identical assets without any adjustments (closing price for equities and derivative instruments and bid price for fixed-income securities). These investments are included within Level 1 of the fair value hierarchy.

Level 2

The fair value of fixed-income securities not actively traded is determined on the basis of a compilation of significant

observable market information, such as recently executed trades in securities of the issuer or comparable issuers and yield curves. The assessment also takes into account the inherent risk and terms and conditions of each security. Given that the significant inputs are observable, these securities are included within Level 2 of the fair value hierarchy.

The fair value of over-the-counter derivative instruments (foreign exchange forwards, currency/interest rate swaps) not actively traded is determined using a pricing model that incorporates foreign exchange spot and forward rates and interest rate curves. Given that the significant inputs into the pricing models are market observable, these instruments are included within Level 2 of the fair value hierarchy.

8.1 Investments

The following tables present the fair value hierarchy used to determine the fair value of investments in the IA:

April 30, 2019			
	Level 1: Quoted prices in active markets	Level 2: Based on observable market data	Total
<i>(in millions of SDRs)</i>			
Recurring fair value measurements			
Fixed-Income Subaccount	230	15,162	15,392
Endowment Subaccount	2,181	3,341	5,522
Total	2,411	18,503	20,914

April 30, 2018			
	Level 1: Quoted prices in active markets	Level 2: Based on observable market data	Total
<i>(in millions of SDRs)</i>			
Recurring fair value measurements			
Fixed-Income Subaccount	15	13,501	13,516
Endowment Subaccount	1,843	3,148	4,991
Total	1,858	16,649	18,507

There were no Level 3 financial instruments at April 30, 2019, and 2018, and there have been no transfers between Level 1 and Level 2 during the period.

Investments in fixed-term deposits in the IA are generally of a short-term nature and are carried at amortized cost, which approximates fair value.

Derivative liabilities at April 30, 2019 comprised SDR 9 million valued based on quoted market prices (Level 1 in the fair value hierarchy) and SDR 24 million valued based on observable market data (Level 2 in the fair value hierarchy)

(SDR 19 million and SDR 20 million for Level 1 and Level 2, respectively, at April 30, 2018).

8.2 Credit outstanding

The IMF plays a unique role in providing balance of payments support to member countries. IMF financing features policy conditions that require member countries to implement macroeconomic and structural policies and are an integral part of IMF financing. These measures aim to help countries resolve their balance of payments problems while safeguarding IMF resources. The fair value of IMF credit outstanding as defined under IFRS 13 cannot be determined due to its unique characteristics, including the debtor's membership relationship with the IMF, and the absence of a principal or most advantageous market for IMF credit.

8.3 Other financial assets and liabilities

The carrying value of other financial assets and liabilities that are classified at AC represents a reasonable estimate of their fair value at April 30, 2019, and 2018.

9. Gold holdings

The IMF acquired its gold holdings from quota subscriptions and financial transactions prior to the entry into force of the Second Amendment of the Articles of Agreement (April 1, 1978). At April 30, 2019, and 2018, the IMF held gold of 2,814 metric tons, equal to 90.474 million fine troy ounces, at designated depositories. Gold holdings were valued at a historical cost of SDR 3,167 million at April 30, 2019, and 2018, based on a cost of SDR 35 per fine troy ounce.

At April 30, 2019, the market value of the IMF's holdings of gold was SDR 83.7 billion (SDR 82.6 billion at April 30, 2018).

10. Property, plant and equipment and intangible assets

Property, plant and equipment and intangible assets, net of depreciation and amortization, amounted to SDR 537 million and SDR 494 million at April 30, 2019, and 2018, respectively, and consisted of land, buildings, equipment, furniture, and software.

	Land	Buildings	Other	Total
	(in millions of SDRs)			
Financial year ended April 30, 2019:				
Cost				
Beginning of the year	95	393	346	834
Additions	—	—	84	84
Transfers	—	36	(36)	—
Disposals	—	(17)	(15)	(32)
End of the year	95	412	379	886
Accumulated depreciation and amortization:				
Beginning of the year	—	154	186	340
Depreciation and amortization	—	11	27	38
Disposals	—	(14)	(15)	(29)
End of the year	—	151	198	349
Net book value at April 30, 2019	95	261	181	537

	Land	Buildings	Other	Total
	(in millions of SDRs)			
Financial year ended April 30, 2018:				
Cost				
Beginning of the year	95	370	339	804
Additions	—	2	56	58
Transfers	—	39	(39)	—
Disposals	—	(18)	(10)	(28)
End of the year	95	393	346	834
Accumulated depreciation and amortization:				
Beginning of the year	—	159	172	331
Depreciation and amortization	—	9	24	33
Disposals	—	(14)	(10)	(24)
End of the year	—	154	186	340
Net book value at April 30, 2018	95	239	160	494

Other property, plant and equipment included construction in progress of SDR 22 million at April 30, 2019 (SDR 27 million at April 30, 2018), related to the renovation of the IMF headquarters building. At April 30, 2019, the IMF had commitments of SDR 13 million for the renovation of the IMF headquarters building (SDR 41 million at April 30, 2018).

Depreciation and amortization expense of SDR 38 million and SDR 33 million is included in administrative expenses for the financial years ended April 30, 2019, and 2018, respectively.

11. Employee benefits

11.1 Overview of the Plans

The IMF has a defined benefit Staff Retirement Plan (SRP) that covers all eligible staff and a Supplemental Retirement Benefits Plan (SRBP) for a subset of participants of the SRP. The SRBP provides for the payment of benefits that otherwise would have been payable had the U.S. qualified plan benefits and compensation limits not applied. Participants in the SRP and SRBP (the pension plans) are entitled to unreduced annual pensions beginning at the normal retirement age of 62 or earlier if certain conditions of age and service are met. The mandatory retirement age is 65. The pension plans also provide an option for eligible staff to receive reduced pension benefits beginning at the age of 50. The level of pension benefits depends on the participants' length of service and highest three-year average gross compensation. Participants may also elect upon retirement to commute up to one-third of the lifetime pension benefits into a lump-sum payment.

The IMF provides other non-pension long-term benefits, including medical insurance, life insurance, separation and repatriation benefits, accrued annual leave up to 60 days, and associated tax allowances. The IMF has established a separate account, the Retired Staff Benefits Investment Account (RSBIA), to hold and invest resources set aside to fund the cost of certain of these post-retirement benefits.

The assets in the SRP, SRBP, and RSBIA (collectively, the Plans) are held separately from the assets of all other accounts of the IMF. In the event the IMF were to exercise its right to terminate the Plans, the assets of these plans would be used to satisfy all liabilities to participants, retired participants, and their beneficiaries, and all other liabilities of the pension plans. Any remaining assets would be returned to the GRA. The GRA meets the costs of administering the Plans, and the SRP and RSBIA reimburse the GRA for investment-related costs.

The Executive Board and the Pension Committee are responsible for the governance of the Plans. The Executive Board approves the funding framework and amendments to the Plans. The Pension Committee, consisting of members of the Executive Board and senior staff, has overall responsibility for carrying out the provisions of the SRP and the SRBP. The Pension Committee also undertakes periodic valuations of the assets and liabilities related to the Plans, and advises the Executive Board on the appropriate funding framework. It is supported by an Investment Committee to oversee the investments of the Plans.

11.2 Net defined benefit asset/liability and benefit costs

The amounts recognized in the statements of financial position were as follows:

	April 30, 2019		April 30, 2018	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Defined benefit obligation	(7,812)	(1,784)	(9,596)	(8,625)
Plan assets	7,761	1,798	9,559	9,077
Net defined benefit asset	—	113	113	472
Net defined benefit liability	(51)	(99)	(150)	(20)

The amounts recognized in the statements of comprehensive income were as follows:

	2019		2018	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Service cost	198	76	274	274
Interest expense related to defined benefit obligation	284	70	354	340
Interest income related to plan assets	(297)	(68)	(365)	(340)
Net periodic pension cost	185	78	263	274
Remeasurement of net defined benefit liability	308	(80)	228	215
Return on plan assets excluding amounts included in interest income	119	26	145	(594)
Exchange differences	(11)	3	(8)	(2)
Amounts recognized in other comprehensive income	416	(51)	365	(381)
Total expense/(gain) recognized in statements of comprehensive income	601	27	628	(107)

The reconciliation of the defined benefit obligation was as follows:

	2019		2018	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Defined benefit obligation at the beginning of the year	6,923	1,702	8,625	8,433
Current service cost	198	76	274	274
Interest expense	284	70	354	340
Employee contributions	40	—	40	37
Actuarial loss due to demographic assumptions changes	37	17	54	344
Actuarial expense/(gain) due to financial assumptions changes	271	(97)	174	(129)
Benefits paid	(219)	(53)	(272)	(255)
Exchange differences	278	69	347	(419)
Defined benefit obligation at the end of the year	7,812	1,784	9,596	8,625

The reconciliation of changes in the fair value of plan assets was as follows:

	2019		2018	
	Pension benefits	Other employee benefits	Total	Total
	<i>(in millions of SDRs)</i>			
Fair value of plan assets at the beginning of the year	7,395	1,682	9,077	8,645
Return on plan assets excluding interest income	(119)	(26)	(145)	594
Interest income	297	68	365	340
Employer contributions	78	61	139	133
Employee contributions	40	—	40	37
Benefits paid	(219)	(53)	(272)	(255)
Exchange differences	289	66	355	(417)
Fair value of plan assets at the end of the year	7,761	1,798	9,559	9,077

The fair value of major categories of plan assets was as follows:

	April 30, 2019		April 30, 2018	
	Quoted market price in an active market	No quoted market price in an active market	Total	Total
<i>(in millions of SDRs)</i>				
Cash	38	—	38	183
Global equities	1,762	1,332	3,094	2,803
Emerging market equities	150	1,093	1,243	1,310
Global fixed income	—	973	973	879
High-yield fixed income	26	1,044	1,070	898
Real assets	380	596	976	894
Private equity and absolute return	—	2,165	2,165	2,110
Total	2,356	7,203	9,559	9,077

Participants in the pension plans contribute a fixed 7 percent of pensionable gross compensation. The actuarially determined employer contributions to the pension plans during the financial year ended April 30, 2019 amounted to 8.73 percent of pensionable gross compensation (6.08 percent of pensionable gross compensation during the financial year ended April 30, 2018). Under the IMF's funding framework, the budgetary allocations for payments to the pension plans have been set at 14 percent of pensionable gross compensation. The IMF expects to contribute SDR 145 million to the Plans during the financial year ending April 30, 2020.

The expected pension and benefits payments to be paid out by the Plans over the next five years were as follows at April 30, 2019:

Financial year	Pension benefits	Other employee benefits	Total
	<i>(in millions of SDRs)</i>		
2020	257	82	339
2021	276	62	338
2022	293	64	357
2023	310	68	378
2024	327	71	398

11.3 Principal actuarial assumptions

The IMF conducts a comprehensive analysis of the principal actuarial assumptions used in calculating the net defined benefit asset/liability every five years and reviews their applicability on an annual basis. The most recent five-year

analysis was completed in January 2016, and the principal actuarial assumptions were revised.

The principal actuarial assumptions used in the actuarial valuation were as follows:

	April 30, 2019	April 30, 2018
<i>(in percent)</i>		
Discount rate/expected return on plan assets	3.86	4.05
Rate of salary increases (average)	4.50	
Health care cost trend rate	4.00–6.00	4.00–6.25
Inflation	2.00	
Life expectancy:	<i>(in years)</i>	
Male	89	
Female	93	

The assumed retirement rate ranges from 5 percent at age 50 to 100 percent at age 65, and the assumed participation rate for medical benefits upon retirement is 85 percent.

The weighted average duration of the defined benefit obligation was 18.1 years as at April 30, 2019 (17.9 years as at April 30, 2018).

The following shows the sensitivity of the present value of the defined benefit obligation to changes in actuarial assumptions at April 30, 2019:

Present value of the defined benefit obligation	Change in assumption	Increase in assumption	Decrease in assumption
		<i>(in millions of SDRs)</i>	
Discount rate	0.5%	Decrease by 760	Increase by 870
Rate of salary increases	0.5%	Increase by 130	Decrease by 120
Health care cost trend rate	0.5%	Increase by 160	Decrease by 140
Inflation rate	0.5%	Increase by 570	Decrease by 510
Life expectancy	One year in longevity	Increase by 260	

The sensitivity analyses are based on a change in one assumption, while holding all other assumptions constant, so that the effects of correlation between the assumptions are excluded.

12. Other assets and liabilities

Other assets comprised the following:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Basic charges receivable	300	169
Surcharges receivable	142	62
Investment trades receivable	81	137
Accrued interest and dividends on investments	104	101
Accrued interest on SDR holdings	65	54
Overdue SAF loans	9	9
Miscellaneous receivables and prepaid expenses	68	68
Total other assets	769	600

Other liabilities comprised the following:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Refundable commitment fees on active arrangements	419	303
Investment trades payable	169	354
Derivative liabilities (see Note 7)	33	39
Miscellaneous payables	371	270
Total other liabilities	992	966

13. Burden sharing and the Special Contingent Account

The IMF has adopted the burden sharing mechanism to cope with the financial consequences of member countries' failure to settle financial obligations to the GRA on time. Under the burden sharing mechanism, resources are generated by increasing the rate of charge and reducing the rate of remuneration to cover shortfalls in the GRA's income due to the nonpayment of charges. The burden sharing mechanism has also financed additions to the SCA-1, which offers protection against the risk of loss resulting from the ultimate failure of a member to repay its overdue obligations to the GRA.

Members that participated in burden sharing for overdue charges receive refunds to the extent that these charges are subsequently settled. Contributions to the SCA-1 are returned when there are no outstanding overdue repurchases and charges, or at such earlier time as the IMF may decide.

Overdue charges, net of settlements, that have resulted in adjustments to charges and remuneration for the year ended April 30, 2019 amounted to SDR 5 million (SDR 4 million for the year ended April 30, 2018). Cumulative overdue charges, net of settlements, that have resulted in adjustments to

charges and remuneration since May 1, 1986 (the date the burden sharing mechanism was adopted) amounted to SDR 727 million at April 30, 2019 (SDR 722 million at April 30, 2018). The cumulative refunds for the same period, resulting from the settlements of overdue charges for which burden sharing adjustments have been made, amounted to SDR 1,320 million at April 30, 2019, and 2018.

The SCA-1 balance amounted to SDR 1,188 million at April 30, 2019, and 2018. Effective November 1, 2006, the Executive Board decided to suspend, for the time being, further additions to the SCA-1. Accordingly, no additions have been made to the SCA-1 during the financial years ended April 30, 2019, and 2018.

14. Borrowings

The GRA can borrow to temporarily supplement its quota resources. The Executive Board has established guidelines on borrowing by the GRA to ensure that the financing of the GRA is managed in a prudent and systemic manner.

The GRA's main standing borrowing arrangement is the New Arrangements to Borrow (NAB). The GRA may also borrow under bilateral agreements, in particular loan and note purchase agreements (bilateral borrowing agreements). At April 30, 2019, the NAB credit arrangements amounted to SDR 181 billion and the bilateral borrowing agreements amounted to SDR 317 billion; see Schedules 4 and 5.

At April 30, 2018, the GRA also had the General Arrangements to Borrow (GAB), and an associated agreement with Saudi Arabia, both of which expired on December 25, 2018.

14.1 New Arrangements to Borrow

The NAB is a standing set of credit arrangements with 40 participants, of which 38 agreements were effective at April 30, 2019, and 2018. The NAB provides supplementary resources to the GRA as a second line of defense, when quota resources representing the first line of defense need to be supplemented in order to forestall or cope with an impairment of the international monetary system.

The NAB is renewed periodically; in November 2016, the NAB was renewed through November 2022. NAB resources become available upon activation, which requires the consent of participants representing 85 percent of total NAB credit arrangements of participants eligible to vote and the approval of the Executive Board. Drawings under the NAB can be made to finance purchases by borrowing members for outright purchases and under arrangements that were approved during the period when the NAB was activated. The NAB was deactivated in February 2016, and there were

no commitments under prior activation periods that could be financed with NAB resources as at April 30, 2019 (SDR 3,085 million remained available at April 30, 2018 to finance commitments approved during prior activation periods).

14.2 Bilateral Borrowing Agreements

Bilateral borrowing agreements are intended to serve as a third line of defense to IMF quotas and NAB resources. Currently effective bilateral borrowing agreements, which were signed under the 2016 framework, expire at end-December 2019 and are extendable for another year with creditors' consents.

At April 30, 2019, lenders' commitments under effective borrowing agreements totaled US\$439 billion, equivalent to SDR 317 billion (US\$453 billion equivalent to SDR 315 billion at April 30, 2018).

Resources under bilateral borrowing agreements can be activated only if the amount of IMF resources otherwise available for financing has fallen below a threshold of SDR 100 billion and either the NAB is activated or there are no available uncommitted NAB resources. Activation requires approval by creditors representing 85 percent of the total credit amount committed. Drawings under the borrowing agreements may be made to fund commitments approved during the term of the agreements during which they were active. Drawings are repayable in three months, but maturities can be unilaterally extended by the IMF for up to 10 years. Upon determination by the Executive Board that exceptional circumstances exist as a result of a shortage of resources in relation to obligations falling due, the IMF, with consent of lenders, may further extend the maturities of outstanding drawings under many of the borrowing agreements for up to an additional five years. Claims under the bilateral borrowing agreements are encashable on demand by lenders, subject to certain conditions.

14.3 Outstanding borrowings

Outstanding borrowings represent drawings under the NAB, are denominated in SDRs and carry the SDR interest rate.

During the financial year ended April 30, 2019, no drawings under the NAB occurred and repayments amounted to SDR 6,172 million (SDR 9 million and SDR 9,335 million, respectively, during the financial year ended April 30, 2018). Total outstanding NAB borrowings at April 30, 2019, and 2018, were SDR 13,651 million and SDR 19,823 million, respectively (see Schedule 4).

The average interest rate on outstanding borrowings was 1.036 percent per annum and 0.676 percent per annum for the financial years ended April 30, 2019, and 2018,

respectively. The interest expense on outstanding borrowings during the same periods was SDR 175 million and SDR 161 million, respectively.

15. Quota subscriptions

The IMF's resources are primarily provided by its members through the payment of quota subscriptions, which broadly reflect each member's relative position in the global economy. Quotas also determine each member's relative voting power, its share in SDR allocations, and its access to IMF resources.

The IMF conducts a general review of members' quotas at intervals of not more than five years. The review allows the IMF to assess the adequacy of quota resources to meet its financing needs and to allow for adjustments to members' quotas to reflect their relative positions in the world economy.

The Fourteenth General Review of Quotas became effective in January 2016. As at April 30, 2019, and 2018, 181 members had consented and paid in full their quota increases, amounting to SDR 237 billion. This amount represents over 99 percent of the total quota increases that members were eligible for as at January 26, 2016 (SDR 239 billion). No quota subscription payments took place during the year ended April 30, 2019 (SDR 90 million during the year ended April 30, 2018).

Members' quota subscriptions and reserve tranche positions were as follows:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Quota subscriptions	475,473	475,473
Total currency holdings	464,022	466,787
Less: members' outstanding use of GRA credit	(63,694)	(37,884)
Less: administrative balances	(20)	(16)
	400,308	428,887
Reserve tranche positions	75,165	46,586

16. Reserves of the General Resources Account

The GRA reserves consist of the Special Reserve and the General Reserve. The General Reserve may be used inter alia to meet capital losses and operational deficits, or for distribution. The Special Reserve can be used for the same purposes except distribution to members. At April 30, 2019, the balances of Special and General Reserves amounted to SDR 10,107 million and SDR 10,764 million, respectively (SDR 10,014 million and SDR 10,670 million, respectively, at April 30, 2018).

The Executive Board determines annually what part of the GRA net income will be placed to the General Reserve or the Special Reserve, and what part, if any, will be distributed. For the financial year ended April 30, 2019, the Executive Board decided to place to the two reserves in equal proportions the amount of SDR 187 million comprising the GRA net income shortfall of SDR 64 million and the income transferred from the Fixed-Income Subaccount of the IA of SDR 251 million (SDR 756 million comprising SDR 665 million and SDR 91 million, respectively, for the financial year ended April 30, 2018).

The GRA's precautionary balances consist of its reserves (excluding SDR 4.4 billion currently held in the Special Reserve, and attributable to the profits from the limited gold sales in 2009–10 that have been earmarked for the Endowment Subaccount) and the SCA-1 (see Note 13). As of April 30, 2019, and 2018, precautionary balances amounted to SDR 17.7 billion and SDR 17.5 billion, respectively. At the most recent review of the adequacy of precautionary balances in January 2018, the Executive Board supported retaining the medium-term indicative target for precautionary balances at SDR 20 billion and the minimum floor at SDR 15 billion.

17. Charges and fees

The average credit outstanding subject to charges amounted to SDR 50,639 million and SDR 43,432 million for the financial years ended April 30, 2019, and 2018, respectively.

The rate of charge levied on outstanding credit is equal to the basic rate of charge adjusted for burden sharing (see Note 13). The basic rate of charge is the SDR interest rate plus a fixed margin as determined by the Executive Board, which for the years ended April 30, 2019, and 2018, amounted to 100 basis points. The average rate of charge (adjusted for burden sharing) was 2.041 percent per annum and 1.681 percent per annum for the financial years ended April 30, 2019, and 2018, respectively.

Credit outstanding in excess of 187.5 percent of quota resulting from purchases in the credit tranches and under the EFF, is subject to a level-based surcharge of 200 basis points per annum above the basic rate of charge. An additional time-based surcharge of 100 basis points per annum applies to such credit outstanding for more than three years, except for purchases under the EFF, for which the additional surcharge of 100 basis points applies after 51 months.

Charges income consisted of the following:

	2019	2018
	<i>(in millions of SDRs)</i>	
Basic charges before burden sharing adjustment	1,029	720
Deferred basic charges recovered through:		
Burden sharing adjustment to charges	3	2
Burden sharing adjustment to remuneration	3	2
Surcharges	419	371
Total charges	1,454	1,095

During the year ended April 30, 2019, the IMF deferred charges due from overdue members in the amount of SDR 5 million (SDR 4 million during the year ended April 30, 2018) (see Note 13). These deferred charges were fully recovered through burden sharing proceeds to charges and remuneration of SDR 2.5 million each during the year ended April 30, 2019 (SDR 2 million each during the year ended April 30, 2018) (see also Note 18).

A service charge of 50 basis points is levied by the GRA on all purchases, except for reserve tranche purchases. A commitment fee is levied on the amount available for financing under an arrangement for each 12-month period and refunded as the member makes purchases under the arrangement. The commitment fee amounts to 15 basis points per annum for access up to 115 percent of quota, 30 basis points for access between 115 and 575 percent of quota, and 60 basis points for access in excess of 575 percent of quota. At the arrangement's expiration or cancellation, any unrefunded amount is recognized as income.

Service charges and commitment fee income consisted of the following:

	2019	2018
	<i>(in millions of SDRs)</i>	
Service charges	170	21
Commitment fee	83	323
Total charges	253	344

18. Remuneration of members' reserve tranche positions

Remuneration of members' reserve tranche positions amounted to SDR 552 million and SDR 272 million for the financial years ended April 30, 2019, and 2018, respectively.

A portion of the reserve tranche position is unremunerated. For a member that joined the IMF on or before April 1, 1978, the unremunerated portion is equal to 25 percent of the member's quota subscription on April 1, 1978 (that part of the

quota subscription that was paid in gold prior to the Second Amendment of the Articles). For a member that joined the IMF after that date, its unremunerated reserve tranche is a percentage of its initial quota equivalent to the ratio of total unremunerated reserve tranches for all other members to their total quota subscriptions when the new member joined the IMF. The average remunerated reserve tranche amounted to SDR 52,712 million and SDR 40,454 million during the financial years ended April 30, 2019, and 2018, respectively.

The rate of remuneration is currently equal to the SDR interest rate. Burden sharing adjustments reduce the rate of remuneration, but under the Articles of Agreement, the rate of remuneration may be no lower than 80 percent of the SDR interest rate. The average rate of remuneration (adjusted for burden sharing) for the financial years ended April 30, 2019, and 2018, was 1.031 percent per annum and 0.671 percent per annum, respectively. The amounts of burden sharing adjustments for the same periods are disclosed in Note 17.

19. Administrative expenses

Administrative expenses, most of which were incurred in U.S. dollars, were as follows:

	2019	2018
	<i>(in millions of SDRs)</i>	
Personnel	571	544
Pension and other long-term employee benefits	263	274
Travel	93	87
Other	212	200
	1,139	1,105
Reimbursements	(208)	(201)
Total administrative expenses	931	904

Reimbursements represent repayment for the expenses incurred in conducting the business of the SDR Department, certain trusts and accounts administered by the IMF, and for the cost of the investment operations of the SRP and the RSBI (see Notes 1.4 and 21).

