



# AgResults Trust Fund

Financial Report

Prepared by the Trustee

*As of December 31, 2014*



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## Introduction

The information contained in this report is prepared based on financial information of the AgResults Trust Fund as of December 31, 2014.

AgResults was established in 2012 to enhance smallholder welfare and improve food security for the poor and vulnerable through the use of "pull mechanisms"<sup>1</sup> in agriculture.

This report is produced by the Trustee in accordance with the Trustee's role as set forth in the Contributions Agreement which states that:

*"[...] the Trustee shall report to the Steering Committee semi-annually on the financial status of the Trust Fund including information on the status of Contributions, investment income, commitments, transfers and funds available for allocation by the Steering Committee".*

This report provides (i) a snapshot of the financial situation of the AgResults Trust Fund since its inception to December 31, 2014, (ii) the status of pledges and contributions, and (iii) the details of financial activities of the AgResults Trust Fund.

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<sup>1</sup> Pull mechanisms are results-based financial incentives rewarding successful innovations and their adoption. They are designed to overcome market failures, and encourage private and public sector innovators to develop products and services that they would not otherwise bring to the market.



## AgResults Trust Fund Financial Summary

### ***Pledges and Contributions:***

As of December 31, 2014, five donors pledged USD eq. 110.6 million to the AgResults Trust Fund. The Trustee has received USD 81.1 million in cash from these donors.

### ***Investment Income:***

As of December 31, 2014, the AgResults Trust Fund earned investment income of approximately USD 0.3 million on the balance of the Trust Fund.

### ***Funding Approvals:***

As of December 31, 2014, AgResults Steering Committee has approved a total of USD 47.39 million in allocations. Of this amount, USD 34 million is for pilot awards, management and verification fees, USD 8.15 million is for Secretariat and Trustee administrative services up to FY15, and USD 5.24 million for the balance of allocations for the Secretariat costs from FY16 to FY18.

### ***Cash Transfers:***

The Trustee has transferred a total amount of USD 7.1 million since inception up to December 31, 2014. Of this amount, USD 1.28 million was for pilot awards, management and verification fees, USD 4.91 million was for Secretariat services, and USD 0.91 million was for Trustee services.

### ***Funds Held in Trust and Available for AgResults Steering Committee Funding Decisions:***

***Funds Held in Trust*** reflect contributions paid-in from donors, investment income, and net cash transfers. Funds held in trust as of December 31, 2014 amounted to USD 74.4 million.

***Funds Available*** to support AgResults Steering Committee funding decisions amount to USD 34.1 million as of December 31, 2014.



## 1. AgResults Trust Fund Summary – Inception through December 31, 2014<sup>2</sup>

In USD millions

	Total	% of Total
<b><u>Donor Pledges and Contributions</u></b>		
Pledges	110.6	100%
Contributions	-	
<b>Total Pledges and Contributions</b>	<b>110.6</b>	<b>100%</b>

<b><u>Cumulative Resources</u></b>		
<u>Resources received</u>		
Cash Receipts	81.1	73%
Investment Income earned	0.3	0%
<b>Total Resources Received</b>	<b>81.5</b>	<b>73%</b>
<u>Resources not yet received</u>		
Contributions not yet paid	29.5	27%
Pledges	-	0%
<b>Total resources not yet received</b>	<b>29.5</b>	<b>27%</b>
<b>Total Potential Resources (A)</b>	<b>110.9</b>	<b>100%</b>

<b><u>Cumulative Funding Decisions</u></b>		
Projects and Fees	34.0	72%
Administrative Budget	13.4	28%
<b>Total Funding Decisions Net of Cancellations (B)</b>	<b>47.4</b>	<b>100%</b>
<b>Total Potential Resources Net of Funding Decisions (A) - (B)</b>	<b>63.5</b>	

<b><u>Funds Available</u></b>		
Funds Held in Trust	74.4	
Amounts Pending Cash Transfers	40.3	
<b>Total Funds Available to Support AgResults Steering Committee decisions</b>	<b>34.1</b>	

<sup>2</sup> Sub-totals in the table may not add up due to rounding.



