



Women Entrepreneurs Finance Initiative

Financial Report

Prepared by the Trustee

As of March 31, 2018



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Introduction

The We-Fi Trust Fund was established by the World Bank in September 2017 as a Financial Intermediary Fund (FIF). This report covers the financial status of the We-Fi Trust Fund, and is produced by the World Bank as Trustee in accordance with its role in the We-Fi Governance Framework, as set forth under Section 21, which states:

“The Trustee will provide to the Governing Committee regular reports on the financial status of the We-Fi Trust Fund.”

In addition, Section 5 of the Standard Provisions in the Contribution Agreement/Arrangement states, as follows:

“The Trustee shall maintain separate records and ledger accounts in respect of the funds deposited in the Trust Fund and transfers made therefrom. Unless otherwise agreed between the Governing Committee and the Trustee, The Trustee shall annually furnish to the Governing Committee a report on the receipts on, transfers from and fund balance of the Trust Fund in the Holding Currency.”



We-Fi Trust Fund Financial Summary as of March 31, 2018

Pledges and Contributions:

A pledge represents a contributor's expression of intent to make a contribution. Pledges are converted to Contributions by way of a countersigned Contribution Agreement/Arrangement.

As of March 31, 2018, pledges and contributions to the We-Fi Trust Fund totaled US\$ 347.89 million. The Trustee has executed contribution agreements/arrangements totaling US\$ 297.89 million, of which US\$ 169.89 million has been deposited into the We-Fi Trust Fund.

Investment Income:

As of March 31, 2018, the We-Fi Trust Fund earned investment income of approximately USD 0.38 million on the liquid balances of the Trust Fund which is allocated to a short term fixed income portfolio. The We-Fi Trust Fund portfolio has returned 0.44% during the first quarter of calendar year 2018.

Funding Approvals:

As of March 31, 2018, the We-Fi Governing Committee had approved funding from the We-Fi Trust Fund totaling USD 1.69 million to support the activities of the We-Fi Secretariat and Trustee.

Cash Transfers:

The Trustee has transferred a total of USD 1.69 million as at March 31, 2018 to cover the estimated FY18 administrative costs of the We-Fi Secretariat and Trustee.

Funds Held in Trust:

Funds Held in Trust¹ reflect contributions paid-in from contributors and investment income earned, less cash transfers. Funds Held in Trust as of March 31, 2018 amounted to US\$ 168.58 million.

Funds Available for We-Fi Governing Committee Funding Decisions:

As of March 31, 2018, funds available to support We-Fi Governing Committee funding decisions amounted to USD 166.58 million net of Operational Reserve.

¹ Funds Held in Trust represents balance of cash, investments and unencashed promissory notes (if any) as of the reporting date.



1. We-Fi Trust Fund Summary – Inception through March 31, 2018

In USD millions

| | Total | % of Total |
|---|---------------|---------------|
| <u>Donor Pledges and Contributions</u> | | |
| Contributions | 297.89 | 85.6% |
| Pledges | 50.00 | 14.4% |
| Total Pledges and Contributions | 347.89 | 100.0% |
| <u>Cumulative Resources</u> | | |
| <u>Resources received</u> | | |
| Cash Receipts | 169.89 | 48.8% |
| Investment Income earned | 0.38 | 0.1% |
| Total Resources Received | 170.27 | 48.9% |
| <u>Resources not yet received</u> | | |
| Contributions not yet received | 128.01 | 36.8% |
| Pledges | 50.00 | 14.4% |
| Total resources not yet received | 178.01 | 51.1% |
| Total Potential Resources (A) (in USD millions) | 348.28 | 100.0% |
| <u>Cumulative Funding Decisions</u> | | |
| Projects | - | 0.0% |
| Fees | - | 0.0% |
| Administrative Budget | 1.69 | 100.0% |
| Total Funding Decisions Net of Cancellations (B) | 1.69 | 100.0% |
| Total Potential Resources Net of Funding Decisions (A) - (B) | 346.59 | |
| Total Potential Resources Net of Funding Decisions and Operational Reserve | 344.59 | |
| <u>Funds Available</u> | | |
| Funds Held in Trust with no restrictions | 166.58 | |
| Approved Amounts Pending Cash Transfers | - | |
| Total Funds Available to Support Governing Committee Decisions | 166.58 | |