20. Special Disbursement Account

Assets in the SDA can be used for special purposes authorized in the Articles of Agreement, including providing financial assistance on special terms to low-income member countries under the Structural Adjustment Facility and the Trust Fund.

20.1 Structural Adjustment Facility

The last SAF loan disbursement was made in 1995, and currently one member (Somalia) has overdue SAF

repayment obligations (see Note 12). Interest on SAF loans is levied at 0.5 percent per annum. All interest income is deferred.

20.2 Trust Fund

The SDA was initially activated to receive transfers from the Trust Fund. The IMF is the Trustee of the Trust Fund, which was established in 1976 to provide balance of payments assistance on concessional terms to eligible members that qualified for such assistance. The Trust Fund is in liquidation following its termination in 1981. Since that date, the activities of the Trust Fund have been confined to the conclusion of its affairs. The Trust Fund has no assets other than loans and interest receivable from Somalia and Sudan amounting to SDR 92 million at April 30, 2019, and 2018. All interest income is deferred.

Proceeds from the payments of SAF loans and Trust Fund loans are transferred from the SDA to the Reserve Account of the PRG Trust as contributions. During the financial years ended April 30, 2019, and 2018, there were no such transfers.

21. Related party transactions

The expenses of conducting the business of the SDR Department, the SRP, the SRBP, the RSBI, and trusts administered by the IMF as Trustee are paid by the GRA. At the end of each financial year, reimbursements are made by the SDR Department (through assessments levied on SDR Department participants) and the PRG Trust in accordance with the IMF's Articles of Agreement and decisions of the Executive Board. The SRP and the RSBI reimburse the GRA for the cost of the investment operations. The following summarizes the reimbursements to the GRA:

	2019	2018
	<i>(in millions of SDRs)</i>	
SDR Department	3	3
PRG Trust	63	64
SRP and RSBI	4	3

The General Department has transferred resources to the PRG Trust, PRGF-HIPC Trust, and CCR Trust to provide financial assistance to low-income countries. The following summarizes the cumulative inter-entity transfers from the IMF:

April 30, 2019, and 2018
(in millions of SDRs)

PRG Trust:	
Reserve Account	2,697
Subsidy Accounts	1,018
PRG-HIPC Trust	1,239
CCR Trust	293

Disclosures on the remuneration of IMF key management personnel are included in Part 3 of the Annual Report, of which the financial statements of the General Department are an integral part.

Supplemental Schedules

SCHEDULE 1: Quota Subscriptions, GRA's Holdings of Currencies, Reserve Tranche Positions, and Outstanding Credit and Loans at April 30, 2019

(in millions of SDRs)

Member	Quota	General Resources Account			Outstanding credit and loans				
		GRA's holdings of currencies ¹		Reserve tranche position	GRA		SDA ³	Total ⁴	
		Total	Percentage of quota		Amount	Percentage ²			
					(A)	+	(B)	=	(C)
Afghanistan, Islamic Republic of	323.8	323.6	99.9	0.2	—	—	—	—	
Albania	139.3	402.8	289.2	26.0	289.5	0.45	—	289.5	
Algeria	1,959.9	1,632.6	83.3	327.3	—	—	—	—	
Angola	740.1	1,341.6	181.3	113.6	715.0	1.12	—	715.0	
Antigua and Barbuda	20.0	20.0	99.8	0.1	—	—	—	—	
Argentina	3,187.3	30,933.3	970.5	267.7	28,013.7	43.98	—	28,013.7	
Armenia, Republic of	128.8	278.5	216.2	—	149.7	0.23	—	149.7	
Australia	6,572.4	5,746.4	87.4	826.3	—	—	—	—	
Austria	3,932.0	3,346.9	85.1	585.1	—	—	—	—	
Azerbaijan, Republic of	391.7	333.9	85.2	57.8	—	—	—	—	
Bahamas, The	182.4	163.1	89.4	19.3	—	—	—	—	
Bahrain, Kingdom of	395.0	258.8	65.5	136.2	—	—	—	—	
Bangladesh	1,066.6	932.6	87.4	134.1	—	—	—	—	
Barbados	94.5	117.0	123.8	12.6	35.0	0.05	—	35.0	
Belarus, Republic of	681.5	681.5	100.0	**	—	—	—	—	
Belgium	6,410.7	5,616.2	87.6	794.6	—	—	—	—	
Belize	26.7	20.5	76.7	6.2	—	—	—	—	
Benin	123.8	105.8	85.4	18.1	—	—	—	—	
Bhutan	20.4	15.9	77.7	4.5	—	—	—	—	
Bolivia	240.1	214.1	89.2	26.0	—	—	—	—	
Bosnia and Herzegovina	265.2	413.1	155.8	0.1	148.0	0.23	—	148.0	
Botswana	197.2	162.4	82.4	34.8	—	—	—	—	
Brazil	11,042.0	9,288.1	84.1	1,754.0	—	—	—	—	
Brunei Darussalam	301.3	266.3	88.4	35.2	—	—	—	—	
Bulgaria	896.3	798.2	89.1	98.1	—	—	—	—	
Burkina Faso	120.4	97.4	80.9	23.0	—	—	—	—	
Burundi	154.0	134.2	87.1	19.8	—	—	—	—	
Cabo Verde	23.7	20.2	85.1	3.5	—	—	—	—	
Cambodia	175.0	153.1	87.5	21.9	—	—	—	—	
Cameroon	276.0	274.9	99.6	1.1	—	—	—	—	
Canada	11,023.9	9,177.9	83.3	1,846.0	—	—	—	—	
Central African Republic	111.4	110.9	99.5	0.5	—	—	—	—	
Chad	140.2	137.0	97.7	3.2	—	—	—	—	
Chile	1,744.3	1,526.7	87.5	217.6	—	—	—	—	
China, People's Republic of	30,482.9	25,664.3	84.2	4,818.6	—	—	—	—	
Colombia	2,044.5	1,703.9	83.3	340.6	—	—	—	—	
Comoros, Union of the	17.8	14.9	83.8	2.9	—	—	—	—	
Congo, Democratic Republic of the	1,066.0	1,066.0	100.0	—	—	—	—	—	
Congo, Republic of	162.0	142.0	87.7	20.0	—	—	—	—	
Costa Rica	369.4	298.1	80.7	71.3	—	—	—	—	

Member	Quota	General Resources Account			Outstanding credit and loans				
		GRA's holdings of currencies ¹		Reserve tranche position	GRA		SDA ³	Total ⁴	
		Total	Percentage of quota		Amount	Percentage ²			
					(A)	+			
							(B)	=	(C)
Côte d'Ivoire	650.4	872.3	134.1	82.8	304.6	0.48	—		304.6
Croatia, Republic of	717.4	717.1	100.0	0.3	—	—	—		—
Cyprus	303.8	788.4	259.5	85.1	569.6	0.89	—		569.6
Czech Republic	2,180.2	1,763.7	80.9	416.5	—	—	—		—
Denmark	3,439.4	3,083.9	89.7	355.5	—	—	—		—
Djibouti	31.8	26.7	83.8	5.2	—	—	—		—
Dominica	11.5	11.5	99.9	**	—	—	—		—
Dominican Republic	477.4	412.8	86.5	64.6	—	—	—		—
Ecuador	697.7	1,400.5	200.7	28.5	731.3	1.15	—		731.3
Egypt, Arab Republic of	2,037.1	8,927.6	438.2	273.4	7,163.8	11.25	—		7,163.8
El Salvador	287.2	287.2	100.0	—	—	—	—		—
Equatorial Guinea, Republic of	157.5	152.6	96.9	4.9	—	—	—		—
Eritrea, The State of	15.9	15.9	100.0	**	—	—	—		—
Estonia, Republic of	243.6	201.0	82.5	42.6	—	—	—		—
Eswatini, Kingdom of ⁵	78.5	71.9	91.6	6.6	—	—	—		—
Ethiopia, The Federal Democratic Republic of	300.7	293.3	97.5	7.5	—	—	—		—
Fiji, Republic of	98.4	74.2	75.4	24.3	—	—	—		—
Finland	2,410.6	2,034.9	84.4	375.7	—	—	—		—
France	20,155.1	17,110.1	84.9	3,045.1	—	—	—		—
Gabon	216.0	484.7	224.4	17.2	285.7	0.45	—		285.7
Gambia, The	62.2	52.9	85.1	9.3	—	—	—		—
Georgia	210.4	355.4	168.9	**	145.0	0.23	—		145.0
Germany	26,634.4	22,571.8	84.7	4,062.8	—	—	—		—
Ghana	738.0	645.6	87.5	92.5	—	—	—		—
Greece	2,428.9	9,443.6	388.8	573.0	7,587.7	11.91	—		7,587.7
Grenada	16.4	15.2	92.8	1.2	—	—	—		—
Guatemala	428.6	374.0	87.3	54.6	—	—	—		—
Guinea	214.2	187.4	87.5	26.9	—	—	—		—
Guinea-Bissau	28.4	24.4	86.0	4.0	—	—	—		—
Guyana	181.8	181.8	100.0	—	—	—	—		—
Haiti	163.8	143.3	87.5	20.5	—	—	—		—
Honduras	249.8	211.1	84.5	38.7	—	—	—		—
Hungary	1,940.0	1,640.8	84.6	299.2	—	—	—		—
Iceland	321.8	252.0	78.3	69.8	—	—	—		—
India	13,114.4	10,698.0	81.6	2,418.2	—	—	—		—
Indonesia	4,648.4	3,860.2	83.0	788.3	—	—	—		—
Iran, Islamic Republic of	3,567.1	3,049.7	85.5	517.5	—	—	—		—
Iraq	1,663.8	3,536.5	212.6	290.0	2,162.7	3.40	—		2,162.7
Ireland	3,449.9	2,643.2	76.6	806.8	—	—	—		—
Israel	1,920.9	1,648.9	85.8	272.0	—	—	—		—
Italy	15,070.0	12,792.4	84.9	2,277.8	—	—	—		—
Jamaica	382.9	856.5	223.7	27.4	500.9	0.79	—		500.9
Japan	30,820.5	25,043.8	81.3	5,777.4	—	—	—		—
Jordan	343.1	761.8	222.0	0.6	419.1	0.66	—		419.1
Kazakhstan, Republic of	1,158.4	960.2	82.9	198.2	—	—	—		—

Member	Quota	General Resources Account			Outstanding credit and loans				
		GRA's holdings of currencies ¹		Reserve tranche position	GRA		SDA ³	Total ⁴	
		Total	Percentage of quota		Amount	Percentage ²			
									(A)
Kenya	542.8	529.5	97.5	13.4	—	—	—	—	
Kiribati	11.2	9.8	87.5	1.4	—	—	—	—	
Korea, Republic of	8,582.7	7,207.4	84.0	1,375.3	—	—	—	—	
Kosovo	82.6	183.9	222.6	20.1	121.4	0.19	—	121.4	
Kuwait	1,933.5	1,643.3	85.0	292.0	—	—	—	—	
Kyrgyz Republic	177.6	177.5	99.9	0.1	—	—	—	—	
Lao People's Democratic Republic	105.8	92.6	87.5	13.2	—	—	—	—	
Latvia, Republic of	332.3	332.3	100.0	0.1	—	—	—	—	
Lebanon	633.5	507.0	80.0	126.5	—	—	—	—	
Lesotho, Kingdom of	69.8	57.1	81.9	12.7	—	—	—	—	
Liberia	258.4	226.1	87.5	32.3	—	—	—	—	
Libya	1,573.2	1,165.0	74.1	408.2	—	—	—	—	
Lithuania, Republic of	441.6	413.6	93.7	28.0	—	—	—	—	
Luxembourg	1,321.8	1,106.1	83.7	215.7	—	—	—	—	
Madagascar, Republic of	244.4	213.8	87.5	30.6	—	—	—	—	
Malawi	138.8	136.4	98.2	2.4	—	—	—	—	
Malaysia	3,633.8	2,890.8	79.6	743.1	—	—	—	—	
Maldives	21.2	16.4	77.3	4.8	—	—	—	—	
Mali	186.6	153.3	82.1	33.3	—	—	—	—	
Malta	168.3	139.7	83.0	28.7	—	—	—	—	
Marshall Islands, Republic of the	3.5	3.5	100.0	**	—	—	—	—	
Mauritania, Islamic Republic of	128.8	112.6	87.4	16.3	—	—	—	—	
Mauritius	142.2	120.6	84.8	21.7	—	—	—	—	
Mexico	8,912.7	7,209.8	80.9	1,702.9	—	—	—	—	
Micronesia, Federated States of	5.1	5.1	100.0	**	—	—	—	—	
Moldova, Republic of	172.5	288.5	167.3	**	116.0	0.18	—	116.0	
Mongolia	72.3	224.1	310.0	5.4	157.2	0.25	—	157.2	
Montenegro	60.5	45.7	75.5	14.9	—	—	—	—	
Morocco	894.4	747.1	83.5	147.4	—	—	—	—	
Mozambique, Republic of	227.2	198.8	87.5	28.5	—	—	—	—	
Myanmar	516.8	516.8	100.0	—	—	—	—	—	
Namibia	191.1	191.0	99.9	0.1	—	—	—	—	
Nauru, Republic of	2.8	2.1	75.7	0.7	—	—	—	—	
Nepal	156.9	140.9	89.8	16.0	—	—	—	—	
Netherlands, Kingdom of the	8,736.5	7,520.5	86.1	1,216.0	—	—	—	—	
New Zealand	1,252.1	1,036.9	82.8	215.3	—	—	—	—	
Nicaragua	260.0	227.5	87.5	32.5	—	—	—	—	
Niger	131.6	106.5	80.9	25.1	—	—	—	—	
Nigeria	2,454.5	2,279.1	92.9	175.5	—	—	—	—	
North Macedonia, Republic of ⁶	140.3	140.3	100.0	**	—	—	—	—	
Norway	3,754.7	3,228.9	86.0	525.8	—	—	—	—	
Oman	544.4	447.7	82.2	96.7	—	—	—	—	

Member	Quota	General Resources Account			Outstanding credit and loans			
		GRA's holdings of currencies ¹		Reserve tranche position	GRA		SDA ³	Total ⁴
		Total	Percentage of quota		Amount	Percentage ²		
					(A)	+		
					(B)	=	(C)	
Pakistan	2,031.0	6,183.9	304.5	0.1	4,153.0	6.52	—	4,153.0
Palau, Republic of	3.1	3.1	100.0	**	—	—	—	—
Panama	376.8	322.4	85.6	54.4	—	—	—	—
Papua New Guinea	131.6	131.2	99.7	0.5	—	—	—	—
Paraguay	201.4	154.6	76.7	46.9	—	—	—	—
Peru	1,334.5	1,120.1	83.9	214.4	—	—	—	—
Philippines	2,042.9	1,691.2	82.8	352.0	—	—	—	—
Poland, Republic of	4,095.4	3,555.3	86.8	540.1	—	—	—	—
Portugal	2,060.1	1,594.2	77.4	466.3	—	—	—	—
Qatar	735.1	595.9	81.1	139.2	—	—	—	—
Romania	1,811.4	1,811.4	100.0	—	—	—	—	—
Russian Federation	12,903.7	10,521.0	81.5	2,382.7	—	—	—	—
Rwanda	160.2	140.2	87.5	20.0	—	—	—	—
St. Kitts and Nevis	12.5	11.5	92.2	1.0	—	—	—	—
St. Lucia	21.4	19.9	92.9	1.5	—	—	—	—
St. Vincent and the Grenadines	11.7	11.7	100.2	0.5	0.5	**	—	0.5
Samoa	16.2	14.4	88.7	1.8	—	—	—	—
San Marino, Republic of	49.2	37.0	75.3	12.2	—	—	—	—
São Tomé and Príncipe, Democratic Republic of	14.8	14.8	100.0	**	—	—	—	—
Saudi Arabia	9,992.6	8,875.3	88.8	1,117.3	—	—	—	—
Senegal	323.6	281.3	86.9	42.3	—	—	—	—
Serbia, Republic of	654.8	608.0	92.9	46.8	—	—	—	—
Seychelles	22.9	43.5	190.1	3.5	24.2	0.04	—	24.2
Sierra Leone	207.4	207.4	100.0	**	—	—	—	—
Singapore	3,891.9	3,108.1	79.9	785.9	—	—	—	—
Slovak Republic	1,001.0	811.6	81.1	189.4	—	—	—	—
Slovenia, Republic of	586.5	475.1	81.0	111.5	—	—	—	—
Solomon Islands	20.8	17.7	84.9	3.2	—	—	—	—
Somalia	44.2	140.5	317.8	—	96.2	0.15	8.8	111.6
South Africa	3,051.2	2,426.1	79.5	625.6	—	—	—	—
South Sudan, Republic of	246.0	246.0	100.0	—	—	—	—	—
Spain	9,535.5	7,989.2	83.8	1,546.3	—	—	—	—
Sri Lanka	578.8	1,246.2	215.3	47.9	715.2	1.12	—	715.2
Sudan	169.7	322.2	189.8	**	152.4	0.24	—	211.6
Suriname	128.9	177.7	137.9	9.2	58.0	0.09	—	58.0
Sweden	4,430.0	3,939.2	88.9	490.8	—	—	—	—
Switzerland	5,771.1	5,302.8	91.9	468.4	—	—	—	—
Syrian Arab Republic	293.6	293.6	100.0	**	—	—	—	—
Tajikistan, Republic of	174.0	174.0	100.0	**	—	—	—	—
Tanzania, United Republic of	397.8	338.1	85.0	59.7	—	—	—	—
Thailand	3,211.9	2,626.2	81.8	585.7	—	—	—	—
Timor-Leste, Democratic Republic of	25.6	21.3	83.0	4.4	—	—	—	—
Togo	146.8	127.7	87.0	19.2	—	—	—	—
Tonga	13.8	10.4	75.1	3.4	—	—	—	—

Member	General Resources Account				Outstanding credit and loans				
	GRA's holdings of currencies ¹				GRA		SDA ³	Total ⁴	
	Quota	Total	Percentage of quota	Reserve tranche position	Percentage ²		(B)	=	(C)
					Amount	+			
					(A)		(B)		(C)
Trinidad and Tobago	469.8	385.6	82.1	84.2	—	—	—	—	—
Tunisia	545.2	1,632.7	299.5	121.2	1,208.8	1.90	—	—	1,208.8
Turkey	4,658.6	4,545.8	97.6	112.8	—	—	—	—	—
Turkmenistan	238.6	197.8	82.9	40.9	—	—	—	—	—
Tuvalu	2.5	1.9	75.7	0.6	—	—	—	—	—
Uganda	361.0	361.0	100.0	**	—	—	—	—	—
Ukraine	2,011.8	9,675.8	481.0	0.2	7,664.2	12.03	—	—	7,664.2
United Arab Emirates	2,311.2	1,854.9	80.3	456.8	—	—	—	—	—
United Kingdom	20,155.1	15,789.0	78.3	4,366.4	—	—	—	—	—
United States	82,994.2	67,503.0	81.3	15,499.3	—	—	—	—	—
Uruguay	429.1	352.9	82.2	76.2	—	—	—	—	—
Uzbekistan, Republic of	551.2	551.2	100.0	**	—	—	—	—	—
Vanuatu	23.8	24.9	104.7	4.2	5.3	**	—	—	5.3
Venezuela, República Bolivariana de	3,722.7	3,467.9	93.2	254.8	—	—	—	—	—
Vietnam	1,153.1	1,153.1	100.0	**	—	—	—	—	—
Yemen, Republic of	487.0	487.0	100.0	**	—	—	—	—	—
Zambia	978.2	978.2	100.0	**	—	—	—	—	—
Zimbabwe	706.8	706.5	100.0	0.3	—	—	—	—	—
Total	475,472.9	464,022.5		75,164.9	63,693.7	100.00	8.8		63,768.3

Components may not sum exactly to totals because of rounding.

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

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

³ Loans under the Structural Adjustment Facility previously financed by the SDA.

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

⁵ Formerly known as the Kingdom of Swaziland.

⁶ Formerly known as the former Yugoslav Republic of Macedonia.

** Less than SDR 50,000 or 0.005 percent.

SCHEDULE 2: Financial Resources and Liquidity Position in the General Resources Account at April 30, 2019, and 2018

(in millions of SDRs)

	2019	2018
Usable resources:		
Usable currencies	332,968	361,099
SDR holdings	22,772	26,472
Available resources under borrowing arrangements ¹	—	3,085
Total usable resources²	355,740	390,656
Undrawn balances under GRA arrangements:		
Precautionary	(64,670)	(74,978)
Non-precautionary	(25,698)	(16,468)
Total undrawn balances under GRA arrangements	(90,368)	(91,446)
Uncommitted usable resources	265,372	299,210
Repurchases one-year forward ³	4,869	4,358
Repayments of borrowing one-year forward ⁴	(3,391)	(3,196)
Prudential balance ⁵	(80,013)	(79,925)
One-year forward commitment capacity (FCC)⁶	186,837	220,447
Memorandum items:		
Resources committed under borrowing arrangements		
NAB ⁷	180,573	180,573
Bilateral borrowing agreements	316,742	315,024
Quota subscriptions of members that finance IMF transactions	400,067	399,626
Liquid liabilities		
Reserve tranche positions	75,165	46,586
Outstanding borrowings	13,651	19,823

¹ The available resources under borrowing arrangements represent NAB financing from prior activation periods not yet drawn.

² Usable resources consist of (i) 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, (ii) SDR holdings, and (iii) any unused amounts under credit lines that have been activated.

³ Repurchases by member countries falling due during the coming 12-month period.

⁴ Repayments of borrowings falling due during the coming 12-month period.

⁵ Prudential balance is set at 20 percent of quota subscriptions of members whose currencies are used in the financing of IMF transactions.

⁶ The FCC does not include bilateral commitments from members to boost the IMF's resources. These resources will be counted toward the FCC only once (i) individual bilateral agreements are effective and (ii) the associated resources are available for use by the IMF in accordance with the 2016 borrowing framework.

⁷ Outstanding drawings and commitments under the NAB cannot exceed SDR 180.6 billion.

SCHEDULE 3: Schedule of Arrangements in the General Resources Account for the Year Ended April 30, 2019

(in millions of SDRs)

				Undrawn balance			
Member	Arrangement date	Expiration date	Amount committed	April 30, 2018	Changes ³	Amount drawn	April 30, 2019
Stand-By Arrangements							
Argentina	June 20, 2018	June 19, 2021	40,714	—	40,714	(28,014)	12,700
Iraq	July 7, 2016	July 6, 2019	3,831	2,337	—	—	2,337
Jamaica ¹	November 11, 2016	November 10, 2019	1,195	1,195	—	—	1,195
Kenya ^{1,2}	March 14, 2016	September 14, 2018	709	709	(709)	—	—
Ukraine	December 18, 2018	February 17, 2020	2,800	—	2,800	(1,000)	1,800
Total Stand-By Arrangements				4,241	42,805	(29,014)	18,032
Extended Fund Facility							
Angola	December 7, 2018	December 6, 2021	2,673	—	2,673	(715)	1,958
Barbados	October 1, 2018	September 30, 2022	208	—	208	(35)	173
Bosnia and Herzegovina	September 7, 2016	September 6, 2020	443	316	—	—	316
Côte d'Ivoire	December 12, 2016	December 11, 2019	434	258	—	(129)	129
Ecuador	March 11, 2019	March 10, 2022	3,035	—	3,035	(470)	2,565
Egypt, Arab Republic of	November 11, 2016	November 10, 2019	8,597	4,298	—	(2,865)	1,433
Gabon	June 19, 2017	June 18, 2020	464	322	—	(143)	179
Georgia	April 12, 2017	April 11, 2020	210	150	—	(60)	90
Jordan	August 24, 2016	August 23, 2019	515	412	—	—	412
Moldova, Republic of	November 7, 2016	November 6, 2019	86	48	—	(16)	32
Mongolia	May 24, 2017	May 23, 2020	315	210	—	(53)	157
Sri Lanka	June 3, 2016	June 2, 2019	1,071	533	—	(177)	356
Tunisia	May 20, 2016	May 19, 2020	2,046	1,414	—	(353)	1,061
Ukraine ²	March 11, 2015	December 17, 2018	12,348	6,170	(6,170)	—	—
Total Extended Fund Facility				14,132	(254)	(5,016)	8,861
Precautionary and Liquidity Line							
Morocco ^{1,2}	July 22, 2016	July 21, 2018	2,504	2,504	(2,504)	—	—
Morocco ¹	December 17, 2018	December 16, 2020	2,151	—	2,151	—	2,151
Total Precautionary and Liquidity Line				2,504	(353)	—	2,151
Flexible Credit Line							
Colombia ^{1,2}	June 13, 2016	June 12, 2018	8,180	8,180	(8,180)	—	—
Colombia ¹	May 25, 2018	May 24, 2020	7,848	—	7,848	—	7,848
Mexico ¹	November 29, 2017	November 28, 2019	62,389	62,389	(8,913)	—	53,476
Total Flexible Credit Line				70,569	(9,245)	—	61,324
Total General Resources Account				91,446	32,953	(34,030)	90,368

Components may not sum exactly to totals due to rounding.