## 2. Pledges and Contributions as of December 31, 2014<sup>3</sup>

In millions

Donor	Total Pledges Outstanding and Contributions Finalized			Pledges Outstanding		Contribution Agreements Finalized				
	Currency	Total		Amount	USDeq. b/	Paid (Receipts)			Unpaid	
		Pledge	USDeq. a/			Total Pledge	Amount Paid in	USDeq. c/	Amount Due in	USDeq. b/
Australia	AUD	20.2	18.4	-	-	20.2	20.2	18.4	-	-
Gates Foundation	USD	15.0	15.0	-	-	15.00	13.84	13.84	1.17	1.17
Canada	CAD	38.8	36.1	-	-	38.8	28.8	27.4	10.0	8.6
United Kingdom /d	GBP	21.0	33.1	-	-	21.0	8.4	13.4	12.6	19.7
United States	USD	8.0	8.0	-	-	8.0	8.0	8.0	-	-
			<u>110.6</u>		<u>-</u>			<u>81.1</u>		<u>29.5</u>

a/ Represents (1) the actual US dollar value of paid-in cash contributions and (2) December 31, 2014 value of amount due in currency.  
b/ Valued at exchange rates available on December 31, 2014.  
c/ Represents the actual US dollar value of paid-in cash contributions.  
d/ Excludes GBP 3.7 million which DFID has set aside for AgResults External Independent Evaluation. This amount is not managed by Trustee.

- The above table shows the total pledges<sup>4</sup> outstanding and contributions finalized, and the amount of the contributions received by the Trustee in the respective currencies and in USD equivalent based on exchange rates as of December 31, 2014.
- The total pledges to the AgResults Trust Fund now amount to USD eq. 110.6 million.
- As of December 31, 2014, the Trustee had contribution agreements finalized with five donors and received USD 81.1 million in cash.
- Unpaid donor contributions amount to USD eq. 29.5 million based on exchange rates as of December 31, 2014.

<sup>3</sup> Sub-totals in the table may not add up due to rounding.

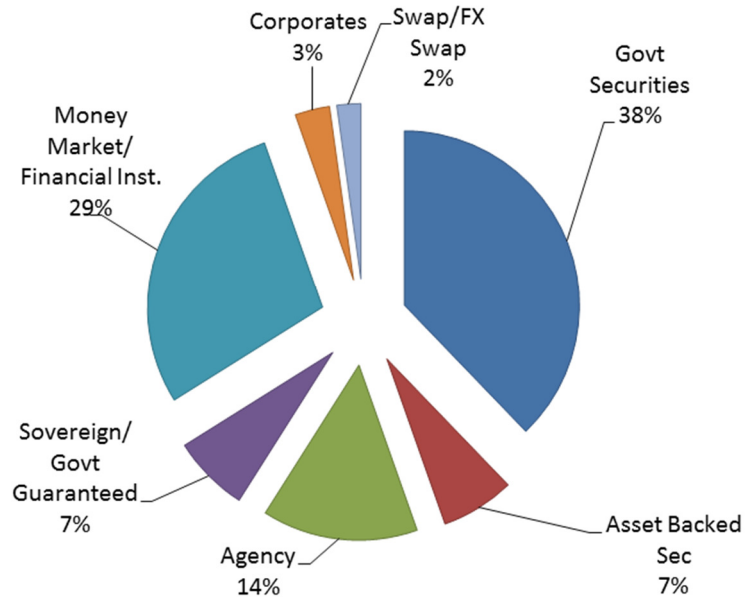
<sup>4</sup> Pledges represent donors' expression of intent to make a contribution.



### 3. Asset Mix and Investment Income

#### ASSET MIX

Cash assets held in trust by the World Bank (as the Trustee) are maintained in a commingled investment portfolio (the "Pool") for all trust funds administered by the World Bank. The assets in the Pool are managed in accordance with the investment strategy established for all trust funds administered by the World Bank. The Pool is actively managed so that the probability of incurring negative returns is no more than 1% over the applicable investment horizon.



