

STATEMENT OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2004 AND 2003  
(UA thousands – Note B)

	2004	2003
CASH FLOWS FROM:		
OPERATING ACTIVITIES:		
Surplus/(Loss)	940	(26,209)
Adjustments to reconcile net income to net cash provided by operating activities:		
Changes in accrued income on loans and investments	(13,234)	(4,246)
Discount on accelerated encashment of participants' demand obligations	5,222	-
Amortization of premium and discount on held-to-maturity investments	5,609	66
Changes in net current assets	(57,905)	(40,445)
Net cash used in operating activities	<u>(59,368)</u>	<u>(70,834)</u>
INVESTING, LENDING AND DEVELOPMENT ACTIVITIES:		
Disbursement of Technical Assistance Grants	(93,079)	(26,231)
Refund/(Payment) of HIPC Grants	25,500	(25,500)
Disbursement of loans	(587,416)	(341,837)
Repayment of loans	88,463	69,394
Investments maturing after 3 months:		
Held-to-maturity	(747,801)	(174,801)
Trading	139,105	(54,417)
Net cash used in lending and development activities	<u>(1,175,228)</u>	<u>(553,392)</u>
FINANCING ACTIVITIES:		
Subscriptions received in cash	11,024	22,496
Participants' demand obligations encashed	805,497	715,410
Increase in other resources	10,000	25,000
Net cash provided by financing activities	<u>826,521</u>	<u>762,906</u>
Effect of exchange rate changes on cash and liquid investments	3,417	(21,801)
Net (decrease)/increase in cash and liquid investments	(404,658)	116,879
Cash and liquid investments at beginning of the year	496,627	379,748
Cash and liquid investments at end of the year	<u>91,969</u>	<u>496,627</u>
Composed of:		
Cash	32,039	6,980
Investments maturing within 3 months:		
Held-to-maturity	3,652	399
Trading	56,278	405,462
Restricted Funds (Note C)	-	83,786
	<u>91,969</u>	<u>496,627</u>
Supplementary disclosure:		
Movement resulting from exchange rate fluctuations on:		
Loans and grants	(64,198)	12,317
Subscriptions	13,408	38,110

The accompanying notes to the special purpose financial statements form part of this statement.