¹ Arrangement is precautionary.

² Arrangement expired during the financial year ended April 30, 2019.

³ Includes new arrangements, augmentations, cancellations, expirations, and decrease of access.

SCHEDULE 4: Schedule of Effective NAB Commitments in the General Resources Account at April 30, 2019, and 2018

(in millions of SDRs)

Lender	Commitment amounts	Outstanding borrowings	
		2019	2018
Australia	2,220	169	235
Austria	1,818	138	193
Belgium	3,994	304	423
Brazil	4,441	337	471
Canada	3,874	294	411
Banco Central de Chile	691	53	73
China	15,860	1,204	1,681
Cyprus	340	26	31
Danmarks Nationalbank	1,630	124	173
Deutsche Bundesbank	12,890	979	1,366
Finland	1,134	86	120
France	9,479	720	1,005
Hong Kong Monetary Authority	340	26	36
India	4,441	337	471
Bank of Israel	340	26	36
Italy	6,899	524	731
Japan	33,509	2,545	3,551
Korea	3,345	254	355
Kuwait	341	26	36
Luxembourg	493	37	52
Malaysia	340	26	36
Mexico	2,538	193	269
Netherlands	4,595	349	487
New Zealand	340	26	36
Norway	1,967	149	208
Bangko Sentral ng Pilipinas	340	26	36
National Bank of Poland	1,285	98	136
Banco de Portugal	784	—	—
Russian Federation	4,441	337	471
Saudi Arabia	5,653	429	599
Singapore	649	50	69
South Africa	340	26	36
Spain	3,405	258	351
Sveriges Riksbank	2,256	171	239
Swiss National Bank	5,541	420	587
Thailand	340	26	36
United Kingdom	9,479	720	1,005
United States	28,202	2,140	3,773
Total	180,573	13,651	19,823

Components may not sum exactly to totals because of rounding.

SCHEDULE 5: Schedule of Effective Bilateral Borrowing Agreements in the General Resources Account at April 30, 2019, and 2018

Lender	Currency of commitment	Commitment			
		2019		2018	
		(in millions)	(in millions of SDRs)	(in millions)	(in millions of SDRs)
Bank of Algeria	USD	5,000	3,608	5,000	3,477
Australia	SDR	4,610	4,610	4,610	4,610
Oesterreichische Nationalbank	EUR	6,130	4,962	6,130	5,149
National Bank of Belgium	EUR	9,990	8,087	9,990	8,391
Banco Central do Brasil	USD	10,000	7,216	10,000	6,954
Government of Brunei Darussalam	USD	300	216	—	—
Canada	SDR	8,200	8,200	8,200	8,200
Central Bank of Chile	SDR	960	960	960	960
People's Bank of China	USD	43,000	31,030	43,000	29,901
Czech National Bank	EUR	1,500	1,214	—	—
Danmarks Nationalbank	EUR	5,300	4,290	5,300	4,452
Bank of Finland	EUR	3,760	3,044	3,760	3,158
Government of the French Republic	EUR	31,400	25,419	31,400	26,374
Deutsche Bundesbank	EUR	41,500	33,595	41,500	34,858
Reserve Bank of India	USD	10,000	7,216	10,000	6,954
Bank of Italy	EUR	23,480	19,008	23,480	19,722
Government of Japan	USD	60,000	43,298	60,000	41,723
Korea	USD	15,000	10,824	15,000	10,431
Government of Luxembourg	EUR	2,060	1,668	2,060	1,730
Bank Negara Malaysia	USD	1,000	722	1,000	695
Central Bank of Malta	EUR	260	210	260	218
Banco de Mexico	USD	10,000	7,216	10,000	6,954
De Nederlandsche Bank NV	EUR	13,610	11,018	13,610	11,432
New Zealand	USD	1,000	722	1,000	695
Norges Bank	SDR	6,000	6,000	6,000	6,000
Central Reserve Bank of Peru	SDR	1,100	1,100	1,100	1,100
Bangko Sentral ng Pilipinas	USD	1,000	722	1,000	695
Narodowy Bank Polski	EUR	6,270	5,076	6,270	5,266
Central Bank of the Russian Federation	USD	10,000	7,216	10,000	6,954
Saudi Arabia	USD	15,000	10,824	15,000	10,431
Monetary Authority of Singapore	USD	4,000	2,887	4,000	2,782
Slovak Republic	EUR	1,560	1,263	1,560	1,310
Bank of Slovenia	EUR	910	737	910	764
South African Reserve Bank	USD	2,000	1,443	2,000	1,391
Kingdom of Spain	EUR	14,860	12,029	14,860	12,482
Sveriges Riksbank	SDR	7,400	7,400	7,400	7,400
Swiss National Bank	CHF	8,500	6,018	8,500	5,974
Bank of Thailand	USD	4,000	2,887	4,000	2,782
Central Bank of the Republic of Turkey	USD	5,000	3,608	5,000	3,477
Government of the United Kingdom	SDR	9,178	9,178	9,178	9,178
Total:					
In millions of SDRs		316,742		315,024	
In millions of U.S. dollars		438,928		453,025	

Components may not sum exactly to totals because of rounding.

II. Financial Statements of the SDR Department





Report of Independent Auditors

To the Board of Governors of the International Monetary Fund

We have audited the accompanying financial statements of the Special Drawing Rights Department (SDR Department) of the International Monetary Fund ("Department"), which comprise the statements of financial position as of April 30, 2019 and 2018, and the related statements of comprehensive income for the years then ended.

We are independent of the Department in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United States of America and with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Department or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Department's financial reporting process.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance but is not a guarantee that an audit will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We design audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

In making those risk assessments, we consider internal control relevant to the Department's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation, structure, and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

As part of an audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Department's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Department to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies or material weaknesses in internal control that we identify during our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Special Drawing Rights Department of the International Monetary Fund as of April 30, 2019 and 2018, and the results of its operations for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The supplemental schedules appearing on pages 57 to 63 are presented for purposes of additional analysis and are not a required part of the financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. We also subjected the information to the applicable procedures required by International Standards on Auditing. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.



McLean, Virginia
June 21, 2019

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Statements of Financial Position at April 30, 2019, and 2018

(in millions of SDRs)

	Note	2019	2018
Assets			
Net charges receivable		86	65
Participants with holdings below allocations	4		
Allocations		116,973	132,271
Less: SDR holdings		87,377	100,264
Allocations in excess of holdings		29,596	32,007
Total assets		29,682	32,072
Liabilities			
Net interest payable		86	65
Participants with holdings above allocations	4		
SDR holdings		92,923	76,367
Less: allocations		87,185	71,887
Holdings in excess of allocations		5,738	4,480
Holdings by the General Resources Account		22,772	26,472
Holdings by prescribed holders		1,086	1,055
Total liabilities		29,682	32,072

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

These financial statements were approved by the Managing Director and the Director of Finance on June 21, 2019.

Christine Lagarde /s/
Managing Director

Andrew Tweedie /s/
Director, Finance Department

Statements of Comprehensive Income for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	2019	2018
Operational Income		
Net charges from participants with holdings below allocations	318	221
Assessment on SDR allocations	3	3
Total operational income	321	224
Expenses		
Interest on SDR holdings		
Net interest to participants with holdings above allocations	55	31
General Resources Account	252	182
Prescribed holders	11	8
Total interest on SDR holdings	318	221
Administrative expenses	3	3
Total operational expenses	321	224
Other comprehensive income	—	—
Total comprehensive income	—	—

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

Notes to the Financial Statements for the Financial Years Ended April 30, 2019, and 2018

1. Nature of operations

The Special Drawing Right (SDR) is an international interest-bearing reserve asset created by the International Monetary Fund (IMF) following the First Amendment of the Articles of Agreement in 1969. SDRs can be held and used only by participants in the SDR Department, by the IMF through the General Resources Account (GRA), and by certain official entities designated by the IMF and referred to as “prescribed holders”. The value of the SDR as a reserve asset derives from the commitments of participants to hold and accept SDRs and to honor various obligations connected with the proper functioning of the SDR Department. At April 30, 2019, and 2018, all members of the IMF were participants in the SDR Department and 15 institutions were designated as prescribed holders.

Since the creation of the SDR in 1969, three general allocations and one special allocation of SDRs have been made, for a total of SDR 204.2 billion as at April 30, 2019, and 2018. Prescribed holders do not receive SDR allocations. Holders of SDRs earn interest on their SDR holdings. Participants pay charges on their cumulative SDR allocations. Both interest and charges are at the SDR interest rate. Participants that use their SDRs, and therefore hold fewer SDRs than their cumulative allocations, will pay more charges than they will receive interest on their holdings. Conversely, participants that hold more SDRs than their cumulative allocations will receive more interest than the charges they will pay on their holdings.

The resources of the SDR Department are held separately from the assets and liabilities of all the other accounts of, or administered by, the IMF. They may not be used to meet the liabilities, obligations, or losses of the IMF incurred in the operations of the General Department or other accounts, except that the SDR Department reimburses the General Department for expenses incurred in conducting the business of the SDR Department. Upon participants’ termination of participation in, or liquidation of, the SDR Department, the IMF will provide to holders freely usable currencies or currencies of holders received from the participants in settlement of their obligations. A freely usable currency is a member’s currency that the IMF has determined is widely used to make payments for international transactions and widely traded in the principal exchange markets. At present, the Chinese renminbi, euro, Japanese yen, pound sterling, and U.S. dollar are classified as freely usable currencies.

The SDR is also used by several international and regional organizations as a unit of account or as the basis for their units of account. Several international conventions and treaties also use the SDR as a unit of account.

1.1 Uses of SDRs

Participants and prescribed holders can use and receive SDRs in transactions and operations by agreement among themselves in accordance with the IMF’s Articles of Agreement and decisions adopted by the IMF Executive Board. Participants may also conduct such transactions bilaterally with any participant or prescribed holder through voluntary trading arrangements to buy and sell SDRs. The role of the IMF in such transactions by agreement is to act as intermediary, matching participants in this managed market in a manner that meets, to the greatest extent possible, the requirements and preferences of the buyers and sellers of SDRs.

Participants can use SDRs in operations and transactions involving the GRA of the General Department, such as the payment of quota, payment of charges, and repurchases. The GRA can use SDRs in operations and transactions involving participants, such as purchases, payment of remuneration, and repayment of borrowings. If necessary, the IMF may also designate participants to provide freely usable currency in exchange for SDRs; in doing so, the IMF ensures that a participant can use its SDRs to obtain an equivalent amount of freely usable currency if it has a need because of its balance of payments, its reserve position, or developments in its reserves.

1.2 Allocations and cancellations of SDRs

The IMF has the authority to provide 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. 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 and avoid economic stagnation and deflation as well as excess demand and inflation.

A new IMF member that elects to participate in the SDR Department receives an initial allocation, consisting of an amount determined on the basis of its IMF quota under Article XVIII of the IMF’s Articles of Agreement, and an amount in accordance with the special allocation of SDRs

under the Fourth Amendment of the Articles of Agreement. The latter, which came to effect in 2009, was intended to enable all members at the time and new members to participate in the SDR system on an equitable basis.

SDRs allocated under the special allocation to participants with overdue obligations to the IMF are held in an escrow account with the SDR Department and will be released to the participants upon their settlement of all overdue obligations (see Note 4).

The Articles of Agreement also provide for cancellations of SDRs, although to date there have been no cancellations.

2. Basis of preparation and measurement

The financial statements of the SDR Department are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention.

The SDR Department is self-financed and does not have any equity as net cumulative allocations are equal to SDR holdings. It holds no cash or cash equivalents and as net operational income and net expenditure are always equal, it generates no income. Cash flows arising from operating activities are limited to the receipt of charges and assessments and payment of interest and administrative expenses. A statement of cash flows is not presented as it would not provide additional information beyond that already contained in the Statements of Comprehensive Income. Changes in SDR holdings are shown in Schedule 1.

2.1 Unit of account

The financial statements are presented in SDRs, which is the IMF's unit of account. The value of the SDR is determined daily by the IMF by summing specific amounts of the basket currencies in U.S. dollar equivalents on the basis of market exchange rates. The IMF reviews the composition of the SDR valuation basket at a minimum of five-year intervals. The specific amounts of the currencies in the basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
U.S. dollar	0.58252

At April 30, 2019, 1 SDR was equal to US\$1.38576 (US\$1.43806 at April 30, 2018). The next review of the

method of valuation of the SDR will take place by September 30, 2021, unless developments in the interim justify an earlier review.

2.2 SDR interest rate

The SDR interest rate is used to calculate the interest paid on holdings and charges received on allocations.

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the SDR basket currencies as follows:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
U.S. dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places. The average interest rate was 1.036 percent and 0.676 percent per annum for the financial years ended April 30, 2019, and 2018, respectively.

2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant estimates and judgements used in applying accounting policies include assessing potential impairment of the participants' net obligations to the SDR Department (see Note 3).

3. Summary of significant accounting policies

3.1 Financial instruments

IFRS 9, "Financial Instruments", as issued by the IASB in July 2014 was adopted with a date of initial application of May 1, 2018. The requirements of IFRS 9 represent a

significant change from the standard it superseded, International Accounting Standard (IAS) 39, “Financial Instruments: Recognition and Measurement”. See Note 3.5 for the effect of IFRS 9 adoption.

Classification and measurement

Financial instruments are recognized when the SDR Department becomes a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount. Subsequently, financial instruments are measured at amortized cost.

Impairment

The incurred loss model of IAS 39 has been replaced by a forward-looking expected credit loss model, which applies to, inter alia, financial assets measured at amortized cost. An allowance for expected credit loss must be recognized for either 12-month or lifetime expected credit losses, depending on whether there has been a significant increase in credit risk since inception. In making such a determination, all relevant information, including forward-looking information that is available without undue cost or effort, should be considered.

At each reporting date, the SDR Department assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets at amortized cost. The measurement of ECL reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (ii) the time value of money; and (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

If ECL needed to be recognized, they would be recorded as impairment allowances.

3.2 SDR allocations and holdings

Participants with holdings below their allocations have a net obligation to the SDR Department, which is presented as an asset in the statements of financial position. Participants with holdings in excess of their allocations have established a net claim on the SDR Department, which is presented in the statements of financial position as a liability.

Impairment of participants' net obligations to the SDR Department

The SDR Department's application of the impairment requirements of IFRS 9 is grounded in the context of the unique nature of its operations. The debtor positions in the SDR Department do not have maturity dates and could be held until the participant's withdrawal from the SDR Department or the liquidation of the SDR Department. The likelihood of the SDR Department incurring credit losses is

remote considering the IMF's unique relationship with its member countries (all of which are participants in the SDR Department), and its multilayered risk management framework. In addition, the IMF also has de facto preferred creditor status, which has been recognized by the official community and generally accepted by private creditors. Overdue charges, if any, would accrue interest at the SDR interest rate in perpetuity preserving the time value of money.

3.3 Interest and charges

Interest is accrued on holdings of SDRs, and charges are levied on each participant's cumulative SDR allocation at the SDR interest rate with the net result to be paid or received each quarter. Charges are also levied on any negative balance of the participant or unpaid charges. If sufficient SDRs are not received because charges are overdue, additional SDRs are temporarily created. This is in substance a receivable asset that is reversed when the participants pay the overdue charges. Interest and charges are settled by crediting and debiting the individual holdings accounts.

3.4 Assessment

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

3.5 New International Financial Reporting Standards

The following new standards issued by the IASB and applicable to the SDR Department became effective in the financial year ended April 30, 2019.

IFRS 9, “Financial Instruments”, which replaces IAS 39, “Financial Instruments: Recognition and Measurement”, is effective for annual periods starting on or after January 1, 2018 and was adopted on May 1, 2018.

Transition to IFRS 9 adoption

The adoption of IFRS 9 did not have a material effect on the financial statements of the SDR Department. Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively (see Note 3.2 for details).

IFRS 15, “Revenue from Contracts with Customers”, is effective for annual periods starting on or after January 1, 2018, was adopted by the SDR Department on May 1, 2018. IFRS 15 provides a principles-based approach for revenue recognition that applies to all contracts with customers except those related to financial instruments, leases, and insurance contracts. It requires an entity to recognize revenue as performance obligations are satisfied.

Adoption of IFRS 15 did not have a material effect on the financial statements of the SDR Department.

4. Allocations and holdings

At April 30, 2019, and 2018, cumulative allocations to participants totaled SDR 204.2 billion.

Participants' net SDR positions were as follows:

	April 30, 2019			April 30, 2018		
	Below allocations	Above allocations	Total	Below allocations	Above allocations	Total
	<i>(in millions of SDRs)</i>					
Cumulative allocations	116,973	87,185	204,158	132,271	71,887	204,158
Holdings of SDRs	87,377	92,923	180,300	100,264	76,367	176,631
Net SDR positions	29,596	(5,738)	23,858	32,007	(4,480)	27,527

The composition of SDR holdings was as follows:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Participants	180,300	176,631
General Resources Account	22,772	26,472
Prescribed holders	1,086	1,055
Total holdings	204,158	204,158

In accordance with the provision of the Fourth Amendment of the IMF's Articles of Agreement, SDRs are held in escrow on behalf of participants with overdue obligations to the General Department and the Poverty Reduction and Growth (PRG) Trust. At April 30, 2019, and 2018, SDR 20.3 million was held in escrow for Somalia (SDR 4.2 million) and Sudan (SDR 16.1 million). The SDRs held in escrow will be released to the participants upon the settlement of overdue obligations, and their allocations and holdings adjusted accordingly.

5. Related party transactions and administrative expenses

The GRA is a holder of SDRs and conducts operations and transactions with the SDR Department participants. The GRA's holdings of SDRs amounted to SDR 22.8 billion and SDR 26.5 billion at April 30, 2019, and 2018, respectively.

The expenses of conducting the business of the SDR Department, paid by the IMF from the GRA, and reimbursed by the SDR Department, were SDR 3 million for each of the financial years ended April 30, 2019, and 2018.

Supplemental Schedules

SCHEDULE 1: Statements of Changes in SDR Holdings for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	2019			2018		
	Participants	General Resources Account	Prescribed holders	Participants	General Resources Account	Prescribed holders
Total holdings, beginning of the year	176,631	26,472	1,055	174,817	28,256	1,085
Transactions by agreement:						
Acquisitions	6,322	—	1	5,160	—	—
Sales	(5,238)	—	(1,085)	(3,957)	—	(1,203)
Settlement of financial obligations	(87)	—	87	(49)	—	49
GRA operations:						
Acquisitions in exchange for currencies of other members	595	(595)	—	707	(707)	—
Purchases	5,399	(5,399)	—	3,419	(3,419)	—
Repurchases	(1,072)	1,072	—	(1,036)	1,036	—
Repayment of borrowings	62	(62)	—	86	(86)	—
GRA charges	(1,241)	1,241	—	(1,151)	1,151	—
Service charges and commitment fees, net of refunds	(369)	369	—	(375)	375	—
Quota payments	—	—	—	(20)	20	—
Remuneration	456	(456)	—	230	(230)	—
Interest on borrowings	177	(177)	—	146	(146)	—
Other IMF-related operations:						
PRG Trust disbursements	312	—	(312)	229	—	(229)
PRG Trust loan repayments and interest	(965)	—	965	(867)	—	867
PRG Trust, PRG-HIPC Trust, and CCR Trust borrowings	(878)	—	878	(870)	—	870
PRG Trust, PRG-HIPC Trust, and CCR Trust borrowing repayments and interest	429	—	(429)	324	—	(324)
Refunds to contributors and other operations	22	—	(22)	2	**	(2)
SDR charges ¹	(1,964)	—	—	(1,155)	—	—
SDR interest ¹	1,712	241	11	994	155	6
Reimbursement of expenses (including SDR assessment)	(3)	66	(63)	(3)	67	(64)
Total holdings, end of the year	180,300	22,772	1,086	176,631	26,472	1,055

Components may not sum exactly to totals because of rounding.

¹ The presentation of SDR interest and charges has been changed from net to gross presentation to be consistent with the presentation of all other transactions in the table.

** Less than SDR 500,000.

SCHEDULE 2: Allocations and Holdings of Participants at April 30, 2019

(in millions of SDRs)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Afghanistan, Islamic Republic of	155.3	44.4	28.6	(110.9)
Albania	46.5	80.3	173.0	33.9
Algeria	1,198.2	896.5	74.8	(301.7)
Angola	273.0	222.3	81.4	(50.7)
Antigua and Barbuda	12.5	**	0.4	(12.5)
Argentina	2,020.0	2,393.2	118.5	373.2
Armenia, Republic of	88.0	1.5	1.7	(86.5)
Australia	3,083.2	3,110.9	100.9	27.7
Austria	1,736.3	1,679.5	96.7	(56.8)
Azerbaijan, Republic of	153.6	95.7	62.3	(57.8)
Bahamas, The	124.4	88.3	71.0	(36.1)
Bahrain, Kingdom of	124.4	65.9	53.0	(58.4)
Bangladesh	510.4	912.8	178.8	402.4
Barbados	64.4	11.8	18.3	(52.6)
Belarus, Republic of	368.6	371.8	100.9	3.2
Belgium	4,323.3	3,895.3	90.1	(428.0)
Belize	17.9	20.1	112.6	2.2
Benin	59.2	53.8	91.0	(5.3)
Bhutan	6.0	6.1	101.2	0.1
Bolivia	164.1	167.0	101.7	2.9
Bosnia and Herzegovina	160.9	1.5	0.9	(159.4)
Botswana	57.4	58.9	102.6	1.5
Brazil	2,887.1	2,913.5	100.9	26.4
Brunei Darussalam	203.5	217.1	106.7	13.6
Bulgaria	610.9	612.7	100.3	1.8
Burkina Faso	57.6	20.3	35.3	(37.3)
Burundi	73.8	0.8	1.1	(73.1)
Cabo Verde	9.2	0.1	1.1	(9.1)
Cambodia	83.9	88.7	105.6	4.7
Cameroon	177.3	15.7	8.8	(161.6)
Canada	5,988.1	6,107.7	102.0	119.6
Central African Republic	53.4	1.8	3.3	(51.6)
Chad	53.6	0.2	0.5	(53.4)
Chile	816.9	538.8	66.0	(278.0)
China, People's Republic of	6,989.7	7,726.7	110.5	737.0
Colombia	738.3	656.2	88.9	(82.2)
Comoros, Union of the	8.5	5.8	67.9	(2.7)
Congo, Democratic Republic of the	510.9	26.9	5.3	(483.9)
Congo, Republic of	79.7	51.0	64.0	(28.7)
Costa Rica	156.5	84.9	54.3	(71.6)
Cote d'Ivoire	310.9	332.9	107.1	22.0
Croatia, Republic of	347.3	304.2	87.6	(43.2)
Cyprus	132.8	50.3	37.9	(82.5)