#### INVESTMENT RETURNS

The AgResults funds are invested in a short horizon portfolio of the World Bank's trust fund investment pool. This portfolio comprises investments in government bonds and money markets with an investment horizon of up to one year. The AgResults Trust Fund liquid portfolio (which totaled approximately USD 74.4 million at end-December 2014) has returned 0.35% through the calendar year to December 31, 2014 and earned approximately USD 0.3 million in investment income since inception.



#### 4. Cumulative Funding Decisions and Cash Transfers as of December 31, 2014<sup>5</sup>

In USD millions

Pilots	Themes	Amount Approved	Cash Transfers	Balance
Aflasafe, Nigeria	Pilot Management	3.16	0.80	2.36
	<i>(including Technical Assistance and Assay)</i>			
	Pilot Verification	2.26	-	2.26
	Awards	6.84	0.03	6.81
<b>Sub-total</b>		<b>12.26</b>	<b>0.83</b>	<b>11.43</b>
On-Farm Storage, Kenya	Pilot Management	0.97	0.32	0.65
	Pilot Verification	1.22	-	1.22
	Awards	7.75	-	7.75
<b>Sub-total</b>		<b>9.94</b>	<b>0.32</b>	<b>9.62</b>
Biofortified Maize, Zambia	Pilot Management	0.80	0.13	0.67
	Pilot Verification	0.40	-	0.40
	Awards	3.42	-	3.42
<b>Sub-total</b>		<b>4.62</b>	<b>0.13</b>	<b>4.49</b>
Newcastle Disease, Myanmar	Pilot Management	0.69	-	0.69
	Pilot Verification	1.28	-	1.28
	Awards	0.84	-	0.84
<b>Sub-total</b>		<b>2.81</b>	<b>0.00</b>	<b>2.81</b>
Legume Seeds, Uganda	Pilot Management	1.45	-	1.45
	Pilot Verification	0.57	-	0.57
	Awards	2.36	-	2.36
<b>Sub-total</b>		<b>4.38</b>	<b>0.00</b>	<b>4.38</b>
Administrative Budgets: Secretariat		11.84 <i>a/</i>	4.91	6.93
Trustee		1.55	0.91	0.64
<b>Sub-total</b>		<b>13.39</b>	<b>5.83</b>	<b>7.57</b>
<b>Total</b>		<b>47.39</b>	<b>7.11</b>	<b>40.29</b>

*a/* Includes the approved amount of USD 6.62 million until FY15 and the balance of USD 5.24 million for FY16 to FY18.

- As of December 31, 2014, AgResults Steering Committee has approved USD 47.39 million for pilot awards, management and verification fees, and administrative budgets for Secretariat and Trustee.
- A total amount of USD 7.1 million has been disbursed since inception.

<sup>5</sup> Sub-totals in the table may not add up due to rounding.





## 5. Funds Available as of December 31, 2014<sup>6</sup>

In USD millions

<b>1. Cumulative Receipts</b>		<b>81.5</b>
a. Cash receipts and encashed promissory notes	81.1	
c. Investment income earned on undisbursed balance	0.3	
<b>2. Cumulative Cash Transfers</b>		<b>7.1</b>
a. Projects and Fees	1.3	
c. Administrative Budget	5.8	
<b>3. Funds held in Trust (1) - (2)</b>		<u><b>74.4</b></u>
<b>4. Approved Amounts pending Cash Transfer</b>		<b>40.3</b>
a. Trustee/Secretariat set aside	7.6	
b. Approved Funds set aside for Pilots	32.7	
<b>5. Funds Available to Support Steering Committee Funding Decisions (3) - (4)</b>		<u><u><b>34.1</b></u></u>

- **Funds Held in Trust** represent cumulative receipts less cumulative cash transfers, and amount to USD 74.4 million as of December 31, 2014.
- **Funds available for Trustee's Commitment** amounted to USD 34.1 million as of December 31, 2014.
- The table does not take into account contributions receivable from the signed Contribution Agreements/Arrangements.

<sup>6</sup> Sub-totals in the table may not add up due to rounding.