Participant	Cumulative allocations	Holdings		
		Total	Percentage of cumulative allocations	Above (below) allocations
Czech Republic	780.2	456.9	58.6	(323.3)
Denmark	1,531.5	1,421.6	92.8	(109.9)
Djibouti	15.2	2.6	17.3	(12.5)
Dominica	7.8	1.0	12.3	(6.9)
Dominican Republic	208.8	4.9	2.4	(203.9)
Ecuador	288.4	4.4	1.5	(283.9)
Egypt, Arab Republic of	898.5	378.6	42.1	(519.8)
El Salvador	163.8	165.6	101.1	1.8
Equatorial Guinea, Republic of	31.3	21.1	67.5	(10.2)
Eritrea, The State of	15.2	3.5	23.1	(11.7)
Estonia, Republic of	62.0	24.6	39.7	(37.4)
Eswatini, Kingdom of ¹	48.3	48.8	101.1	0.5
Ethiopia, The Federal Democratic Republic of	127.9	12.5	9.8	(115.4)
Fiji, Republic of	67.1	44.0	65.6	(23.1)
Finland	1,189.5	1,121.9	94.3	(67.6)
France	10,134.2	8,159.5	80.5	(1,974.7)
Gabon	146.7	119.2	81.3	(27.5)
Gambia, The	29.8	1.1	3.6	(28.7)
Georgia	144.0	144.7	100.5	0.7
Germany	12,059.2	11,836.7	98.2	(222.4)
Ghana	353.9	9.3	2.6	(344.6)
Greece	782.4	8.8	1.1	(773.5)
Grenada	11.2	0.7	5.8	(10.5)
Guatemala	200.9	120.4	59.9	(80.5)
Guinea	102.5	72.6	70.9	(29.8)
Guinea-Bissau	13.6	19.5	143.5	5.9
Guyana	87.1	0.5	0.6	(86.6)
Haiti	78.5	31.6	40.2	(46.9)
Honduras	123.8	53.1	42.9	(70.8)
Hungary	991.1	3.7	0.4	(987.4)
Iceland	112.2	112.7	100.5	0.6
India	3,978.3	1,049.2	26.4	(2,929.0)
Indonesia	1,980.4	1,116.1	56.4	(864.3)
Iran, Islamic Republic of	1,426.1	1,546.0	108.4	119.9
Iraq	1,134.5	16.3	1.4	(1,118.2)
Ireland	775.4	658.6	84.9	(116.8)
Israel	883.4	928.6	105.1	45.2
Italy	6,576.1	5,566.7	84.7	(1,009.4)
Jamaica	261.6	146.8	56.1	(114.9)
Japan	12,285.0	13,945.6	113.5	1,660.7
Jordan	162.1	19.4	12.0	(142.6)
Kazakhstan, Republic of	343.7	351.4	102.2	7.7
Kenya	259.6	38.1	14.7	(221.5)
Kiribati	5.3	4.0	74.9	(1.3)
Korea, Republic of	2,404.4	2,303.7	95.8	(100.7)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Kosovo	55.4	52.8	95.4	(2.6)
Kuwait	1,315.6	1,331.3	101.2	15.8
Kyrgyz Republic	84.7	96.3	113.6	11.5
Lao People's Democratic Republic	50.7	37.8	74.6	(12.9)
Latvia, Republic of	120.8	120.8	100.0	**
Lebanon	193.3	194.3	100.5	1.0
Lesotho, Kingdom of	32.9	18.7	56.9	(14.2)
Liberia	124.0	150.8	121.6	26.8
Libya	1,072.7	1,639.2	152.8	566.5
Lithuania, Republic of	137.2	137.3	100.1	0.1
Luxembourg	246.6	247.9	100.5	1.3
Madagascar, Republic of	117.1	2.3	2.0	(114.8)
Malawi	66.4	1.0	1.4	(65.4)
Malaysia	1,346.1	822.1	61.1	(524.1)
Maldives	7.7	2.3	30.1	(5.4)
Mali	89.4	156.3	174.9	67.0
Malta	95.4	87.4	91.6	(8.0)
Marshall Islands, Republic of the	3.3	3.4	101.1	**
Mauritania, Islamic Republic of	61.7	8.8	14.3	(52.9)
Mauritius	96.8	90.0	93.0	(6.8)
Mexico	2,851.2	2,927.1	102.7	75.9
Micronesia, Federated States of	4.8	6.3	130.1	1.4
Moldova, Republic of	117.7	2.0	1.7	(115.7)
Mongolia	48.8	38.9	79.9	(9.8)
Montenegro	25.8	18.2	70.5	(7.6)
Morocco	561.4	541.8	96.5	(19.6)
Mozambique, Republic of	108.8	8.1	7.5	(100.7)
Myanmar	245.8	2.1	0.9	(243.6)
Namibia	130.4	2.7	2.1	(127.6)
Nauru, Republic of	0.9	0.2	21.0	(0.7)
Nepal	68.1	1.8	2.7	(66.3)
Netherlands, Kingdom of the	4,836.6	4,768.1	98.6	(68.6)
New Zealand	853.8	868.0	101.7	14.2
Nicaragua	124.5	48.3	38.8	(76.3)
Niger	62.9	69.4	110.3	6.5
Nigeria	1,675.4	1,499.1	89.5	(176.3)
North Macedonia, Republic of ²	65.6	2.7	4.2	(62.9)
Norway	1,563.1	1,567.2	100.3	4.1
Oman	178.8	98.6	55.1	(80.3)
Pakistan	988.6	269.2	27.2	(719.3)
Palau, Republic of	3.0	3.0	101.1	**
Panama	197.0	127.8	64.9	(69.2)
Papua New Guinea	125.5	7.2	5.8	(118.3)
Paraguay	95.2	96.4	101.2	1.2
Peru	609.9	531.3	87.1	(78.6)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
Philippines	838.0	852.0	101.7	14.0
Poland, Republic of	1,304.6	296.0	22.7	(1,008.7)
Portugal	806.5	538.0	66.7	(268.5)
Qatar	251.4	273.6	108.8	22.2
Romania	984.8	988.0	100.3	3.3
Russian Federation	5,671.8	4,838.7	85.3	(833.1)
Rwanda	76.8	53.8	70.1	(23.0)
St. Kitts and Nevis	8.5	4.7	55.1	(3.8)
St. Lucia	14.6	5.3	36.2	(9.3)
St. Vincent and the Grenadines	7.9	0.8	9.6	(7.2)
Samoa	11.1	6.2	56.3	(4.8)
San Marino, Republic of	15.5	8.8	56.9	(6.7)
São Tomé and Príncipe, Democratic Republic of	7.1	0.1	1.2	(7.0)
Saudi Arabia	6,682.5	6,085.6	91.1	(596.9)
Senegal	154.8	3.4	2.2	(151.4)
Serbia, Republic of	445.0	10.4	2.3	(434.6)
Seychelles	8.3	4.0	48.6	(4.3)
Sierra Leone	99.5	99.1	99.6	(0.4)
Singapore	744.2	758.7	102.0	14.5
Slovak Republic	340.5	300.3	88.2	(40.2)
Slovenia, Republic of	215.9	198.5	92.0	(17.3)
Solomon Islands	9.9	0.8	8.2	(9.1)
Somalia	46.5	17.8	38.4	(28.6)
South Africa	1,785.4	1,494.3	83.7	(291.1)
South Sudan, Republic of	105.4	0.4	0.4	(105.0)
Spain	2,827.6	2,762.9	97.7	(64.6)
Sri Lanka	395.5	5.3	1.3	(390.2)
Sudan	178.0	124.3	69.8	(53.7)
Suriname	88.1	24.6	27.9	(63.5)
Sweden	2,249.0	2,223.5	98.9	(25.4)
Switzerland	3,288.0	3,256.1	99.0	(31.9)
Syrian Arab Republic	279.2	282.2	101.1	3.0
Tajikistan, Republic of	82.1	27.6	33.6	(54.5)
Tanzania, United Republic of	190.5	10.6	5.6	(179.9)
Thailand	970.3	983.7	101.4	13.4
Timor-Leste, Democratic Republic of	7.7	3.4	43.9	(4.3)
Togo	70.3	73.3	104.2	2.9
Tonga	6.6	5.4	82.0	(1.2)
Trinidad and Tobago	321.1	241.9	75.3	(79.2)
Tunisia	272.8	13.2	4.8	(259.6)
Turkey	1,071.3	965.5	90.1	(105.8)
Turkmenistan	69.8	28.9	41.4	(40.9)
Tuvalu	1.7	1.1	64.3	(0.6)
Uganda	173.1	45.2	26.1	(127.9)
Ukraine	1,309.4	69.2	5.3	(1,240.2)

Participant	Cumulative allocations	Total	Holdings	
			Percentage of cumulative allocations	Above (below) allocations
United Arab Emirates	568.4	151.9	26.7	(416.5)
United Kingdom	10,134.2	9,868.2	97.4	(266.0)
United States	35,315.7	36,568.0	103.5	1,252.3
Uruguay	293.3	214.6	73.2	(78.6)
Uzbekistan, Republic of	262.8	266.1	101.3	3.3
Vanuatu	16.3	0.8	5.0	(15.4)
Venezuela, República Bolivariana de	2,543.3	30.0	1.2	(2,513.3)
Vietnam	314.8	273.3	86.8	(41.5)
Yemen, Republic of	232.3	19.8	8.5	(212.4)
Zambia	469.1	169.6	36.2	(299.5)
Zimbabwe	338.6	12.9	3.8	(325.7)
Above allocation	87,185.4	92,923.1		5,737.7
Below allocation	116,972.5	87,376.5		(29,596.0)
Total participants	204,157.9	180,299.6		
Participants' holdings held in escrow	20.3	20.3		
General Resources Account	—	22,771.8		
Prescribed holders	—	1,086.5		
Total allocations and holdings	204,178.2	204,178.2		

Components may not sum exactly to totals because of rounding.

¹ Formerly known as the Kingdom of Swaziland.

² Formerly known as the former Yugoslav Republic of Macedonia.

** Less than SDR 50,000.

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III. Financial Statements of the Concessional Lending and Debt Relief Trusts





Report of Independent Auditors

To the Board of Governors of the International Monetary Fund

We have audited the accompanying financial statements of the Poverty Reduction and Growth Trust (PRG Trust), the Trust for Special Poverty Reduction and Growth Operations for the Heavily Indebted Poor Countries and Interim ECF Subsidy Operations and related Umbrella Account for HIPC Operations (the PRG-HIPC Trust and related Umbrella Account), and the Catastrophe Containment and Relief Trust and the related Umbrella Account for CCR Operations (CCR Trust and related Umbrella Account) (collectively referred to as the “Concessional Lending and Debt Relief Trusts” or “Trusts”), which comprise the statements of financial position as of April 30, 2019 and 2018, and the related statements of comprehensive income and changes in resources and of cash flows for the years then ended.

We are independent of the Trusts in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United States of America and with the International Ethics Standards Board for Accountants’ *Code of Ethics for Professional Accountants*. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trusts’ ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Trusts or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Trusts’ financial reporting process.

Auditors’ Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance but is not a guarantee that an audit will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We design audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is



higher than for one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

In making those risk assessments, we consider internal control relevant to the Trusts' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Trusts' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation, structure, and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

As part of an audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Trusts' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Trusts to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies or material weaknesses in internal control that we identify during our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each of the Poverty Reduction and Growth Trust, the Trust for Special Poverty Reduction and Growth Operations for the Heavily Indebted Poor Countries and Interim ECF Subsidy Operations and the related Umbrella Account for HIPC Operations, and the Catastrophe Containment and Relief Trust and the related Umbrella Account for CCR Operations, as of April 30, 2019 and 2018, and the results of each of their operations and each of their cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Other Matter

Our audit was conducted for the purpose of forming an opinion on each Trust's financial statements taken as a whole. The supplemental schedules appearing on pages 87 to 95 are presented for purposes of additional analysis and are not a required part of the respective Trusts' financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the respective Trusts' financial statements. The information has been subjected to the auditing procedures applied in the audit of the respective Trusts' financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the respective Trusts'



financial statements or to their respective financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. We also subjected the information to the applicable procedures required by International Standards on Auditing. In our opinion, the information is fairly stated, in all material respects, in relation to the respective trust financial statements taken as a whole.

A handwritten signature in blue ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

McLean, Virginia
June 21, 2019

Statements of Financial Position at April 30, 2019, and 2018

(in millions of SDRs)

	Note	PRG Trust		PRG-HIPC Trust and related Umbrella Account		CCR Trust and related Umbrella Account	
		2019	2018	2019	2018	2019	2018
Assets							
Cash and cash equivalents		139	206	1	1	149	146
Interest receivable and other assets	8	89	73	1	19	—	—
Investments	5	7,623	7,410	332	416	18	—
Loans receivable	6	6,377	6,289	—	—	—	—
Total assets		14,228	13,978	334	436	167	146
Liabilities and resources							
Interest payable and other liabilities	8	125	93	—	21	—	—
Borrowings	7	6,666	6,512	89	176	18	—
Total liabilities		6,791	6,605	89	197	18	—
Resources		7,437	7,373	245	239	149	146
Total liabilities and resources		14,228	13,978	334	436	167	146

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

The financial statements were approved by the Managing Director and the Director of Finance on June 21, 2019.

Christine Lagarde /s/
Managing Director

Andrew Tweedie /s/
Director, Finance Department

Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	Note	PRG Trust		PRG-HIPC Trust and related Umbrella Account		CCR Trust and related Umbrella Account	
		2019	2018	2019	2018	2019	2018
Resources, beginning of year		7,373	7,408	239	239	146	144
Net investment income	5	180	25	6	—	1	1
Contributions		—	41	—	—	2	1
Total income		180	66	6	—	3	2
Interest expense		53	37	—	—	—	—
Administrative expenses	10	63	64	—	—	—	—
Total expenses		116	101	—	—	—	—
Net income/(loss)		64	(35)	6	—	3	2
Other comprehensive income		—	—	—	—	—	—
Total comprehensive income/(loss)/changes in resources		64	(35)	6	—	3	2
Resources, end of year		7,437	7,373	245	239	149	146

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

Statements of Cash Flows for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	PRG Trust		PRG-HIPC Trust and related Umbrella Account		CCR Trust and related Umbrella Account	
	2019	2018	2019	2018	2019	2018
Cash flows from operating activities						
Total comprehensive income/(loss)	64	(35)	6	—	3	2
Adjustments to reconcile total comprehensive income/(loss) to cash generated by operations:						
Net investment income	(180)	(25)	(6)	—	(1)	(1)
Interest expense	53	37	—	—	—	—
Loan disbursements	(1,054)	(879)	—	—	—	—
Loan repayments	966	867	—	—	—	—
Interest received	2	2	1	1	1	1
Interest paid	(50)	(32)	—	—	—	—
Change in other liabilities	17	3	—	—	—	—
Net cash (used in)/provided by operating activities	(182)	(62)	1	1	3	2
Cash flows from investing activities						
Acquisition of investments	(220)	(59)	(330)	—	(18)	—
Disposition of investments	181	139	416	—	—	—
Net cash (used in)/provided by investing activities	(39)	80	86	—	(18)	—
Cash flows from financing activities						
Borrowings	1,213	887	21	—	18	—
Repayment of borrowings	(1,059)	(880)	(108)	—	—	—
Net cash provided by/(used in) financing activities	154	7	(87)	—	18	—
Net (decrease)/increase in cash and cash equivalents	(67)	25	—	1	3	2
Cash and cash equivalents, beginning of year	206	181	1	—	146	144
Cash and cash equivalents, end of year	139	206	1	1	149	146

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

Notes to the Financial Statements for the Financial Years Ended April 30, 2019, and 2018

1. Nature of operations

The International Monetary Fund (IMF) is the Trustee of the following trusts:

- i. The Poverty Reduction and Growth Trust (PRG Trust)
- ii. The Trust for Special Poverty Reduction and Growth Operations for the Heavily Indebted Poor Countries and Interim ECF Subsidy Operations (the PRG-HIPC Trust) and the related Umbrella Account for HIPC Operations (the PRG-HIPC Umbrella Account)
- iii. The Catastrophe Containment and Relief Trust (CCR Trust) and the related Umbrella Account for CCR Operations (the CCR Umbrella Account)

Collectively, these trusts are referred to as the “Concessional Lending and Debt Relief Trusts” or the “Trusts”. The Trusts provide loans on concessional terms and/or debt relief assistance to low-income member countries.

The assets and liabilities of each Trust are held separately from the assets and liabilities of all other accounts of, or administered by, the IMF. The Trusts’ assets may not be used to discharge liabilities or to cover losses incurred in the administration of other accounts. Administrative expenses incurred by the Trusts are paid by the IMF and reimbursed by these Trusts in accordance with the IMF’s Articles of Agreement and decisions of the IMF Executive Board. Resources not immediately needed in operations are invested as allowed by the instruments establishing the Trusts (Trust Instruments).

1.1 PRG Trust

Established originally as the Enhanced Structural Adjustment Facility Trust in December 1987, the PRG Trust provides loans on concessional terms to qualifying low-income member countries. The PRG Trust provides financial assistance tailored to the diverse needs of low-income countries with higher concessionality of financial support.

Financing is available under the following facilities:

- i. The Extended Credit Facility (ECF) for members with protracted balance of payments problems under three- to four-year arrangements, which may be extended up to a total of five years

- ii. The Standby Credit Facility (SCF) for actual or potential short-term balance of payments needs under one- to two-year arrangements
- iii. The Rapid Credit Facility (RCF) for urgent balance of payments needs, which provides financial support in outright loan disbursements

Until April 10, 2010, the PRG Trust provided loans under the Exogenous Shocks Facility (ESF) to facilitate member countries’ adjustment to sudden and exogenous shocks.

The repayment terms of PRG Trust loans are 5½ to 10 years for the ECF, ESF, and RCF and four to eight years for the SCF, in equal semiannual installments. The structure of interest rates on PRG Trust lending is reviewed every two years by the IMF Executive Board.

The operations of the PRG Trust are conducted through four Loan Accounts, the Reserve Account, and four Subsidy Accounts.

The resources of the Loan Accounts consist of proceeds from borrowings, repayments of principal, and interest payments on loans extended by the Trust.

The resources held in the Reserve Account consist of transfers by the IMF from the Special Disbursement Account (SDA) and net earnings from investments. Reserve Account resources are to be used by the Trustee in the event that PRG Trust loan principal repayments and interest payments, together with the authorized interest subsidy, are insufficient to repay loan principal and interest on borrowings of the Loan Accounts.

The resources held in the Subsidy Accounts consist of grant contributions, borrowings, transfers from the SDA, transfers of earnings from other accounts administered by the IMF on behalf of donors (Administered Accounts), and net earnings from investments. The available resources in the Subsidy Accounts are drawn by the Trustee to pay the difference between the interest due on PRG Trust loans and the interest due on Loan Accounts borrowings.

1.2 PRG-HIPC Trust and the PRG-HIPC Umbrella Account

The PRG-HIPC Trust was established in February 1997 to provide assistance to low-income countries by providing grants or loans for purposes of reducing their external debt burden to sustainable levels.

The operations of the PRG-HIPC Trust are conducted through the PRG-HIPC Trust Account and the related Umbrella Account. Resources of the PRG-HIPC Trust Account consist of grant contributions, borrowings, transfers from the SDA, transfers of earnings from Administered Accounts, and net earnings from investments. Grants made by the PRG-HIPC Trust are administered in the PRG-HIPC Umbrella Account on behalf of the recipients.

1.3 CCR Trust and the CCR Umbrella Account

Established originally as the Post-Catastrophe Debt Relief (PCDR) Trust in June 2010, the CCR Trust provides balance of payments assistance in the form of grants to eligible low-income members following catastrophic natural or public health disasters.

The operations of the CCR Trust are conducted through three accounts: two earmarked accounts for Post-Catastrophe and Catastrophe Containment assistance and the General Account, containing non-earmarked funds available for both types of assistance. Resources of the CCR Trust consist of grant contributions, borrowings, transfers from the SDA, and net earnings from investments. Grants made by the CCR Trust are administered in the CCR Umbrella Account on behalf of the recipients.

2. Basis of preparation and measurement

The financial statements of the Trusts are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments at fair value through profit or loss.

2.1 Unit of account

The financial statements are presented in SDRs, which the Trusts use as the unit of account. The value of the SDR is determined daily by the IMF by summing specific amounts of the basket currencies in U.S. dollar equivalents on the basis of market exchange rates. The IMF reviews the composition of the SDR valuation basket at a minimum of five-year intervals. The last review was completed in November 2015,

and the specific amounts of the currencies in the basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
U.S. dollar	0.58252

At April 30, 2019, 1 SDR was equal to US\$1.38576 (US\$1.43806 at April 30, 2018).

The next review of the method of valuation of the SDR will take place by September 30, 2021, unless developments in the interim justify an earlier review.

2.2 SDR interest rate

The SDR interest rate is used to calculate interest on certain cash balances and borrowings. The SDR interest also provides the basis for setting the interest levied on outstanding loans (see Note 6.2) and interest calculated on certain borrowings.

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the members whose currencies are included in the SDR valuation basket:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
U.S. dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places.

The average SDR interest rate was 1.036 percent per annum and 0.676 percent per annum during the financial years ended April 30, 2019, and 2018, respectively.

2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant estimates and judgements used in applying accounting policies include expected credit losses measurement for PRGT outstanding loans (see Notes 3.1, 3.2, and 6.1) and fair value measurement of financial instruments (see Notes 3.3 and 9).

3. Summary of significant accounting policies

3.1 Financial instruments

IFRS 9, "Financial Instruments", as issued by the IASB in July 2014, was adopted with a date of initial application of May 1, 2018. The requirements of IFRS 9 represent a significant change from the standard it superseded, International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement". See Note 3.6 for the effect of IFRS 9 adoption.

Measurement at initial recognition

Financial instruments are recognized when the Trusts become a party to the contractual provisions of the instrument. At initial recognition, a financial instrument is measured at its fair value, which is best evidenced by the transaction amount.

Derecognition

Financial assets, or a portion thereof, are derecognized when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Trusts transfer substantially all the risks and rewards of ownership, or (ii) the Trusts neither transfer nor retain substantially all the risks and rewards of ownership and the Trusts have not retained control. Financial liabilities are derecognized when they are extinguished (i.e., when the obligation specified in the contract is discharged, canceled or expires).

Classification and subsequent measurement of financial assets

A financial asset is classified on initial recognition based on two factors: the business model for managing the financial assets; and its contractual cash flow characteristics.

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost (AC). Interest income from these financial assets is included in the statements of comprehensive income using the effective interest method. Any gain or loss arising on

derecognition is recognized in the statements of comprehensive income.

Financial assets that are held for collection of contractual cash flows and for selling, where the assets' cash flows represent solely payments of principal and interest, would be measured at fair value through other comprehensive income (FVOCI). The Trusts did not have financial assets at FVOCI during the financial years ended April 30, 2019, and 2018.

All other financial assets that do not meet the criteria to be measured at AC or FVOCI are measured at fair value, with changes in fair value recognized in profit or loss (FVPL).

Impairment

At each reporting date, the Trusts assess on a forward-looking basis the expected credit losses (ECL) associated with their financial assets at AC and with the undrawn commitments under their lending arrangements. The measurement of ECL reflects: (i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; (ii) the time value of money; and (iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions, and forecasts of future economic conditions.

If ECL needed to be recognized, they would be recorded as impairment allowances for assets at AC and as a liability provision for undrawn commitments.

Should any financial asset become credit-impaired, interest income would be calculated for it by applying the effective interest rate to its amortized cost (i.e., net of the impairment allowance).

Classification and subsequent measurement of financial liabilities

Derivative financial liabilities are measured at fair value with changes in fair value recognized in profit or loss.

All other financial liabilities are measured at AC. Interest expense from these financial liabilities is included in the statements of comprehensive income using the effective interest method.

3.2 Financial assets and liabilities

3.2.1 Cash and cash equivalents

Cash and cash equivalents are financial assets measured at AC. They comprise cash on hand and demand deposits and other highly liquid short-term investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are held for the purpose of meeting short-term

cash commitments rather than for investment or other purposes.

3.2.2 Investments

Investments represent financial assets that include short-term investments, fixed-term deposits, a range of fixed-income securities, equities (in the PRG Trust investment portfolio only), and derivative assets. Derivative liabilities are disclosed as part of other liabilities in the statements of financial position.

The Trusts' investment portfolios are managed under defined investment strategies, and their performance is evaluated on a fair value basis. As a result, these securities are classified at FVPL in accordance with their business model. A portion of the portfolios may be held in fixed-term deposits and measured at AC, pending investment in assets consistent with each Trust's investment strategy or as an investment decision to achieve specific objectives.

Purchases and sales of investments are recognized on the trade date. The corresponding investment trades receivable or payable are recognized in other assets and other liabilities, respectively, pending settlement of a transaction.

Investment income comprises interest income on investments at AC, interest and dividend income, and realized and unrealized gains and losses from FVPL investments, including currency valuation differences arising from exchange rate movements against the SDR, net of all trading-related investment fees.

Interest income from investments is recognized using the effective interest method. Dividend income is recognized based on the ex-dividend date.

3.2.3 Loans receivable

Loans receivable are financial assets that are measured at AC. They represent financing provided to low-income countries under the various PRG Trust financing facilities (see Note 1.1). Countries assessed by the IMF's Executive Board as being eligible for PRG Trust financing may receive financing in the PRG Trust as loan disbursements under arrangements or as outright disbursements (i.e., loans disbursed without an arrangement).

The PRG Trust levies interest on eligible low-income members' use of PRG Trust credit facilities (see Note 6.2). Interest income is recognized using the effective interest method, except for financial assets that have become credit-impaired. Should any such assets become credit-impaired, interest income would be calculated for them by applying the effective interest rate to their amortized cost (i.e., net of the impairment allowance).

Impairment of PRG Trust loans

The PRG Trust's application of the impairment requirements of IFRS 9 is grounded in the context of the nature of the PRG Trust's lending and the unique institutional status of the IMF, as Trustee:

- The IMF, as Trustee, has a unique relationship with its member countries, all of which are shareholders in the institution.
- PRG Trust lending is linked to regular reviews of performance under a program of economic policies that the member commits to in order to overcome balance of payments problems, return to external viability, and repay the PRG Trust.
- The IMF, as Trustee, employs a comprehensive set of measures to mitigate credit risk (see Note 4.2.1).
- The IMF, as Trustee, also has de facto preferred creditor status, which has been recognized by the official sector community and generally accepted by private creditors.

Taken together, these factors significantly reduce the likelihood of the PRG Trust incurring credit losses.

The PRG Trust has not recognized any impairment losses related to its lending activities since inception. Also, unlike large financial institutions in the private sector, the PRG Trust's credit portfolio consists of a relatively small number of exposures to low-income member countries, with each member's circumstances varying. Therefore, a statistical approach to credit risk assessment as typically followed in the financial sector is neither feasible nor appropriate for the PRG Trust.

Similarly, the assessment of the PRG Trust's credit risk cannot rely on external credit risk ratings. Due to its unique characteristics, the PRG Trust's credit risk exposure is not comparable to sovereign credit risk faced by commercial financial entities, and as a cooperative member organization, the IMF, as Trustee, does not produce its own internal credit rating grades. Accordingly, credit risk for the PRG Trust is assessed holistically based on qualitative and quantitative considerations pertaining to each debtor member, such as the status of the economic programs underlying PRG Trust lending, the member's cooperation on policy implementation and timely settlement of PRG Trust financial obligations, and forward-looking assessments of the member's capacity to repay.

The PRG Trust has developed a model for ECL estimation based on changes in credit quality since initial recognition, where credit quality is classified as Stage 1, Stage 2, or Stage 3. Loans for which credit risk has increased significantly since initial recognition (Stage 2), or that are credit-impaired (Stage 3), have their ECL measured on a lifetime basis. Loans for which there was no significant

increase in credit risk since initial recognition (Stage 1) have their ECL measured as a portion of lifetime ECL that result from default events possible within the next 12 months.

The key judgements and assumptions adopted by the PRG Trust in the measurement of ECL are discussed below:

(i) Definition of default and credit-impaired

For the purposes of the application of IFRS 9, the PRG Trust considers a member country to be in default when it is six months or more overdue in settling its financial obligations to the PRG Trust. This rebuts the presumption in IFRS 9 that default does not occur later than 90 days past due, reflecting the nature of the PRG Trust's financing and the unique institutional status of the IMF, as Trustee, as well as consistency with the threshold for internal risk management purposes. A loan is considered credit-impaired when the obligation has defaulted.

(ii) Significant increase in credit risk

The PRG Trust assesses whether a significant increase in credit risk has occurred on a member-by-member basis by comparing the risk of default at the reporting date to the risk of default at the date of the most recent disbursement to the debtor member. The assessment is performed on each reporting date and takes into account a range of qualitative and quantitative criteria, including overdue obligations to the PRG Trust, signals of non-cooperation by the member, and forward-looking indicators of capacity to repay the PRG Trust. The criteria used to identify significant increases in credit risk are monitored and reviewed for appropriateness at least annually.

The assessment does not rely on any single factor, and may, on the basis of other relevant considerations, rebut the presumption that credit risk has increased significantly when contractual payments are more than 30 days past due. During the financial years ended at April 30, 2019, and 2018, the PRG Trust did not have any debtor member more than 30 days past due.

(iii) Low credit risk

The PRG Trust assumes that the credit risk of a member country has not increased significantly since initial recognition if the member is determined to have low credit risk at the reporting date.

Credit risk related to the PRG Trust's exposure to a member country is considered low if: (i) it has a low risk of default; (ii) the member country has a strong capacity to meet its contractual cash flow obligations in the near term; and (iii) adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the member country to fulfill its contractual cash flow obligations.

(iv) Measuring ECL

ECL are determined by comparing expected cash flows with contractual cash flows, and discounting the expected cash shortfalls at the effective interest rate, which is the interest rate for PRG Trust loans set by the IMF, as Trustee. ECL are estimated by assessing a range of possible outcomes in light of expected future economic conditions, weighted according to the assessed probability of each outcome. This entails considerable judgement and uncertainty about the estimates.

For the purpose of ECL measurement, financial safeguards that are integral to the PRG Trust's financial structure and operations are also considered.

Write-off

In the unlikely event that a member with outstanding loans to the PRG Trust withdraws from the IMF, repudiates its outstanding obligations to the PRG Trust, and no prospects of recovering amounts due to the PRG Trust remain in the foreseeable future, the PRG Trust would recognize the ultimate loss and the withdrawn member's outstanding loan to the PRG Trust would be written off.

3.2.4 Borrowings

Borrowings are financial liabilities measured at AC and represent financing received from lenders (see Note 7).

Interest expense on borrowings is calculated by applying the effective interest method.

3.3 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

A three-level fair value hierarchy is used to determine fair value under which financial instruments are categorized based on the priority of the inputs to the valuation technique. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When the inputs used to measure the fair value of an asset or liability fall within multiple levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest-level input that is significant to the fair value measurement of the instrument in its entirety. Thus, a Level 3 fair value measurement may include inputs that are both observable and unobservable.

The valuation techniques used to determine fair value are described in Note 9.

3.4 Foreign currency translation

Transactions denominated in currencies and not in SDRs are recorded at the rate of exchange on the date of the transaction. Assets and liabilities denominated in other currencies are reported using the SDR exchange rate on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those at the originating date of the transaction are included in the determination of total comprehensive income.

3.5 Contributions

The Trusts accept contributions on such terms and conditions as agreed between the Trusts and the contributor. Contributions are recognized as income after the achievement of specified conditions and are subject to the bilateral agreements stipulating how the resources are to be used.

3.6 New International Financial Reporting Standards

3.6.1 IFRS 9, "Financial Instruments"

IFRS 9, "Financial Instruments", which replaces IAS 39, "Financial Instruments: Recognition and Measurement", is effective for annual periods starting on or after January 1, 2018, and was adopted by the Trusts on May 1, 2018. The requirements of IFRS 9 represent a significant change from IAS 39.

Classification and measurement

IFRS 9 requires financial assets to be classified at FVPL, FVOCI, or AC based on the entity's business model for managing the assets and their contractual cash flow characteristics. Financial liabilities are classified and measured at amortized cost or fair value through profit or loss (see Note 3.1).

The Trusts performed a detailed analysis of their business models for managing financial instruments and of their cash flow characteristics. The carrying amounts and measurement categories of financial assets and liabilities of the Trusts in accordance with IAS 39 and IFRS 9 at May 1, 2018 are compared as follows:

	PRG Trust	PRG-HIPC Trust	IAS 39	IFRS 9
	Carrying amount		Measurement category	
	(in millions of SDRs)			
Financial assets:				
Cash and cash equivalents	206	1	AC	
Other financial assets	73	19	AC	
Loans receivable	6,289	—	AC	
Investments:				
Short-term investments	72	5	AC	FVPL
Fixed-term deposits	469	94	AC	
Fixed-income securities	6,868	317	FVPL ¹	
Derivative assets	1	—	FVPL	
Financial liabilities:				
Borrowings	6,512	176	AC	
Other financial liabilities	93	21	AC	

¹ FVPL IAS 39 classification was designated, while IFRS 9 classification is mandatory.

As a part of the transition to IFRS 9, short-term instruments of SDR 72 million in the PRG Trust and SDR 5 million in the PRG-HIPC Trust were classified at FVPL in accordance with the business model for managing the invested portfolio as a whole. Previously such securities were classified at AC. The change in measurement category did not have an impact on the carrying amounts of the instruments.

The CCR Trust held SDR 146 million in cash and cash equivalents and no other financial assets or liabilities at May 1, 2018. Cash and cash equivalents were measured at AC under both IAS 39 and IFRS 9 at May 1, 2018.

In addition, a presentational change has been made to the PRG Trust's statement of financial position at April 30, 2018 to better illustrate the nature of the derivative financial instruments. Derivative assets are now included in the "Investments" line of the statements of financial position, while previously they were included in "Other assets". As a result of this change in presentation, investments have increased, and other assets have decreased by SDR 1 million, respectively, as at April 30, 2018.

Impairment

IFRS 9 introduces a revised impairment model, which requires entities to recognize expected credit losses based on reasonable and available information about past periods, current circumstances, and forward-looking information that indicates the possibility of such losses. This model replaced the previous impairment model under which impairment was recognized only if a loss had already been incurred.

The Trusts adapted their approach to assessing credit risk to comply with the revised impairment model under IFRS 9 (see Note 3.2.3).

Application of IFRS 9 impairment requirements to prior periods did not result in adjustments to the amounts previously recognized in the financial statements. No impairment had been recognized in accordance with IAS 39 and IAS 37 at April 30, 2018. Similarly, no impairment had been recognized in accordance with the IFRS 9 model at May 1, 2018.

Transition to IFRS 9 adoption

Changes in accounting policies and presentation resulting from the adoption of IFRS 9 have been applied retrospectively.

3.6.2 IFRS 15 “Revenue from Contracts with Customers”

IFRS 15, “Revenue from Contracts with Customers”, is effective for annual periods starting on or after January 1, 2018, and was adopted by the Trusts on May 1, 2018. IFRS 15 provides a principles-based approach for revenue recognition that applies to all contracts with customers except those related to financial instruments, leases, and insurance contracts. It requires an entity to recognize revenue as performance obligations are satisfied.

Adoption of IFRS 15 did not have a material effect on the financial statements of the Trusts.

4. Financial risk management

4.1 Risk management framework

By virtue of their role established through the Trust Instruments, the Trusts face a range of financial and nonfinancial risks. The IMF, as Trustee, has adopted the three lines of defense model for risk management.

- Risks inherent in day-to-day operations are mitigated by establishing and maintaining a system of internal controls.
- A risk management function is responsible for developing and maintaining the risk management framework, fostering the development of risk management tools and reporting on the Trusts’ overall risk profile, highlighting areas where additional mitigation efforts are needed.
- An internal audit function is responsible for providing an independent assessment of the effectiveness of governance and internal control processes.

Oversight is provided by committees established to monitor and make decisions in specific risk areas, which supports the cycle of risk assessment, ownership, and mitigation vis-à-vis risk acceptance.

4.2 Financial assets and liabilities other than investments

Financial assets and liabilities other than investments are exposed to credit, market, and liquidity risks.

4.2.1 Credit risk on financial assets and liabilities other than investments

Credit risk on loans receivable refers to potential losses owing to the inability, or unwillingness, of low-income countries to repay loans.

4.2.1.1 Credit risk management practices

Financing to low-income countries is provided in the PRG Trust under an arrangement, which is a decision of the IMF as Trustee that gives a member the assurance that the Trust stands ready to provide freely usable currencies or SDRs during a specified period and up to a specified amount, in accordance with the terms of the arrangement, or in the form of a one-off disbursement under the RCF. Upon approval of an arrangement by the Trustee, resources of the Loan Accounts of the PRG Trust are committed to qualifying members for a period from three and up to five years for ECF arrangements or from one to two years for SCF arrangements.

Disbursements under PRG Trust arrangements are made in tranches and are subject to conditionality in the form of performance criteria, structural benchmarks, and prior actions. Safeguards assessments of member central banks are undertaken to provide the Trustee with reasonable assurance that the central banks’ legal structure, controls, financial reporting, and internal and external audit arrangements are adequate to maintain the integrity of their operations and help ensure that PRG Trust loan proceeds are used for intended purposes. Misreporting by member countries on performance criteria and other conditions for disbursement may entail early repayment of noncomplying disbursements.

Measures to help mitigate credit risk include policies on access limits, program design, monitoring, and economic policies that members agree to follow as a condition for PRG Trust financing, as well as post-program monitoring.

The PRG Trust has established limits on overall access to its resources. The amount of access in each individual case depends on relevant factors such as the nature of the country’s balance of payments need, the strength of its adjustment program, its capacity to repay, and its previous outstanding use of PRG Trust credit. Annual access across all PRG Trust facilities is capped at 75 percent of a member’s IMF quota, with a cumulative access limit of 225 percent of a member’s IMF quota (net of scheduled repayments). The IMF, as Trustee, can approve access in excess of these limits in cases where the member is experiencing an exceptionally large balance of payments need and has a

comparatively strong adjustment program, among other conditions.

To protect PRG Trust lenders, Reserve Account resources are available to repay the lenders in the event of delays in repayment or nonpayment by borrowers. At April 30, 2019, and 2018, available resources in the Reserve Account were SDR 3,823 million (See Note 11) and SDR 3,797 million, respectively.

4.2.1.2 Credit risk exposure

The maximum credit risk exposure is the carrying value of the PRG Trust's outstanding loans and undrawn commitments under arrangements, which was SDR 7,366 million and SDR 8,220 million at April 30, 2019, and 2018, respectively.

At April 30, 2019, undrawn balances under 16 ECF arrangements were SDR 989 million (SDR 1,931 million under 19 ECF arrangements at April 30, 2018). Commitments and undrawn balances under current arrangements are presented in Schedule 2.

The concentration of PRG Trust outstanding loans by region was as follows:

	April 30, 2019		April 30, 2018	
	(in millions of SDRs and as a percentage of total outstanding loans)			
Africa	5,061	79.4%	4,791	76.2%
Asia and Pacific	637	10.0%	693	11.0%
Europe	93	1.4%	121	1.9%
Middle East and Central Asia	479	7.5%	550	8.8%
Western Hemisphere	107	1.7%	134	2.1%
Total	6,377	100.0%	6,289	100.0%

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

	April 30, 2019		April 30, 2018	
	(in millions of SDRs and as a percentage of total outstanding loans)			
Largest user of credit	844	13.2%	706	11.2%
Three largest users of credit	2,082	32.6%	1,984	31.6%
Five largest users of credit	2,748	43.1%	2,697	42.9%

The five largest users of credit at April 30, 2019, in descending order, were Ghana, Côte d'Ivoire, Bangladesh, Kenya, and Cameroon (Côte d'Ivoire, Ghana, Bangladesh, Kenya, and Sierra Leone at April 30, 2018). Outstanding loans by member are presented in Schedule 1.

4.2.2 Market risk on financial assets and liabilities other than investments

Market risk on loans receivable and borrowings is the risk that the future cash flows of these financial instruments will fluctuate because of changes in interest and exchange rates.

4.2.2.1 Interest and exchange rate risks

Interest rate risk on loans is the risk that future net cash flows will fluctuate because of changes in market interest rates. The PRG Trust's subsidy resources consist of contributions and investment earnings to cover the interest shortfall arising from the difference between the market-based interest rate paid on borrowings and the concessional interest rate, if any, applicable to outstanding loans. Should such resources be deemed inadequate for this purpose, the PRG Trust instrument allows for an increase in the interest rate levied on outstanding loans and a transfer of investment income from the Reserve Account to the General Subsidy Account, subject to consultations with all creditors to the Loan Accounts on the adequacy of the Reserve Account to protect their claims.

Exchange rate risk is the risk that an entity's financial position and cash flows will be affected by fluctuations in foreign currency exchange rates. The exchange rate risk of the Trusts is mitigated by denominating all assets, liabilities, receipts, and payments in SDRs.

4.2.3 Liquidity risk on financial assets and liabilities other than investments

Liquidity risk is the risk of nonavailability of resources to meet the Trusts' financing needs and obligations.

4.2.3.1 Liquidity management

The IMF, as Trustee, conducts annual reviews to determine the adequacy of resources in the Trusts to provide financial assistance to eligible IMF members and to meet the Trusts' obligations.

The PRG Trust must have resources available to meet members' demand for credit. Uncertainties in the timing and amount of credit extended to members expose the PRG Trust to liquidity risk. For this purpose, the approval of new lending agreements is subject to the availability of uncommitted resources.

Resources in the Subsidy Accounts are expected to meet the estimated needs based on the level of loans outstanding and current forecast of future commitments. Should such resources be deemed inadequate for this purpose, the PRG Trust has measures to cover the shortfall, as mentioned in Note 4.2.2.1. Debt relief under the HIPC initiative has been provided to all eligible members that qualified for such debt relief in the PRG-HIPC Trust.

4.2.3.2 Resources available under borrowing agreements

PRG Trust resources available under borrowing and note purchase agreements in the Loan Accounts were SDR 14,921 million (See Schedule 3) and SDR 15,975 million at April 30, 2019, and 2018, respectively. The PRG Trust Subsidy Accounts had no undrawn amounts at April 30, 2019 (SDR 17 million at April 30, 2018). Resources available under PRG-HIPC and CCR Trust borrowing agreements have been fully drawn.

4.2.3.3 Maturity profile of loans and borrowings

The Trusts borrow on such terms and conditions as agreed between the Trustee and individual lenders. The repayment periods for the PRG Trust Loan Accounts borrowings typically match the maturity of the loans extended by the PRG Trust, which are to be repaid in equal semiannual installments beginning 5½ years from the date of each disbursement in the case of the ECF, ESF, and RCF and beginning four years from the date of each disbursement in the case of the SCF.

Certain creditors of the PRG Trust participate in a voluntary “encashment” regime, under which they can seek early repayment of outstanding claims in case of balance of payments needs, provided they allow drawings under their own agreements for encashment by other participating creditors. Early repayment is subject to availability of resources under borrowing agreements with other lenders. The borrowings of the PRG Trust Subsidy Accounts and the PRG-HIPC and CCR Trusts are repayable in one installment at their maturity dates.

Drawings under some PRG Trust borrowing agreements in the Loan Accounts may have shorter initial maturities (e.g., six months) that can be extended, at the sole discretion of the Trustee, up to the maturity dates of the corresponding Trust loans for which they were drawn.

Scheduled repayments of PRG Trust outstanding loans are summarized below:

	2019	2018
Financial year ending April 30	<i>(in millions of SDRs)</i>	
2019	—	958
2020	891	899
2021	866	866
2022	817	817
2023	731	731
2024	758	710
2025 and beyond	2,314	1,308
Total	6,377	6,289

Scheduled repayments of outstanding borrowings in the PRG Trust Loan and Subsidy Accounts are summarized below:

	PRG Trust Accounts			
	Loan		Subsidy	
	2019	2018	2019	2018
Financial year ending April 30	<i>(in millions of SDRs)</i>			
2019	—	2,822	—	25
2020	2,999	584	2	2
2021	472	472	—	—
2022	413	413	116	116
2023	428	428	9	9
2024	512	477	42	6
2025 and beyond	1,565	1,058	108	100
Total	6,389	6,254	277	258

Future interest payments on outstanding borrowings in the PRG Trust, calculated using the interest rate effective as at April 30, 2019 are summarized below:

	PRG Trust Accounts	
	Loan	Subsidy
	<i>(in millions of SDRs)</i>	
Financial year ending April 30		
2020	55	1
2021	45	1
2022	36	1
2023	28	—
2024	22	—
2025 and beyond	39	—
Total	225	3

Scheduled repayments of outstanding borrowings in the PRG-HIPC and CCR Trusts summarized below:

	PRG-HIPC Trust		CCR Trust	
	2019	2018	2019	2018
	<i>(in millions of SDRs)</i>			
Financial year ending April 30				
2019	—	121	—	—
2020	28	16	—	—
2021	39	39	—	—
2022	—	—	—	—
2023	—	—	—	—
2024	22	—	12	—
2025 and beyond	—	—	6	—
Total	89	176	18	—

There were no future interest payments expected on outstanding borrowings in the PRG-HIPC and CCR Trusts at April 30, 2019.

4.3 Investments

4.3.1 Credit risk on investments

Credit risk on investments represents the potential loss that the Trusts may incur if issuers and counterparties default on their contractual obligations.

4.3.1.1 Credit risk management practices

PRG Trust Investments

Credit risk is managed by limiting fixed-income investments to financial instruments with a credit rating equivalent to BBB– or higher (based on Standard & Poor's rating scale) for corporate bonds (external managers may continue to hold corporate bonds which fall below BBB– after acquisition), and BBB+ or higher for other fixed-income investments (government bonds and official-sector fixed-income investments), except for Bank for International Settlements (BIS) obligations, central bank deposits, and uninvested cash balances. Counterparty risk for derivative instruments is mitigated by strict exposure limits, credit rating requirements, and collateral requirements.

PRG-HIPC and CCR Trusts Investments

Credit risk is minimized by limiting the range of investments to high-quality short-duration fixed-income securities, which include marketable obligations issued by (i) national governments of members, their central banks, or their national official institutions, (ii) international financial organizations, (iii) deposits with a commercial bank, national official financial institution of a member, or an international financial institution, including the BIS. Credit risk is also minimized by limiting eligible investments to marketable securities rated A or higher by Standard & Poor's.

4.3.1.2 Credit risk exposure

The carrying amount of the fixed-income securities represents the maximum exposure to credit risk. The maximum exposure to credit risk for derivative assets is the amount of any unrealized gains on such contracts.

The credit risk exposure related to the PRG and PRG-HIPC Trusts' nonderivative investments was as follows:

	PRG Trust		PRG-HIPC Trust	
	April 30		April 30	
	2019	2018	2019	2018
<i>(as a percentage of total investments)</i>				
BIS obligations (not rated)	51.5	61.1	100.0	23.8
AAA	14.2	12.8	—	41.1
AA+ to AA–	18.1	15.7	—	21.0
A+ to A–	12.3	10.4	—	14.1
BBB+ to BBB–	3.9	—	—	—
Total	100.0	100.0	100.0	100.0

The credit risk exposure related to the CCR Trust investments at April 30, 2019 was limited to BIS obligations that are not rated (no investments at April 30, 2018).

The credit risk exposure related to derivative assets in the PRG Trust was SDR 2 million and SDR 1 million at April 30, 2019, and 2018, respectively.

4.3.2 Market risk on investments

The investment objectives and strategies of the Trusts, including asset allocation and risk tolerance, expose the Trusts' investments to market risk (See Note 5).

4.3.2.1 Interest and exchange rate risks

Market risks on the PRG and PRG-HIPC Trusts' investment portfolios include interest and exchange rate risks. These risks are mitigated by (i) ensuring diversification at the portfolio level through a target asset allocation and within asset class components through concentration and exposure limits, (ii) setting duration limits for fixed income components, (iii) aligning or hedging the currency exposure of short-term investments, short-duration fixed-income securities, and corporate bonds with the SDR currency basket, and (iv) permitting the use of derivatives for managing interest rate and exchange rate risks. The CCR Trust invests in fixed-term deposits, which are denominated in SDRs and carry a fixed rate of interest.

4.3.2.2 Value at Risk

Exposures to market risk are measured using value at risk (VaR), which considers not only known market risks in each of the asset categories but also the effect of asset class diversification. The VaR estimates reported below represent the maximum potential loss in value of the assets over the next year due to adverse market movements, with a 95 percent confidence level. Conversely, there is a 1 in 20 chance that annual losses on investment assets would be expected to equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

VaR models are based predominantly on historical simulations and provide plausible future scenarios based on these simulations. There is no standard methodology for estimating VaR, and the modeling of the market risk characteristics of the investments involves many assumptions and approximations. Different assumptions or approximations could produce significantly different VaR estimates.

The VaR was as follows:

	PRG Trust		PRG-HIPC Trust	
	April 30		April 30	
	2019	2018	2019	2018
<i>(in millions of SDRs)</i>				
Equity securities	103	—	—	—
Fixed-income securities	46	25	2	2
Diversification effects	(41)	—	—	—
Total	108	25	2	2

4.3.3 Liquidity risk on investments

Liquidity risk on investments refers to the risk that an investment will not have an active buyer or seller when traded.

4.3.3.1 Liquidity management

The liquidity position of each Trust is closely monitored by maintaining liquidity projections to ensure day-to-day servicing needs are met. To minimize the risk of loss from liquidating investments, the Trusts hold resources in readily marketable short-term financial instruments to meet anticipated liquidity needs.

4.3.3.2 Maturity profile of investments

The maturities of short-term investments, fixed-term deposits, fixed-income securities, and derivative assets were as follows:

	PRG Trust	PRG-HIPC Trust	CCR Trust
	April 30, 2019		
Financial year	(in millions of SDRs)		
2020	3,780	162	18
2021	1,415	97	—
2022	1,182	73	—
2023	202	—	—
2024	112	—	—
2025 and beyond	399	—	—
Total	7,090	332	18

	PRG Trust	PRG-HIPC Trust	CCR Trust
	April 30, 2018		
Financial year	(in millions of SDRs)		
2019	3,660	130	—
2020	2,397	126	—
2021	1,298	160	—
2022	50	—	—
2023	5	—	—
Total	7,410	416	—

5. Investments

On March 22, 2017, the Executive Board approved new guidelines for investing PRG Trust assets. The guidelines provide for an investment strategy that is geared to generate a nominal return of 90 basis points over the six-month SDR interest rate over time. The PRG Trust assets are being phased in over a three-year period and invested in a diversified portfolio of high-quality fixed-income instruments and equity securities.

The investment strategy for the PRG-HIPC and CCR Trusts seeks to enhance returns subject to liquidity requirements and limits the risk of impairment over an investment horizon

of no more than three years. The PRG-HIPC Trust's liquid investments are held in short-term investments up to one year and the remainder in short-duration fixed-income securities.

Investments comprised the following:

	PRG Trust		PRG-HIPC Trust	
	April 30		April 30	
	2019	2018	2019	2018
	(in millions of SDRs)			
Short-term investments	62	72	6	5
Equity securities	533	—	—	—
Fixed-term deposits	896	469	139	94
Fixed-income securities	6,130	6,868	187	317
Derivative assets	2	1	—	—
Total	7,623	7,410	332	416

The CCR Trust held fixed-term deposits of SDR 18 million at April 30, 2019 (no investments at April 30, 2018).

Derivative assets and derivative liabilities (see Note 8) were SDR 2 million and SDR 7 million, respectively, at April 30, 2019 (SDR 1 million and zero, respectively, at April 30, 2018).

The notional value of derivative financial instruments held in the PRG Trust was as follows:

	April 30, 2019	April 30, 2018
	(in millions of SDRs)	
Currency swaps	142	24
Forwards	351	—
Futures		
Long positions	353	161
Short positions	252	145
Call options purchased	—	3
Call options sold	—	3

Net investment income for the PRG and PRG-HIPC Trusts comprised the following:

	PRG Trust		PRG-HIPC Trust	
	2019	2018	2019	2018
	(in millions of SDRs)			
Investment income on investments at FVPL	168	18	5	(1)
Interest income on investments at AC	15	9	1	1
Investment fees	(3)	(2)	—	—
Net investment income	180	25	6	—

The CCR Trust's net investment income comprised only interest income on investments at AC and was SDR 1 million for the financial years ended April 30, 2019, and 2018, respectively.

6. Loans receivable

6.1 Changes in outstanding loans

Changes in PRG Trust outstanding loans were as follows:

	Loan facilities				
	ECF	ESF	RCF	SCF	Total
	(in millions of SDRs)				
April 30, 2018	5,247	346	413	283	6,289
Disbursements	969	—	85	—	1,054
Repayments	(684)	(218)	(44)	(20)	(966)
April 30, 2019	5,532	128	454	263	6,377
April 30, 2017	5,004	565	442	266	6,277
Disbursements	831	—	12	36	879
Repayments	(588)	(219)	(41)	(19)	(867)
April 30, 2018	5,247	346	413	283	6,289

The PRG Trust has performed an impairment analysis in accordance with its ECL model (see Note 3.2.3). Based on this analysis, no loss allowance was deemed to be necessary at April 30, 2019, and 2018. As described in Note 3.2.3, the impairment analysis of the PRG Trust's outstanding loans took into account the unique nature of the PRG Trust's financing and institutional status of the IMF, as Trustee. The analysis was performed holistically based on qualitative and quantitative considerations. In this context, the results of the PRG Trust's impairment analysis at April 30, 2019, and 2018, were not materially sensitive to reasonable changes in input parameters of the ECL calculation.

6.2 Interest on outstanding loans

The Executive Board sets the interest rates on ECF and SCF loans based on the SDR interest rate as follows:

	ECF	SCF
Average SDR interest rate for the latest 12-month period	<i>(in percent)</i>	
Less than or equal to 0.75%	—	—
Greater than 0.75% but less than 2%	—	0.25
Greater than or equal to 2% but less than 5%	0.25	0.50
Greater than or equal to 5%	0.50	0.75

Effective December 4, 2018, the Executive Board set interest rates under ECF and SCF loans at zero percent per annum through June 30, 2019. An interest waiver on outstanding ESF loans is also in effect through end-June 2019. The interest rate on financial assistance provided under the RCF is permanently set at zero. The interest rate applicable to PRG Trust loans was zero for financial years 2019 and 2018.

On May 24, 2019, the Executive Board set the interest rate on outstanding ECF and SCF loans at zero percent per annum, effective July 1, 2019, through the next review in June 2021 and extended the interest waiver on outstanding ESF loans until they are fully repaid by November 2020 or

until the time of the next review in June 2021. In addition, the Executive Board modified the PRG Trust interest mechanism for ECF and SCF loans based on the SDR interest as follows:

Average SDR interest rate for the latest 12-month period	ECF and SCF <i>(in percent)</i>
Less than 2%	—
Between 2% and 5%	0.25
Greater than 5%	0.50

7. Borrowings

7.1 Changes in outstanding borrowings

Changes in the outstanding borrowings in the PRG Trust Loan and Subsidy Accounts were as follows:

	PRG Trust Accounts		Total
	Loan	Subsidy	
	<i>(in millions of SDRs)</i>		
April 30, 2018	6,254	258	6,512
Borrowings	1,054	159	1,213
Repayments	(919)	(140)	(1,059)
April 30, 2019	6,389	277	6,666
April 30, 2017	6,244	261	6,505
Borrowings	879	8	887
Repayments	(869)	(11)	(880)
April 30, 2018	6,254	258	6,512

During the financial year ended April 30, 2019, SDR 121 million of PRG-HIPC Trust outstanding borrowings reached maturity and were either repaid to lenders, renewed or extended in the PRG-HIPC Trust, or transferred by lenders to another trust. This resulted in the following:

	Amount
	<i>(in millions of SDRs)</i>
Repayment of borrowings	55
Transfers to the PRG Trust	24
Transfers to the CCR Trust	13
Renewal of borrowings	16
Extension of borrowings	13
Total	121

The breakdown of the transfers to the PRG and CCR Trusts is as follows:

	Amount (in millions of SDRs)
PRG Trust	
Bank Negara Malaysia	7
Saudi Arabia	17
Total PRG Trust	24
CCR Trust¹	
Bank of Finland	6
Bank of Thailand	6
Vietnam	1
Total CCR Trust	13
Total	37

¹ Transfers made by Fiji and Tonga were less than SDR 0.5 million combined.

During the financial year ended April 30, 2019, total borrowings and repayments in the PRG-HIPC Trust were SDR 21 million and SDR 108 million, respectively, due to the renewals, repayments, and transfers, and an additional SDR 5 million in new borrowings. This resulted in PRG-HIPC Trust outstanding borrowings of SDR 89 million at April 30, 2019 (SDR 176 million at April 30, 2018).

Transfers to the CCR Trust (SDR 13 million) and an additional SDR 5 million in new borrowings during the financial year ended April 30, 2019 resulted in CCR Trust outstanding borrowings of SDR 18 million at April 30, 2019 (no borrowings at April 30, 2018).

7.2 Interest on outstanding borrowings

The weighted average interest rate on PRG Trust variable interest rate borrowings was 0.80 percent per annum and 0.57 percent per annum for the financial years ended April 30, 2019, and 2018, respectively. Most PRG-HIPC and CCR Trust borrowings carry a fixed interest rate.

8. Other assets and liabilities

8.1 Interest receivable and other assets

PRG Trust interest receivable and other assets were SDR 89 million at April 2019 (SDR 73 million at April 2018), and comprised investment trades receivable (SDR 56 million) and accrued interest and dividends on investments (SDR 33 million).

PRG-HIPC Trust interest receivable and other assets were SDR 1 million at April 30, 2019, and comprised accrued interest on investments. Interest receivable and other assets were SDR 19 million at April 30, 2018, and comprised investment trades receivable (SDR 17 million) and accrued interest on investments (SDR 2 million).

8.2 Interest payable and other liabilities

PRG Trust interest payable and other liabilities were SDR 125 million at April 30, 2019 (SDR 93 million at April 30, 2018), and comprised investment trades and fees payable (SDR 83 million), deposits (SDR 20 million), accrued interest on borrowings (SDR 15 million), and derivative liabilities (SDR 7 million).

The PRG-HIPC Trust had no interest payable and other liabilities at April 30, 2019. Interest payable and other liabilities were SDR 21 million at April 30, 2018, and comprised investment trades payable.

9. Fair value measurement

Valuation techniques used to value financial instruments include the following:

Level 1

The fair value of publicly traded investments and derivative instruments (futures and options) is based on quoted market prices in an active market for identical assets without any adjustments (closing price for equities and derivative instruments and bid price for short-term investments). These investments are included within Level 1 of the fair value hierarchy.

Level 2

The fair value of fixed-income securities not traded in active markets is determined on the basis of a compilation of significant observable market information, such as recently executed trades in securities of the issuer or comparable issuers and yield curves. The assessment also takes into account the inherent risk and terms and conditions of each security. Given that the significant inputs are observable, these securities are included within Level 2 of the fair value hierarchy.

The fair value of over-the-counter derivative instruments (foreign exchange forwards and currency swaps) not actively traded is determined by using a pricing model that incorporates foreign exchange spot and forward rates and interest rate curves. Given that the significant inputs into the pricing models are market observable, these instruments and are included within Level 2 of the fair value hierarchy.

9.1 Investments

The following tables present the fair value hierarchy used to determine the fair value of investments in the PRG and PRG-HIPC Trusts:

	Level 1	Level 2	Total
	April 30, 2019		
Recurring fair value measurements	(in millions of SDRs)		
PRG Trust	587	6,140	6,727
PRG-HIPC Trust	6	187	193
	April 30, 2018		
PRG Trust	73	6,868	6,941
PRG-HIPC Trust	5	317	322

There were no Level 3 investments at April 30, 2019, and 2018, and there were no transfers of investments between Level 1 and Level 2 during the financial years ended April 30, 2019, and 2018.

Fixed-term deposits are generally of a short-term nature and are carried at AC, which approximated fair value at April 30, 2019, and 2018.

9.2 Loans receivable

The PRG Trust, and the IMF as Trustee, plays a unique role in providing balance of payments support to member countries. PRG Trust financing features policy conditions that require member countries to implement macroeconomic and structural policies, and are an integral part of PRG Trust lending. These measures aim to help countries solve their balance of payments problems while safeguarding Trust resources. The fair value of PRG Trust loans receivable as defined under IFRS 13 cannot be determined due to their unique characteristics, including the debtor's membership relationship with the IMF, the Trustee, and the absence of a principal or most advantageous market for PRG Trust loans.

9.3 Other financial assets and liabilities

The carrying value of borrowings (see Note 7) and other assets and liabilities (see Note 8) accounted for at AC, except derivative liabilities, represents a reasonable estimate of their fair value at April 30, 2019, and 2018.

Based on the fair value hierarchy, SDR 1 million in derivative liabilities were categorized as Level 1 and SDR 6 million as Level 2 at April 30, 2019 (no derivative liabilities at April 30, 2018). There were no transfers of derivative liabilities between Level 1 and Level 2 during the financial years ended April 30, 2019, and 2018.

10. Related party transactions

The expenses of administering the business of the Trusts are paid by the IMF from the General Resources Account (GRA) annually. The PRG Trust reimbursed the GRA SDR 63 million and SDR 64 million during the financial years ended April 30, 2019, and 2018, respectively.

There were no reimbursements to the GRA from the PRG-HIPC and CCR Trusts during the financial years ended April 30, 2019, and 2018.

In addition to bilateral contributions from member countries, the IMF also made contributions to the Trusts to meet the financing needs of low-income countries. Cumulative contributions from the IMF were as follows:

	April 30, 2019, and 2018
	(in millions of SDRs)
PRG Trust Reserve Account	2,697
PRG Trust Subsidy Accounts	1,018
PRG-HIPC Trust	1,239
CCR Trust	293
Total	5,247

11. Combining statements of financial position and statements of comprehensive income and changes in resources

The combining statements of financial position and statements of comprehensive income and changes in resources of the PRG Trust are presented below. The same statements are not presented for the PRG-HIPC and CCR Trusts as the financial positions of the respective umbrella accounts remained unchanged for the financial years ended April 30, 2019, and 2018.

PRG Trust—Combining Statements of Financial Position at April 30, 2019, and 2018

(in millions of SDRs)

	2019			2018	
	Loan Accounts	Reserve Account	Subsidy Accounts	Total	Total
Assets					
Cash and cash equivalents	67	49	23	139	206
Interest receivable and other assets	—	44	45	89	73
Investments	—	3,714	3,909	7,623	7,410
Loans receivable	6,377	—	—	6,377	6,289
Accrued account transfers	(40)	62	(22)	—	—
Total assets	6,404	3,869	3,955	14,228	13,978
Liabilities and resources					
Interest payable and other liabilities	15	46	64	125	93
Borrowings	6,389	—	277	6,666	6,512
Total liabilities	6,404	46	341	6,791	6,605
Resources	—	3,823	3,614	7,437	7,373
Total liabilities and resources	6,404	3,869	3,955	14,228	13,978

PRG Trust—Combining Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2019, and 2018

(in millions of SDRs)

	2019			2018	
	Loan Accounts	Reserve Account	Subsidy Accounts	Total	Total
Resources, beginning of year	—	3,797	3,576	7,373	7,408
Net investment income	—	89	91	180	25
Contributions	—	—	—	—	41
Total income	—	89	91	180	66
Interest expense	52	—	1	53	37
Administrative expense	—	63	—	63	64
Total expenses	52	63	1	116	101
Subsidy transfers	52	—	(52)	—	—
Net income/(loss)	—	26	38	64	(35)
Other comprehensive income	—	—	—	—	—
Total comprehensive income/(loss)/changes in resources	—	26	38	64	(35)
Resources, end of year	—	3,823	3,614	7,437	7,373

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Supplemental Schedules

SCHEDULE 1: PRG Trust—Schedule of Outstanding Loans at April 30, 2019

(in millions of SDRs)

Member	ECF	ESF	RCF	SCF	Outstanding balance	Percent of total
Afghanistan, Islamic Republic of	39.2	—	—	—	39.2	0.62
Armenia, Republic of	81.6	—	—	—	81.6	1.28
Bangladesh	576.0	—	—	—	576.0	9.03
Benin	112.4	—	—	—	112.4	1.76
Burkina Faso	152.9	—	—	—	152.9	2.40
Burundi	39.8	—	—	—	39.8	0.62
Cameroon	317.4	9.3	—	—	326.7	5.12
Central African Republic	122.0	—	22.3	—	144.3	2.26
Chad	230.0	—	—	—	230.0	3.61
Comoros, Union of the	6.8	—	—	—	6.8	0.11
Congo, Democratic Republic of the	69.3	—	—	—	69.3	1.09
Congo, Republic of	2.4	—	—	—	2.4	0.04
Côte d'Ivoire	620.6	—	40.7	—	661.2	10.37
Djibouti	10.2	—	—	—	10.2	0.16
Dominica	—	0.3	7.4	—	7.7	0.12
Ethiopia, The Federal Democratic Republic of	—	35.4	—	—	35.4	0.56
Gambia, The	9.8	—	19.4	—	29.2	0.46
Ghana	844.4	—	—	—	844.4	13.24
Grenada	16.3	—	—	—	16.3	0.26
Guinea	204.4	—	26.8	—	231.2	3.62
Guinea-Bissau	20.7	—	3.6	—	24.2	0.38
Haiti	31.6	—	30.7	—	62.3	0.98
Kenya	326.1	13.6	—	—	339.7	5.33
Kyrgyz Republic	109.4	1.7	6.7	—	117.7	1.85
Lesotho, Kingdom of	31.4	—	—	—	31.4	0.49
Liberia	122.1	—	32.3	—	154.4	2.42
Madagascar, Republic of	187.7	—	61.1	—	248.8	3.90
Malawi	156.2	—	—	—	156.2	2.45
Maldives	—	0.4	—	—	0.4	0.01
Mali	206.3	—	18.6	—	224.9	3.53
Mauritania, Islamic Republic of	94.9	—	—	—	94.9	1.49
Moldova, Republic of	93.0	—	—	—	93.0	1.46
Mozambique, Republic of	—	15.6	85.2	85.2	186.0	2.92
Nepal	—	—	44.2	—	44.2	0.69
Nicaragua	14.9	—	—	—	14.9	0.23
Niger	158.4	—	—	—	158.4	2.48
Rwanda	0.1	—	—	144.2	144.3	2.26
St. Lucia	—	0.7	1.5	—	2.2	0.03
St. Vincent and the Grenadines	—	0.4	3.5	—	3.9	0.06
Samoa	—	1.2	5.2	—	6.4	0.10
São Tomé and Príncipe, Democratic Republic of	4.8	—	—	—	4.8	0.08
Senegal	—	19.4	—	—	19.4	0.30
Sierra Leone	257.8	—	—	—	257.8	4.04
Solomon Islands	1.0	—	—	1.0	2.0	0.03

Member	ECF	ESF	RCF	SCF	Outstanding balance	Percent of total
Tajikistan, Republic of	39.1	—	—	—	39.1	0.61
Tanzania, United Republic of	—	29.8	—	33.2	63.0	0.99
Togo	118.6	—	—	—	118.6	1.86
Vanuatu	—	—	8.5	—	8.5	0.13
Yemen, Republic of	59.2	—	36.5	—	95.7	1.50
Zambia	43.0	—	—	—	43.0	0.67
Total outstanding loans	5,531.8	127.8	454.2	263.6	6,377.3	100.0

Components may not sum exactly to totals because of rounding.

SCHEDULE 2: PRG Trust—Schedule of Arrangements for the Financial Year Ended April 30, 2019

(in millions of SDRs)

Member	Date of arrangement	Expiration date	Amount committed	Undrawn balance			
				April 30, 2018	Changes ²	Amount drawn	April 30, 2019
Afghanistan, Islamic Republic of	July 20, 2016	December 31, 2019	32.4	18.9	—	(9.0)	9.9
Benin	April 7, 2017	April 6, 2020	111.4	79.6	—	(31.8)	47.8
Burkina Faso	March 14, 2018	March 13, 2021	108.4	90.3	—	(18.1)	72.2
Cameroon	June 26, 2017	June 25, 2020	483.0	276.0	—	(110.4)	165.6
Central African Republic	July 20, 2016	July 19, 2019	133.7	68.5	—	(45.7)	22.8
Chad	June 30, 2017	June 29, 2020	224.3	154.2	—	(70.1)	84.1
Côte d'Ivoire	December 12, 2016	December 11, 2019	216.8	129.0	—	(64.5)	64.5
Ghana ¹	April 3, 2015	April 2, 2019	664.2	265.7	—	(265.7)	—
Guinea	December 11, 2017	December 10, 2020	120.5	103.3	—	(34.4)	68.9
Guinea-Bissau	July 10, 2015	July 9, 2019	22.7	3.0	5.7	(3.0)	5.7
Madagascar, Republic of	July 27, 2016	November 26, 2019	250.6	125.7	—	(62.9)	62.9
Malawi	April 30, 2018	April 29, 2021	78.1	78.1	—	(22.3)	55.8
Mali ¹	December 18, 2013	December 17, 2018	186.6	95.0	—	(95.0)	—
Mauritania, Islamic Republic of	December 6, 2017	December 5, 2020	115.9	99.4	—	(33.1)	66.2
Moldova, Republic of	November 7, 2016	November 6, 2019	43.1	24.0	—	(8.0)	16.0
Niger	January 23, 2017	January 22, 2020	118.4	70.5	19.7	(28.2)	62.0
São Tomé and Príncipe, Democratic Republic of ¹	July 13, 2015	December 31, 2018	4.4	1.3	(0.6)	(0.6)	—
Sierra Leone ¹	June 5, 2017	November 30, 2018	161.8	122.6	(122.6)	—	—
Sierra Leone	November 30, 2018	June 29, 2022	124.4	—	124.4	(15.6)	108.9
Togo	May 5, 2017	May 4, 2020	176.2	125.8	—	(50.3)	75.5
Total ECF arrangements				1,930.8	26.6	(968.7)	988.8

Components may not sum exactly to totals due to rounding.

¹ Commitment expired during the financial year ended April 30, 2019.² Includes new arrangements, augmentations, cancelations, expirations, and decrease of access.

SCHEDULE 3: PRG Trust Loan Accounts—Resources Available under Borrowing and Note Purchase Agreements at April 30, 2019

(in millions of SDRs)

Lender	Date of agreement	Expiration date	Amount agreed	Undrawn balance
National Bank of Belgium	August 30, 2017	December 31, 2024	350.0	350.0
Banco Central do Brasil	June 1, 2017	December 31, 2024	500.0	500.0
Canada	March 5, 2010	December 31, 2024	500.0	335.4
Canada	January 10, 2017	December 31, 2024	500.0	500.0
People's Bank of China	April 21, 2017	December 31, 2024	800.0	800.0
Danmarks Nationalbank	January 28, 2010	December 31, 2024	500.0	460.5
Banque de France	February 1, 2018	December 31, 2024	2,000.0	2,000.0
Bank of Italy	July 17, 2017	December 31, 2024	400.0	400.0
Japan	September 3, 2010	December 31, 2024	3,600.0	3,100.6
Bank of Korea	January 7, 2011	December 31, 2024	1,000.0	810.1
De Nederlandsche Bank NV	July 27, 2010	December 31, 2024	1,000.0	864.7
Norway ¹	November 17, 2016	December 31, 2024	150.0	150.0
Norway ¹	November 17, 2016	December 31, 2024	150.0	150.0
Saudi Arabian Monetary Authority ²	May 13, 2011	December 31, 2024	500.0	363.7
Bank of Spain	December 17, 2009	December 31, 2024	405.0	288.7
Bank of Spain	February 22, 2017	December 31, 2024	450.0	450.0
Sveriges Riksbank	November 17, 2016	December 31, 2024	500.0	500.0
Swiss National Bank	April 21, 2011	December 31, 2024	500.0	397.5
Swiss National Bank	August 30, 2017	December 31, 2024	500.0	500.0
United Kingdom	January 23, 2017	December 31, 2024	2,000.0	2,000.0
Total			16,305.0	14,921.2

Components may not sum exactly to totals due to rounding.

¹ Lender agreed to provide earmarked financing under the same borrowing agreement.² Formerly known as the Saudi Arabian Monetary Agency.

SCHEDULE 4: PRG, PRG-HIPC, and CCR Trusts—Cumulative Contributions at April 30, 2019

(in millions of SDRs)

Contributor	PRG Trust				PRG-HIPC Trust	CCR Trust
	General Subsidy Account	Earmarked Subsidy Accounts ¹	Total	Of which: Windfall Gold Sales Profits ²		
Afghanistan, Islamic Republic of	1.2	—	1.2	1.2	—	—
Albania	0.4	—	0.4	0.4	—	—
Algeria	15.2	—	15.2	12.9	0.4	—
Angola	2.1	—	2.1	2.1	—	—
Antigua and Barbuda	0.1	—	0.1	0.1	—	—
Argentina	25.7	27.2	52.9	21.8	11.7	0.4
Armenia, Republic of	1.0	—	1.0	1.0	—	—
Australia	50.5	14.7	65.2	32.8	17.0	0.1
Austria	21.7	3.9	25.6	21.7	15.0	—
Bahamas, The	1.0	—	1.0	1.0	—	—
Bangladesh	5.5	0.7	6.2	5.5	1.2	**
Barbados	0.5	—	0.5	0.5	0.3	—
Belarus, Republic of	1.1	2.8	3.9	3.9	—	—
Belgium	35.6	0.2	35.8	35.6	25.9	1.4
Belize	0.2	—	0.2	0.2	0.2	—
Benin	—	0.7	0.7	0.7	—	—
Bhutan	**	—	**	**	—	—
Bosnia and Herzegovina	1.7	—	1.7	1.7	—	—
Botswana	0.8	—	0.8	0.8	—	**
Brazil	—	—	—	—	11.0	—
Brunei Darussalam	2.2	—	2.2	2.2	**	—
Bulgaria	5.9	—	5.9	5.9	—	—
Burkina Faso	0.6	—	0.6	0.6	—	—
Burundi	0.8	—	0.8	0.8	—	—
Cabo Verde	**	—	**	**	—	—
Cambodia	0.9	—	0.9	0.9	**	—
Cameroon	1.9	—	1.9	1.9	—	—
Canada	91.5	214.9	306.4	65.5	32.9	2.9
Central African Republic	0.2	—	0.2	0.2	—	—
Chad	0.7	—	0.7	0.7	—	—
Chile	—	—	—	—	—	**
China, People's Republic of	—	110.1	110.1	98.0	13.1	0.1
Colombia	—	—	—	—	**	—
Comoros, Union of the	0.1	—	0.1	0.1	—	—
Congo, Democratic Republic of the	5.5	—	5.5	5.5	—	—
Congo, Republic of	—	0.6	0.6	0.6	—	—
Côte d'Ivoire	2.4	1.0	3.4	3.4	—	—
Croatia, Republic of	1.9	—	1.9	1.8	**	—
Cyprus	1.6	—	1.6	1.6	0.5	—
Czech Republic	10.3	10.0	20.3	10.3	—	—
Denmark	23.0	38.3	61.3	19.4	13.1	0.8
Djibouti	0.1	—	0.1	0.1	—	—
Dominica	0.1	—	0.1	0.1	—	—

Contributor	PRG Trust				PRG-HIPC Trust	CCR Trust
	General Subsidy Account	Earmarked Subsidy Accounts ¹	Total	Of which: Windfall Gold Sales Profits ²		
Egypt, Arab Republic of	9.7	10.0	19.7	9.7	**	0.2
Estonia, Republic of	1.0	—	1.0	1.0	0.4	—
Eswatini, Kingdom of ³	—	—	—	—	**	—
Ethiopia, The Federal Democratic Republic of	1.4	—	1.4	1.4	—	—
Fiji, Republic of	0.7	—	0.7	0.7	**	—
Finland	13.0	22.7	35.7	13.0	2.6	0.5
France	—	127.9	127.9	110.5	60.9	4.0
Gabon	1.6	—	1.6	1.6	0.5	—
Gambia, The	—	0.3	0.3	0.3	—	—
Georgia	1.5	—	1.5	1.5	—	—
Germany	149.8	155.0	304.9	149.8	45.6	23.8
Ghana	1.1	—	1.1	1.1	—	—
Greece	11.3	—	11.3	11.3	2.2	0.5
Guinea	1.1	—	1.1	1.1	—	—
Guinea-Bissau	0.1	—	0.1	0.1	—	—
Haiti	0.8	—	0.8	0.8	—	—
Honduras	1.4	—	1.4	1.4	—	—
Iceland	1.2	3.3	4.5	1.2	0.6	0.1
India	59.9	10.5	70.4	59.9	0.4	—
Indonesia	—	—	—	—	5.1	0.1
Iran, Islamic Republic of	15.4	—	15.4	15.4	—	—
Iraq	3.5	—	3.5	3.5	—	—
Ireland	13.0	6.9	19.9	13.0	3.9	0.1
Israel	—	—	—	—	1.2	—
Italy	—	255.6	255.6	81.1	43.3	2.9
Jamaica	2.8	—	2.8	2.8	1.8	—
Japan	185.1	541.1	726.2	148.7	98.4	14.1
Jordan	1.8	—	1.8	1.8	—	—
Kenya	2.8	—	2.8	2.8	—	—
Korea, Republic of	43.7	36.0	79.7	34.7	10.6	0.7
Kosovo	0.4	—	0.4	0.4	—	—
Kuwait	16.9	—	16.9	14.3	0.1	—
Kyrgyz Republic	1.0	—	1.0	1.0	—	—
Lao People's Democratic Republic	0.6	—	0.6	0.6	—	—
Latvia, Republic of	1.4	—	1.4	1.4	0.7	—
Lesotho, Kingdom of	—	0.4	0.4	0.4	—	—
Liberia	0.4	—	0.4	0.4	—	—
Lithuania, Republic of	1.9	—	1.9	1.9	0.7	—
Luxembourg	4.3	10.6	14.9	4.3	0.9	—
Malawi	0.2	0.5	0.7	0.7	—	—
Malaysia	18.2	—	18.2	18.2	4.1	0.4
Maldives	0.1	—	0.1	0.1	—	—
Mali	1.0	—	1.0	1.0	—	—
Malta	1.0	0.2	1.2	1.0	0.7	**
Mauritania, Islamic Republic of	0.7	—	0.7	0.7	—	—
Mauritius	1.0	—	1.0	1.0	**	—

Contributor	PRG Trust				PRG-HIPC Trust	CCR Trust
	General Subsidy Account	Earmarked Subsidy Accounts ¹	Total	Of which: Windfall Gold Sales Profits ²		
Mexico	37.3	—	37.3	37.3	40.0	1.7
Micronesia, Federated States of	**	—	**	**	—	—
Moldova, Republic of	1.3	—	1.3	1.3	—	—
Mongolia	0.6	—	0.6	0.6	—	—
Montenegro	0.1	—	0.1	0.1	—	—
Morocco	6.0	7.3	13.3	6.0	**	0.1
Mozambique, Republic of	1.1	—	1.1	1.1	—	—
Myanmar	2.7	—	2.7	2.7	—	—
Namibia	1.4	—	1.4	1.4	—	—
Nepal	0.7	—	0.7	0.7	0.1	—
Netherlands, Kingdom of the	63.4	100.5	164.0	53.1	52.0	—
New Zealand	9.2	—	9.2	9.2	2.2	—
Nicaragua	—	1.4	1.4	1.4	—	—
Niger	0.5	0.2	0.7	0.7	—	—
Nigeria	18.1	—	18.1	18.1	6.2	—
North Macedonia, Republic of ⁴	0.7	—	0.7	0.7	—	—
Norway	—	72.2	72.2	19.3	12.9	0.5
Oman	2.4	2.2	4.6	2.4	0.1	—
Pakistan	10.6	—	10.6	10.6	0.1	**
Panama	2.1	—	2.1	2.1	—	—
Papua New Guinea	0.4	—	0.4	0.4	—	—
Paraguay	1.0	—	1.0	1.0	—	—
Philippines	4.9	—	4.9	3.0	4.5	—
Poland, Republic of	—	—	—	—	8.8	—
Portugal	—	10.6	10.6	10.6	4.4	1.5
Qatar	1.5	—	1.5	0.9	—	—
Romania	7.6	—	7.6	7.6	—	—
Russian Federation	61.2	35.7	96.9	61.2	10.2	—
Rwanda	0.8	—	0.8	0.8	—	—
St. Lucia	0.1	—	0.1	0.1	—	—
St. Vincent and the Grenadines	—	—	—	—	0.1	—
Samoa	0.1	—	0.1	0.1	**	—
San Marino, Republic of	0.2	—	0.2	0.2	**	—
São Tomé and Príncipe, Democratic Republic of	0.1	—	0.1	0.1	—	—
Saudi Arabia	72.0	—	72.0	71.8	1.0	0.2
Senegal	1.7	—	1.7	1.7	—	—
Serbia, Republic of	4.8	—	4.8	4.8	—	—
Seychelles	0.1	—	0.1	0.1	—	—
Sierra Leone	0.3	0.8	1.1	1.1	—	—
Singapore	14.5	—	14.5	14.5	2.3	0.2
Slovak Republic	3.9	—	3.9	3.9	2.7	—
Slovenia, Republic of	1.4	—	1.4	1.4	0.3	—
Solomon Islands	0.1	—	0.1	0.1	—	—
South Africa	19.3	—	19.3	19.3	20.9	—
Spain	50.2	5.3	55.5	41.4	16.6	0.1
Sri Lanka	4.2	—	4.2	4.2	**	—

Contributor	PRG Trust				PRG-HIPC Trust	CCR Trust
	General Subsidy Account	Earmarked Subsidy Accounts ¹	Total	Of which: Windfall Gold Sales Profits ²		
Sweden	29.4	114.1	143.5	24.6	5.3	2.3
Switzerland	48.3	41.6	89.9	37.2	38.3	1.3
Tajikistan, Republic of	0.9	—	0.9	0.9	—	—
Tanzania, United Republic of	2.1	—	2.1	2.1	—	—
Thailand	14.8	—	14.8	14.8	2.2	0.2
Timor-Leste, Democratic Republic of	0.1	—	0.1	0.1	—	—
Togo	0.2	0.5	0.7	0.7	—	—
Tonga	0.1	—	0.1	0.1	**	—
Trinidad and Tobago	1.0	—	1.0	1.0	—	—
Tunisia	2.9	—	2.9	2.9	0.1	**
Turkey	15.0	10.0	25.0	15.0	—	0.7
Turkmenistan	0.8	—	0.8	0.8	—	—
Tuvalu	**	—	**	**	—	—
Uganda	1.9	—	1.9	1.8	—	—
Ukraine	14.1	—	14.1	14.1	—	—
United Arab Emirates	7.7	—	7.7	7.7	0.4	—
United Kingdom	147.3	372.9	520.2	111.0	57.4	35.3
United States	433.4	126.1	559.5	433.4	221.9	2.0
Uruguay	3.2	—	3.2	3.2	—	**
Vanuatu	0.1	—	0.1	0.1	—	—
Vietnam	4.8	—	4.8	4.8	**	—
Yemen, Republic of	1.8	—	1.8	1.8	—	—
Zambia	5.0	—	5.0	5.0	1.2	—
Zimbabwe	3.6	—	3.6	3.6	—	—
Total member contributions	2,034.2	2,507.3	4,541.5	2,187.4	939.2	99.6
Special Disbursement Account	147.9	870.3	1,018.2	—	1,166.8	293.2
Administered Accounts	—	159.5	159.5	—	342.4	—
General Resources Account	—	—	—	—	72.5	—
Total IMF-related contributions	147.9	1,029.8	1,177.7	—	1,581.7	293.2
Total	2,182.1	3,537.0	5,719.2	2,187.4	2,520.9	392.7

Components may not sum exactly to totals due to rounding.

¹ Includes contributions to the following earmarked subsidy accounts: Extended Credit Facility, Standby Credit Facility, Rapid Credit Facility, Poverty Reduction and Growth Facility, and the Exogenous Shocks Facility.

² Includes voluntary contributions made by IMF members following the distributions from the IMF's General Reserve of SDR 0.7 billion and SDR 1.75 billion in October 2012 and 2013, respectively, attributable to windfall gold sales profits.

³ Formerly known as the Kingdom of Swaziland.

⁴ Formerly known as the former Yugoslav Republic of Macedonia.

** Less than SDR 50,000.

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IV. Financial Statements of the Administered Accounts





Report of Independent Auditors

To the Board of Governors of the International Monetary Fund

We have audited the accompanying financial statements of each of the accounts of the International Monetary Fund listed in the table below (the “Administered Accounts”), which comprise the statements of financial position as of the dates listed in the table below, and the related statements of comprehensive income and changes in resources and of cash flows for the periods listed in the table below.

Administered Accounts (1)	
Administered Account – Japan (Japan)	SCA-1/Deferred Charges Administered Account (SCA-1/Deferred Charges)
Framework Administered Account for Technical Assistance Activities (Framework-TA)	Interim Administered Account for Windfall Gold Sales Profits (Windfall Gold Sales Profits)
Framework Administered Account for Selected Fund Activities (Framework-SFA)	Interim Administered Account for Remaining Windfall Gold Sales Profits (Remaining Windfall Gold Sales Profits)
Administered Account People's Bank of China (People's Bank of China)	Administered Account – Switzerland (Switzerland)
Supplementary Financing Facility Subsidy Account (SFF Subsidy)	Administered Account for Interim Holdings of Voluntary Contributions (Interim Holdings)
Post-SCA-2 Administered Account (Post-SCA-2)	
(1) As of and for the years ended April 30, 2019 and 2018	

We are independent of the Administered Accounts in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United States of America and with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants*. We have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Administered Accounts' ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Administered Accounts or to cease operations or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Administered Accounts' financial reporting process.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of

America and International Standards on Auditing. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. Reasonable assurance is a high level of assurance but is not a guarantee that an audit will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We design audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error because fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

In making those risk assessments, we consider internal control relevant to the Administered Accounts' preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Administered Accounts' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation, structure, and content of the financial statements, including disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

As part of an audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Administered Accounts' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Administered Accounts to cease to continue as a going concern.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies or material weaknesses in internal control that we identify during our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of each of the Administered Accounts indicated in the table above as of April 30, 2019 and 2018, and the results of each of their operations and each of their cash flows for the years then ended in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.



Other Matter

Our audit was conducted for the purpose of forming an opinion on each of the Administered Accounts' financial statements taken as a whole. The supplemental schedules appearing on pages 111 to 114 are presented for purposes of additional analysis and are not a required part of the respective Administered Accounts' financial statements. The information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the respective Administered Accounts' financial statements. The information has been subjected to the auditing procedures applied in the audit of the respective Administered Accounts' financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the respective Administered Accounts' financial statements or to the respective Administered Accounts' financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. We also subjected the information to the applicable procedures required by International Standards on Auditing. In our opinion, the information is fairly stated, in all material respects, in relation to the respective Administered Accounts' financial statements taken as a whole.

A handwritten signature in blue ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

McLean, Virginia
June 21, 2019

Statements of Financial Position at April 30, 2019, and 2018

Technical Assistance Accounts									
	Note	Japan		Framework—TA		Framework—SFA		People's Bank of China	
		2019	2018	2019	2018	2019	2018	2019	2018
(in thousands of U.S. dollars)								(in thousands of SDRs)	
Assets									
Cash and cash equivalents		136,725	133,801	589	576	379,101	354,966	6,376	7,645
Interest receivable		—	—	—	—	—	—	496	521
Investments	5	—	—	—	—	—	—	166,148	163,615
Total assets		136,725	133,801	589	576	379,101	354,966	173,020	171,781
Liabilities									
Accounts payable		—	—	—	—	34,879	38,335	7	5
Interest payable		—	—	—	—	—	—	141	—
Borrowings	6	—	—	—	—	—	—	170,000	170,000
Total liabilities		—	—	—	—	34,879	38,335	170,148	170,005
Resources		136,725	133,801	589	576	344,222	316,631	2,872	1,776
Total liabilities and resources		136,725	133,801	589	576	379,101	354,966	173,020	171,781

Interim Holdings of Resources Accounts														
	SFF Subsidy		Post-SCA-2		SCA-1/ Deferred Charges		Windfall Gold Sales Profits		Remaining Windfall Gold Sales Profits		Switzerland		Interim Holdings ¹	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in thousands of SDRs)										(in thousands of U.S. dollars)			
Assets														
Cash and cash equivalents	919	911	41,664	41,265	35,537	35,197	22,019	27,977	39,160	54,195	—	—	—	—
Interest receivable	3	2	115	84	98	72	61	56	109	110	—	—	—	—
Other assets	—	—	—	—	—	—	—	—	—	—	4	4	—	—
Total assets	922	913	41,779	41,349	35,635	35,269	22,080	28,033	39,269	54,305	4	4	—	—
Liabilities														
Other liabilities	—	—	—	—	—	—	—	—	—	—	4	4	—	—
Total liabilities	—	—	—	—	—	—	—	—	—	—	4	4	—	—
Resources	922	913	41,779	41,349	35,635	35,269	22,080	28,033	39,269	54,305	—	—	—	—
Total liabilities and resources	922	913	41,779	41,349	35,635	35,269	22,080	28,033	39,269	54,305	4	4	—	—

¹ Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Interim Holdings) does not have any balances as at April 30, 2019, and 2018.
The accompanying notes are an integral part of these financial statements.
The financial statements were approved by the Managing Director and the Director of Finance on June 21, 2019.

Christine Lagarde /s/
Managing Director

Andrew Tweedie /s/
Director, Finance Department

Statements of Comprehensive Income and Changes in Resources for the Financial Years Ended April 30, 2019, and 2018

Technical Assistance Accounts

	Note	Japan		Framework—TA		Framework—SFA		People's Bank of China	
		2019	2018	2019	2018	2019	2018	2019	2018
(in thousands of U.S. dollars)								(in thousands of SDRs)	
Resources, beginning of year		133,801	132,232	576	569	316,631	231,500	1,776	3,729
Interest and investment income/(loss)		2,924	1,569	13	7	7,713	3,937	4,937	(1,399)
Contributions		—	—	—	—	209,294	268,872	—	—
Interest expense on borrowings		—	—	—	—	—	—	(141)	(29)
Operating expenses		—	—	—	—	(189,416)	(187,678)	—	—
Operational income/(loss)		2,924	1,569	13	7	27,591	85,131	4,796	(1,428)
Transfers	8	—	—	—	—	—	—	(3,700)	(525)
Other comprehensive income		—	—	—	—	—	—	—	—
Total comprehensive income (loss)/changes in resources		2,924	1,569	13	7	27,591	85,131	1,096	(1,953)
Resources, end of year		136,725	133,801	589	576	344,222	316,631	2,872	1,776

Interim Holdings of Resources Accounts

	Note	SFF Subsidy		Post-SCA-2		SCA-1/Deferred Charges		Windfall Gold Sales Profits		Remaining Windfall Gold Sales Profits		Switzerland		Interim Holdings ¹	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		(in thousands of SDRs)										(in thousands of U.S. dollars)			
Resources, beginning of year		913	906	41,349	41,071	35,269	35,031	28,033	37,721	54,305	78,611	—	—	—	—
Interest income		9	7	430	278	366	238	275	212	521	403	—	—	—	—
Contributions		—	—	—	—	—	—	—	—	—	—	5,164	4,155	—	—
Other income		—	—	—	—	—	—	—	—	—	—	20	36	—	—
Operating expenses		—	—	—	—	—	—	—	—	—	—	(20)	(36)	—	—
Operational income		9	7	430	278	366	238	275	212	521	403	5,164	4,155	—	—
Transfers	8	—	—	—	—	—	—	(6,228)	(9,900)	(15,557)	(24,709)	(5,164)	(4,155)	—	—
Other comprehensive income		—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total comprehensive income (loss)/changes in resources		9	7	430	278	366	238	(5,953)	(9,688)	(15,036)	(24,306)	—	—	—	—
Resources, end of year		922	913	41,779	41,349	35,635	35,269	22,080	28,033	39,269	54,305	—	—	—	—

¹ There was no activity in Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Interim Holdings) during the years ended April 30, 2019, and 2018. The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows for the Financial Years Ended April 30, 2019, and 2018

	Technical Assistance Accounts							
	Japan		Framework—TA		Framework—SFA		People's Bank of China	
	2019	2018	2019	2018	2019	2018	2019	2018
	(in thousands of U.S. dollars)						(in thousands of SDRs)	
Cash flows from operating activities								
Total comprehensive income/(loss)	2,924	1,569	13	7	27,591	85,131	1,096	(1,953)
Adjustments to reconcile total comprehensive income/(loss) to cash generated by operations								
Interest income	(2,924)	(1,569)	(13)	(7)	(7,713)	(3,937)	(1,928)	(1,548)
Interest expense	—	—	—	—	—	—	141	29
Changes in other liabilities	—	—	—	—	(3,456)	7,781	2	5
Realized losses/(gains)	—	—	—	—	—	—	1,592	(583)
Unrealized (gains)/losses	—	—	—	—	—	—	(4,603)	3,524
Interest received	2,924	1,569	13	7	7,713	3,937	1,953	1,390
Interest paid	—	—	—	—	—	—	—	(170)
Net cash provided by/(used in) operating activities	2,924	1,569	13	7	24,135	92,912	(1,747)	694
Cash flows from investing activities								
Acquisition of investments	—	—	—	—	—	—	(3,222)	(172,486)
Disposition of investments	—	—	—	—	—	—	3,700	174,346
Net cash provided by investment activities	—	—	—	—	—	—	478	1,860
Net cash provided by financing activities	—	—	—	—	—	—	—	—
Net increase/(decrease) in cash and cash equivalents	2,924	1,569	13	7	24,135	92,912	(1,269)	2,554
Cash and cash equivalents, beginning of year	133,801	132,232	576	569	354,966	262,054	7,645	5,091
Cash and cash equivalents, end of year	136,725	133,801	589	576	379,101	354,966	6,376	7,645

Statements of Cash Flows for the Financial Years Ended April 30, 2019, and 2018

(continued)

Interim Holdings of Resources Accounts

	SFF Subsidy		Post-SCA-2		SCA-1/Deferred Charges		Windfall Gold Sales Profits		Remaining Windfall Gold Sales Profits		Switzerland		Interim Holdings ¹	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	(in thousands of SDRs)										(in thousands of U.S. dollars)			
Cash flows from operating activities														
Total comprehensive income/(loss)	9	7	430	278	366	238	(5,953)	(9,688)	(15,036)	(24,306)	—	—	—	—
Adjustments to reconcile total comprehensive income/(loss) to cash generated by operations														
Interest income	(9)	(7)	(430)	(278)	(366)	(238)	(275)	(212)	(521)	(403)	—	—	—	—
Change in other assets	—	—	—	—	—	—	—	—	—	—	—	(4)	—	—
Change in other liabilities	—	—	—	—	—	—	—	—	—	—	—	4	—	—
Interest received	8	5	399	232	340	198	270	191	522	366	—	—	—	—
Net cash provided by/(used in) operating activities	8	5	399	232	340	198	(5,958)	(9,709)	(15,035)	(24,343)	—	—	—	—
Net cash provided by investment activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Net cash provided by financing activities	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Net increase/(decrease) in cash and cash equivalents	8	5	399	232	340	198	(5,958)	(9,709)	(15,035)	(24,343)	—	—	—	—
Cash and cash equivalents, beginning of year	911	906	41,265	41,033	35,197	34,999	27,977	37,686	54,195	78,538	—	—	—	—
Cash and cash equivalents, end of year	919	911	41,664	41,265	35,537	35,197	22,019	27,977	39,160	54,195	—	—	—	—

¹There was no cash movement in Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Interim Holdings) during the years ended April 30, 2019, and 2018. The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements for the Financial Years Ended April 30, 2019, and 2018

1. Nature of operations

At the request of members, the International Monetary Fund (IMF) has established special-purpose accounts (the Administered Accounts) to administer contributed resources provided to fund financial and technical services consistent with the purposes of the IMF. The instruments establishing the Administered Accounts provide the terms and conditions, as agreed with the IMF and contributing members, under which the resources may be used. The assets and liabilities of each account and each subaccount are separate from the assets and liabilities of all other accounts of, or administered by, the IMF. The assets of each account and each subaccount are not to be used to discharge liabilities or to cover losses incurred in the administration of other accounts.

1.1 Technical Assistance Accounts

1.1.1 Administered Account—Japan (Japan)

The account was established in March 1989 to administer resources provided by Japan—and, under a subsequent amendment, by 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. Effective March 5, 2008, the instrument governing the account was amended to allow the provision of assistance to these members in the context of an internationally agreed comprehensive package that integrates arrears clearance and subsequent debt relief. The account can be terminated by the IMF or by Japan at any time. Upon termination of the account, any remaining resources in the account are to be returned to Japan.

1.1.2 Framework Administered Account for Technical Assistance Activities (Framework—TA)

The account was established by the IMF in April 1995 to receive and administer contributions that are to be used to finance technical assistance activities of the IMF. During the financial year ended April 30, 2015, the account was terminated. The account is in the process of liquidation, and any funds remaining in the account will either be refunded to the contributors or, at their request, transferred to the Framework Administered Account for Selected Fund Activities.

1.1.3 Framework Administered Account for Selected Fund Activities (Framework—SFA)

The account was established in March 2009 to administer externally contributed resources that are to be used to finance selected IMF activities, including the full range of IMF technical assistance activities provided to recipients.

The financing of selected Fund activities is implemented through the establishment and operation of subaccounts within the Framework—SFA. At April 30, 2019, there were 48 subaccounts; one new subaccount was established during each of the financial years ended April 30, 2019, and 2018. Disbursements are made from the respective subaccounts under the Framework—SFA to the General Resources Account to reimburse the IMF for costs incurred in connection with activities financed by the respective subaccounts. Framework—SFA resources are to be used in accordance with terms and conditions established by the IMF, with the concurrence of contributors. Resources in Framework—SFA subaccounts may be transferred to other subaccounts if the terms and conditions of the subaccounts so provide.

The Framework—SFA may be terminated by the IMF at any time with the concurrence of all contributors and the Managing Director. A subaccount thereof may also be terminated by the contributor of the resources to the subaccount or, in the case of a subaccount comprising resources from more than one contributor, by all the contributors participating in the subaccount at the time of termination, provided that a contributor to such a subaccount may cease its own participation in the subaccount at any time without termination of the subaccount. The disposition of any balances, net of liabilities and commitments under the activities financed, is governed by the conditions agreed between the IMF and the contributor(s). Absent such agreement, the balances are returned to the contributor(s) upon withdrawal from or termination of the subaccount.

1.1.4 Administered Account People's Bank of China (People's Bank of China)

The account was established in June 2012 to administer and invest resources provided by the People's Bank of China to support the IMF's technical assistance and training programs. During the financial year ended April 30, 2018, the instrument governing the account was amended to extend the termination date of the account to October 1, 2022. The account will be terminated upon completion of operations, or at such earlier time by the IMF in consultation with the

People's Bank of China. Once the obligation to repay the outstanding deposit has been discharged and the final payment of interest has been made, any surplus remaining in the account will be transferred to the People's Bank of China.

1.2 Interim Holdings of Resources Accounts

1.2.1 Supplementary Financing Facility Subsidy Account (SFF Subsidy)

The account was established in December 1980 to assist low-income member countries to meet the costs of using resources made available through the IMF's Supplementary Financing Facility and under the policy on exceptional access. All repurchases under these policies were due on or before January 31, 1991, and the final subsidy payments were approved in July 1991. However, one member (Sudan), overdue in the payment of charges to the General Department of the IMF at April 30, 2019, remains eligible to receive previously approved subsidy payments of SDR 0.9 million at April 30, 2019, and 2018, once its overdue charges are settled. Accordingly, the account remains in operation and has retained amounts for payment to Sudan once the overdue charges are paid.

1.2.2 Post-SCA-2 Administered Account (Post-SCA-2)

The account was established in December 1999 for the temporary administration of resources transferred by members following the termination of the second Special Contingent Account (SCA-2) in the General Department of the IMF, prior to the final disposition of those resources in accordance with members' instructions. Instructions on final disposition from five of the 42 members that had resources held in this account are still pending; consequently, their resources remain in the account (see Schedule 1). The account will be terminated upon completion of its operations.

1.2.3 SCA-1/Deferred Charges Administered Account (SCA-1/Deferred Charges)

The account was established in March 2008 as an interim vehicle to hold and administer members' refunds resulting from the distribution of certain SCA-1 balances and from the payment of deferred charges adjustments that had been made in respect of overdue charges attributed to Liberia. Following Liberia's arrears clearance, members were given the option to temporarily deposit their refunds into this account pending their decisions as to the final disposition of those resources. The account was to be terminated three years from the effective date of decisions establishing the account. This termination date was extended five times, most recently to March 13, 2020, by the IMF Executive Board at the request of the remaining contributors. Instructions on final disposition from one member are still pending; consequently, resources remain in the account (see Schedule 1).

1.2.4 Interim Administered Account for Windfall Gold Sales Profits (Windfall Gold Sales Profits)

The account was established in October 2012 to temporarily hold and administer contributions representing all or a portion of members' shares of the partial distribution of amounts in the IMF's General Reserve attributable to windfall gold sales profits. Members were given the option to temporarily deposit the proceeds from the distribution into this account pending their decisions as to the final disposition of these resources. The account will be terminated on October 11, 2019, or as promptly as practicable following the receipt of instructions from all contributors regarding the distribution of the resources in the accounts, whichever is earlier. Any balances remaining in the account upon termination are to be transferred to the respective contributors. Instructions on final disposition from five members that had resources held in this account are still pending; consequently, their resources remain in the account (see Schedule 1).

1.2.5 Interim Administered Account for Remaining Windfall Gold Sales Profits (Remaining Windfall Gold Sales Profits)

The account was established in October 2013 to temporarily hold and administer contributions representing all or a portion of members' shares of the final distribution of amounts in the IMF's General Reserve attributable to remaining windfall gold sales profits. Members were given the option to temporarily deposit the proceeds from the distribution into this account pending their decisions as to the final disposition of these resources. The account will be terminated on October 9, 2020, or as promptly as practicable following the receipt of instructions from all contributors regarding the distribution of the resources in the accounts, whichever is earlier. Any balances remaining in the account upon termination are to be transferred to the respective contributors. Instructions on final disposition from six members that had resources held in this account are still pending; consequently, their resources remain in the account (see Schedule 1).

1.2.6 Administered Account—Switzerland (Switzerland)

The account was established in February 2017 to facilitate the settlement of payments under the bilateral financing agreement between the Swiss National Bank (SNB) and the National Bank of Ukraine (NBU). The account will be terminated upon agreement between the SNB and the IMF, following consultations between the SNB and the NBU.

1.2.7 Administered Account for Interim Holdings of Voluntary Contributions for Fund Activities (Interim Holdings)

The account was established in April 2010 to receive and hold externally contributed resources for an interim period until such time as they can be transferred to other Trusts or accounts administered by the IMF. The resources deposited into the Interim Holdings Account will ultimately fund activities for which understandings or modalities to use those

resources are not yet finalized. The account may be terminated by the IMF at any time, and uncommitted resources in the account at the time of termination are to be returned to the contributors. There were no balances in this account at April 30, 2019, and 2018, and no transactions for the financial years then ended.

2. Basis of preparation and measurement

The financial statements of the Administered Accounts are prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments at fair value through profit or loss.

2.1 Unit of account

2.1.1 Japan, Framework—TA, Framework—SFA, Interim Holdings, and Switzerland

The functional and reporting currency of these accounts is the U.S. dollar. All transactions and operations of these accounts, including the transfers to and from these accounts and interest payments, are denominated in U.S. dollars. Contributions denominated in other currencies are converted into U.S. dollars upon receipt of the funds.

2.1.2 SFF Subsidy, Post-SCA-2, SCA-1/Deferred Charges, People's Bank of China, Windfall Gold Sales Profits, and Remaining Windfall Gold Sales Profits

The financial statements for these accounts are presented in SDRs. The SDR is the General Department's unit of account. Its value is determined daily by the IMF by summing specific amounts of the basket currencies in U.S. dollar equivalents on the basis of market exchange rates. Contributions denominated in other currencies are converted into the component currencies in the SDR basket upon receipt of the funds.

The IMF reviews the composition of the SDR valuation basket at a minimum of five-year intervals. The latest review was completed in November 2015. The specific amounts of the currencies in the SDR basket, effective October 1, 2016, were as follows:

SDR basket currency	Amount
Chinese renminbi	1.0174
Euro	0.38671
Japanese yen	11.900
Pound sterling	0.085946
U.S. dollar	0.58252

At April 30, 2019, one SDR was equal to US\$1.38576 (US\$1.43806 at April 30, 2018). The next review of the method of valuation of the SDR will take place by September 30, 2021, unless developments in the interim justify an earlier review.

2.2 SDR interest rate

The SDR interest rate is used to calculate interest income on resources held in SDRs. The SDR interest rate also provides the basis for interest expense on borrowings (see Note 6).

The SDR interest rate is determined weekly by reference to a weighted average of yields or rates on short-term instruments in the money markets of the members whose currencies are included in the SDR valuation basket:

SDR basket currency	Yield or rate
Chinese renminbi	Three-month benchmark yield for China Treasury bonds as published by the China Central Depository and Clearing Co., Ltd.
Euro	Three-month spot rate for euro area central government bonds with a minimum rating of AA published by the European Central Bank
Japanese yen	Three-month Treasury discount bills
Pound sterling	Three-month Treasury bills
U.S. dollar	Three-month Treasury bills

The SDR interest rate is subject to a floor of 0.050 percent and is rounded to three decimal places. The average SDR interest rate was 1.036 percent per annum and 0.676 percent per annum for the financial years ended April 30, 2019, and 2018, respectively.

2.3 Use of estimates and judgement

The preparation of financial statements requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant estimates and judgments used in applying accounting policies include fair value measurement of financial instruments (see Note 3.8).

3. Summary of significant accounting policies

3.1 Financial instruments

IFRS 9, "Financial Instruments", as issued by the IASB in July 2014, was adopted with a date of initial application of

May 1, 2018. The requirements of IFRS 9 represent a significant change from the standard it superseded, International Accounting Standard (IAS) 39, "Financial Instruments: Recognition and Measurement" (see Note 3.9).

3.2 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other highly liquid short-term investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. Cash and cash equivalents are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

3.3 Investments

Investments held in the People's Bank of China account are managed in accordance with the Administered Accounts' risk management and investment strategy, and their performance is evaluated on a fair value basis. As a result, these securities are classified at fair value through profit or loss (FVPL) in accordance with their business model. Funds pending suitable investment in accordance with the investment strategy are kept in fixed-term deposits, which are measured at amortized cost. The valuation techniques to determine fair value are described in Note 5.

3.3.1 Recognition

Investments are initially recognized on the trade date at which an account becomes a party to the contractual provisions of the instrument.

3.3.2 Derecognition

Investments are derecognized on the trade date when the contractual rights to the cash flows from the asset expire, or when substantially all the risks and rewards of ownership of the investment are transferred.

3.3.3 Interest and investment income

Interest and investment income comprises interest income on cash and cash equivalents and investments, realized gains and losses, and unrealized gains and losses, including currency valuation differences arising from exchange rate movements against the functional currency. Interest income is recognized on an accrual basis under the effective interest method.

3.4 Borrowings

Borrowings are initially recognized at fair value of the amount drawn and are subsequently measured at amortized cost using the effective interest method.

3.5 Contributions

Contributions are recognized in the financial statements after the achievement of specified conditions and are subject to

the bilateral agreements stipulating how the resources are to be used.

3.6 Operating expenses

Operating expenses consist of reimbursements to the IMF for program and administrative costs incurred on behalf of technical assistance activities for selected accounts, as agreed between the IMF and contributing members to the Administered Accounts.

3.7 Foreign currency translation

Transactions in currencies other than the reporting currency are recorded at the rate of exchange on the date of the transaction. Assets and liabilities denominated in other currencies are reported using the exchange rate on the date of the financial statements. Exchange differences arising from the settlement of transactions at rates different from those on the date of the transactions are included in the determination of total comprehensive income.

3.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market.

A three-level fair value hierarchy is used to determine fair value under which financial instruments are categorized based on the priority of the inputs to the valuation technique. The fair value hierarchy has the following levels:

- Level 1:** Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date
- Level 2:** Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3:** Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

When the inputs used to measure the fair value of an asset or liability fall within different levels of the fair value hierarchy, the level within which the fair value measurement is categorized is based on the lowest-level input that is significant to the fair value measurement of the instrument in its entirety. Thus, a Level 3 fair value measurement may include inputs that are both observable and unobservable.

3.9 New International Financial Reporting Standards

The following new standards issued by the IASB and applicable to the Administrative Accounts became effective in the financial year ended April 30, 2019.

IFRS 9, "Financial Instruments", which replaces IAS 39 "Financial Instruments: Recognition and Measurement", is effective for annual periods starting on or after January 1, 2018, and was adopted on May 1, 2018. The requirements of IFRS 9 represent significant changes from IAS 39.

Classification and Measurement

IFRS 9 requires financial assets to be classified at fair value through profit or loss, fair value through other comprehensive income, or amortized cost based on the entity's business model for managing the assets and their contractual cash flow characteristics. Financial liabilities are classified and measured at amortized cost or fair value through profit or loss.

Impairment

The incurred loss model of IAS 39 has been replaced by a forward-looking expected credit loss impairment model.

Transition to IFRS 9 adoption

The adoption of IFRS 9 did not have a material effect on the financial statements of the Administered Accounts. Changes in accounting policies resulting from the adoption of IFRS 9 have been applied retrospectively (see Note 3.3 for details).

IFRS 15, "Revenue from Contracts with Customers", is effective for annual periods starting on or after January 1, 2018, and was adopted by the Administered Accounts on May 1, 2018. IFRS 15 provides a principle-based approach for revenue recognition that applies to all contracts with customers except those related to financial instruments, leases, and insurance contracts. It requires an entity to recognize revenue as performance obligations are satisfied.

The adoption of IFRS 15 did not have a material effect on the financial statements of the Administered Accounts.

4. Financial risk management

In administering contributed resources and funding financial and technical services, the Administered Accounts have exposure to credit, liquidity, and market risks.

4.1 Credit risk

Credit risk on investment activities represents the potential loss that the Administered Accounts may incur if obligors and counterparties default on their contractual obligations. Credit risk is minimized by holding resources at the Bank for

International Settlements (BIS), an international financial institution that provides financial services to central banks and other international financial institutions.

4.2 Liquidity risk

Liquidity risk is the risk of nonavailability of resources to meet financing needs and obligations. Liquidity risk is monitored to ensure that upcoming payments or transfers can be met from the Administered Accounts' cash and highly liquid investments. For the People's Bank of China account, the principal resources are invested with the objective to generate income to support the agreed technical assistance and training activities while preserving the principal in nominal terms. The maturity of the investments matches the repayment of the principal to the People's Bank of China due in October 2022.

4.3 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk includes interest rate risk and exchange rate risk.

4.3.1 Interest rate risk

Interest rate risk is the risk that future net cash flows will fluctuate because of changes in market interest rates. The People's Bank of China account invests in BIS fixed-term deposits, which are measured at amortized cost and medium-term instruments (MTIs), which are subject to mark-to-market interest rate risk.

4.3.2 Exchange rate risk

Exchange rate risk is the risk that the entity's financial position and cash flows will be affected by fluctuations in prevailing foreign currency exchange rates. Exchange rate risk is managed, to the extent possible, by holding all financial assets and liabilities in the functional currency of each account or, in the case of accounts whose unit of account is the SDR, in the constituent currencies included in the SDR valuation basket. The exchange rate risk on investments held by the People's Bank of China account is managed by investing in MTIs and fixed-term deposits denominated in the constituent currencies included in the SDR's valuation basket with the relative amount of each currency matching its weight in the SDR basket. In addition, the currency composition of the account is adjusted periodically to align with the SDR basket; therefore, exchange rate risk is minimal.

4.3.3 Value at Risk

Exposures to market risk are measured using value at risk (VaR). The VaR estimates reported below represent the maximum potential loss in value of the assets over the next year due to adverse market movements, with a 95 percent confidence level. Conversely, there is a 1 in 20 chance that

annual losses on investment assets would be expected to equal or exceed the reported VaR. Losses in a single year could exceed the reported VaR by a significant amount.

VaR models are based predominantly on historical simulations and provide plausible future scenarios based on these simulations. There is no standard methodology for estimating VaR, and the modeling of the market risk characteristics of the investments involves many assumptions and approximations. Different assumptions or approximations could produce significantly different VaR estimates.

The VaR was SDR 3 million as at April 30, 2019 (SDR 4 million as at April 30, 2018).

5. Investments

The investments of the People's Bank of China account comprised the following:

	April 30, 2019	April 30, 2018
	<i>(in millions of SDRs)</i>	
Fixed-term deposits	16.5	18.0
Fixed-income securities (BIS medium-term instruments)	149.6	145.6
Total	166.1	163.6

The fixed-term deposits and fixed-income securities held at April 30, 2019 mature in financial years 2020 and 2023, respectively (financial year 2019 and 2023, respectively, for fixed-term deposits and fixed-income securities held at April 30, 2018).

MTIs are not traded in an active market; consequently, their fair value is determined based on a compilation of significant observable market information such as recently executed trades in securities of the issuer or comparable issuers and yield curves. The investments are categorized as Level 2 based on the fair value hierarchy.

Investment income for the Administered Accounts consisted of interest income only, except for the People's Bank of China account, whose investment income (loss) comprised the following:

	2019	2018
	<i>(in millions of SDRs)</i>	
Investment income/(loss) on FVPL investments	4.2	(2.0)
Interest income on investments at amortized cost	0.7	0.6
Total	4.9	(1.4)

6. Borrowings

The People's Bank of China account was funded by an SDR 170 million loan from the People's Bank of China on July 2, 2012. Upon its initial maturity on July 2, 2017, the loan was renewed for another five years. The interest on the loan is one-tenth of 1 percent per annum, payable annually, but only if the net investment earnings on the corresponding investment exceed that amount per annum.

7. Operating expenses

The expenses of conducting the activities of the Administered Accounts are paid by the General Department of the IMF, and partial reimbursements are made by selected accounts. Framework—SFA Account reimbursements of US\$12.4 million and US\$12.2 million are included in operating expenses in the statements of comprehensive income and changes in resources during the financial years ended April 30, 2019, and 2018, respectively.

8. Transfers

The Switzerland account transfers amounting to US\$5.2 million during the financial year ended April 30, 2019 (US\$4.2 million during the financial year ended April 30, 2018) consist of the settlement of resources contributed by the Swiss National Bank and payments made by the National Bank of Ukraine under the bilateral financing agreement.

Transfers of resources between other accounts and Trusts administered by the IMF during the financial years ended April 30, 2019, and 2018, were as follows:

Transfer from	Transfer to	2019	2018
		<i>(in millions of SDRs)</i>	
People's Bank of China account	Framework—SFA	3.7	0.5
Windfall Gold Sales Profits	Refunds to contributors	6.3	0.7
Windfall Gold Sales Profits	Poverty Reduction and Growth (PRG) Trust	—	9.2
Remaining Windfall Gold Sales Profits	Refunds to contributors	15.6	1.6
Remaining Windfall Gold Sales Profits	PRG Trust	—	23.1

Supplemental Schedules

SCHEDULE 1: Selected Interim Holdings of Resources Administered Accounts—Balances, Contributions, Interest Earned, and Transfers for the Financial Year Ended April 30, 2019

Member	Beginning balance	Contributions/ transfers in	Interest earned	Transfers out	Ending balance
<i>(in thousands of SDRs)</i>					
Post-SCA-2					
Dominican Republic	1,203	—	13	—	1,216
Jordan	1,366	—	14	—	1,380
Trinidad and Tobago	2,935	—	30	—	2,965
Vanuatu	58	—	1	—	59
Venezuela, República Bolivariana de	35,787	—	372	—	36,159
Total Post-SCA-2	41,349	—	430	—	41,779
SCA-1/Deferred Charges					
Brazil	35,269	—	366	—	35,635
Total SCA-1/Deferred Charges	35,269	—	366	—	35,635
Windfall Gold Sales Profits					
Brazil	12,635	—	132	—	12,767
Costa Rica	487	—	6	—	493
Grenada	34	—	—	—	34
Indonesia	6,181	—	47	(6,228)	—
Lebanon	792	—	8	—	800
Venezuela, República Bolivariana de	7,904	—	82	—	7,986
Total Windfall Gold Sales Profits	28,033	—	275	(6,228)	22,080
Remaining Windfall Gold Sales Profits					
Brazil	31,562	—	328	—	31,890
Costa Rica	1,219	—	13	—	1,232
Equatorial Guinea, Republic of	389	—	4	—	393
Ghana	2,740	—	28	—	2,768
Indonesia	15,440	—	117	(15,557)	—
Lebanon	1,978	—	21	—	1,999
Papua New Guinea	977	—	10	—	987
Total Remaining Windfall Gold Sales Profits	54,305	—	521	(15,557)	39,269
<i>(in thousands of U.S. dollars)</i>					
Switzerland					
Swiss National Bank	—	5,164	—	(5,164)	—
Total Switzerland	—	5,164	—	(5,164)	—

SCHEDULE 2: Technical Assistance Administered Accounts¹—Cumulative Contributions and Disbursements at April 30, 2019, and 2018

Account	2019		2018	
	Cumulative contributions ²	Cumulative disbursements ³	Cumulative contributions ²	Cumulative disbursements ³
<i>(in millions of U.S. dollars)</i>				
Japan	135.2	82.4	135.2	82.4
Framework—TA⁴	12.2	11.8	12.2	11.8
French Technical Assistance Subaccount	1.2	0.7	1.2	0.7
Middle East Regional Technical Assistance Center Subaccount	11.0	11.1	11.0	11.1
Framework—SFA⁴	1,573.9	1,243.6	1,364.6	1,054.2
Africa Regional Technical Assistance Center South (AFRITAC South) Subaccount	93.8	71.2	85.3	61.5
Africa Regional Technical Assistance Center West 2 Subaccount	41.2	33.6	30.8	27.1
Africa Training Institute Subaccount	24.6	22.3	21.7	17.7
African Development Bank (AfDB) Subaccount for Selected Fund Activities	—	—	—	—
Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Subaccount	53.2	48.9	49.9	44.5
Belgium Subaccount for Selected Fund Activities	10.4	9.7	9.9	9.5
Caribbean Regional Technical Assistance Center (CARTAC) Subaccount for Selected Fund Activities	88.2	71.5	67.3	63.9
Catch-All Subaccount for the Administration of Selected Smaller-Scale Capacity Building Activities	14.3	11.2	13.2	9.3
Central Africa Regional Technical Assistance Center (AFRITAC Central) Subaccount	49.0	47.7	40.7	38.2
Central America, Panama, and the Dominican Republic Technical Assistance Center (CAPTAC-DR) Subaccount	60.3	57.7	56.5	52.1
Data for Decisions (D4D) Fund Subaccount ⁵	10.9	2.0	2.5	—
Denmark Subaccount for Selected Fund Activities	4.9	3.9	4.9	3.2
East Africa Regional Technical Assistance Center (AFRITAC East) Subaccount	83.0	74.6	77.5	64.9
European Commission Subaccount for Selected Fund Activities	58.7	47.3	52.2	41.1
European Investment Bank Subaccount for Selected Fund Activities	1.2	0.1	3.5	—
Externally Financed Appointee Subaccount	12.7	9.5	11.2	7.4
Financial Access Survey Subaccount	3.0	2.6	3.0	2.3
Financial Sector Stability Fund Subaccount	17.6	3.8	8.6	0.6
Germany Subaccount for Selected Fund Activities	0.5	0.3	0.5	0.3
Government of Australia Subaccount	1.2	1.1	1.2	0.9
Government of Canada Subaccount for Selected Fund Activities	62.0	44.4	50.4	39.2
IMF-Middle East Center for Economics and Finance Subaccount for Selected Fund Activities	39.8	39.1	35.4	34.3
Islamic Development Bank Subaccount	0.5	**	0.5	**
Japan Subaccount for Selected Fund Activities	286.4	233.2	257.0	207.1
Kingdom of the Netherlands—Netherlands Subaccount for Selected Fund Activities	10.6	10.3	10.5	6.7
Korea Subaccount	5.1	0.4	4.3	0.4
Kuwait Subaccount for Selected Fund Activities	2.8	2.8	2.8	2.7
Liberia Macro-Fiscal Subaccount for Selected Fund Activities	3.8	3.7	4.1	3.7
Libyan Subaccount for Selected Fund Activities	2.5	1.5	2.5	1.5
Managing Natural Resource Wealth Topical Trust Fund Subaccount	45.3	30.4	39.9	25.5
Mauritius Subaccount for Selected Fund Activities	**	—	**	—
Middle East Regional Technical Assistance Center (METAC) Subaccount	34.7	28.3	30.5	24.0
Norway Subaccount for Selected Fund Activities	9.5	8.6	9.2	7.6

Account	2019		2018	
	Cumulative contributions ²	Cumulative disbursements ³	Cumulative contributions ²	Cumulative disbursements ³
	<i>(in millions of U.S. dollars)</i>			
Pacific Financial Technical Assistance Center (PFTAC) Subaccount	45.8	40.0	35.2	33.2
People's Republic of China Subaccount	19.5	6.7	18.9	1.8
Republic of South Sudan Macroeconomic Capacity Building Subaccount	8.9	8.4	8.3	8.1
Somalia Trust Fund for Capacity Development in Macroeconomic Policies and Statistics Subaccount	9.7	7.8	9.1	6.0
South Asia Regional Training and Technical Assistance Center Subaccount	56.2	25.1	51.7	14.7
Sweden Subaccount for Selected Fund Activities	0.3	0.2	0.3	0.1
Switzerland Subaccount for Selected Fund Activities	49.0	34.0	45.9	29.3
Tax Administration Diagnostic Assessment Tool Subaccount	10.0	9.3	8.5	7.5
Tax Policy and Administration Topical Trust Fund Subaccount	76.8	53.0	56.0	39.2
The Southeastern Europe Multi-Donor Subaccount ⁶	6.1	1.3	—	—
United Arab Emirates Subaccount	0.4	0.3	0.4	0.3
United Kingdom Department for International Development Subaccount for Selected Fund Activities	54.7	50.5	50.1	45.9
United States Subaccount for Selected Fund Activities	6.6	6.6	6.6	6.6
West Africa Regional Technical Assistance Center (AFRITAC West) Subaccount	66.7	55.3	58.3	47.0
World Bank Subaccount for Selected Fund Activities	31.5	23.4	27.8	17.3

Components may not sum exactly to totals because of rounding.

¹ The schedule does not include the People's Bank of China Administered Account, for which resources are provided in the form of loans, not contributions.

² Net of refunds of contributions to donors owing to termination of projects financed by resources in the Administered Accounts and transfers between subaccounts within the Framework—SFA.

³ Disbursements have been made from contributions as well as from funds generated on them, net of reimbursements, if applicable, for payments made previously.

⁴ Information is provided for active subaccounts only.

⁵ Subaccount was established in August 2017.

⁶ Subaccount was established in September 2018.

** Less than US\$50,000.



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“Policies
must create
conditions for people
to succeed ...
to restore trust,
to tackle corruption, and to
boost long-term
inclusive growth.”

David Lipton
IMF Acting Managing Director



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