Note: Sub-totals may not add up to due to rounding

2. Pledges and Contributions as of March 31, 2018

In millions

| Contributor | Curr | Pledge in Currency of Contribution | Effective (or signed) Contribution | Receipts in Currency of Contribution | Instalment Schedule | | | | | | Total Outstanding Contributions in USDeq. d/ e/ | Total Receipts in USDeq. c/ |
|----------------------|------|--|--|--|----------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|--|-----------------------------------|
| | | | | | FY18 in USDeq. a/ b/ | FY18 Receipts in USDeq. a/ c/ | FY19 in USDeq. a/ d/ | FY20 in USDeq. a/ d/ | FY21 in USDeq. a/ d/ | FY22 in USDeq. a/ d/ | | |
| Australia | USD | 10.00 | 10.00 | 5.00 | 5.00 | 5.00 | 5.00 | - | - | - | 5.00 | 5.00 |
| Canada | CAD | 20.00 | 20.00 | 20.00 | 15.55 | 15.55 | - | - | - | - | - | 15.55 |
| China | USD | 10.00 | 10.00 | - | - | - | 3.00 | 3.00 | 2.00 | 2.00 | 10.00 | - |
| Denmark | DKK | 69.00 | 69.00 | 23.00 | 3.64 | 3.64 | 3.80 | 3.80 | - | - | 7.61 | 3.64 |
| Germany f/ | USD | 50.00 | - | - | - | - | 20.00 | 10.00 | 10.00 | 10.00 | - | - |
| Japan | USD | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | - | - | - | - | - | 50.00 |
| Korea | USD | 10.00 | 10.00 | - | - | - | 2.68 | 3.32 | 4.00 | - | 10.00 | - |
| Netherlands | USD | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | - | - | - | - | - | 10.00 |
| Norway | NOK | 90.00 | 90.00 | 90.00 | 10.69 | 10.69 | - | - | - | - | - | 10.69 |
| Russia | USD | 10.00 | 10.00 | 5.00 | 10.00 | 5.00 | - | - | - | - | 5.00 | 5.00 |
| Saudi Arabia | USD | 50.00 | 50.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 40.00 | 10.00 |
| United Arab Emirates | USD | 50.00 | 50.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 10.00 | 40.00 | 10.00 |
| United Kingdom | GBP | 7.40 | 7.40 | - | 2.60 | - | 2.60 | 2.60 | 2.60 | - | 10.40 | - |
| United States | USD | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | - | - | - | - | - | 50.00 |
| Total | | | | | 177.49 | 169.89 | 57.08 | 42.72 | 38.60 | 32.00 | 128.01 | 169.89 |

a/ Fiscal year represents the period July 1 to June 30

b/ Represents (1) actual USD value of paid-in cash contributions and/or (2) March 31, 2018 value of unpaid amounts

c/ Represents actual USD receipts

d/ Valued on the basis of exchange rates as of March 31, 2018

e/ Does not include instalment amount/s of contributions not yet effective

f/ Pending execution of contribution agreement (instalment schedule indicative only)

Note: totals may not add up due to rounding

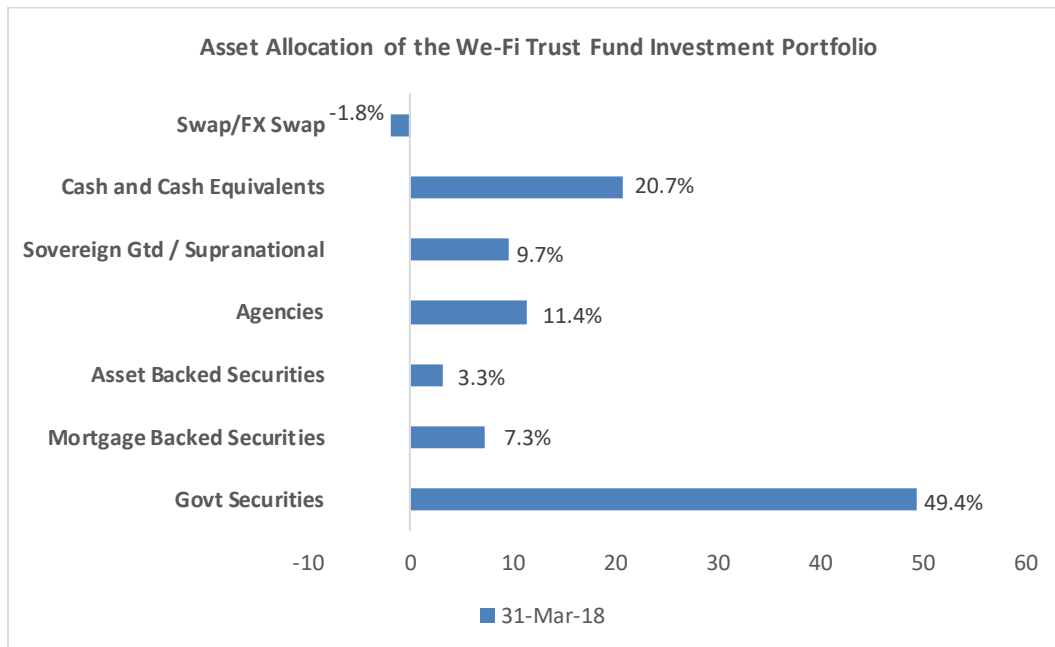


3. Asset Mix and Investment Income

ASSET MIX

Funds 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. On July 1, 2015, the World Bank formally adopted the Conditional Value-at-Risk (CVaR) measure as the risk constraint in the management of trust funds. Funds are managed such that the expected maximum loss, as measured by the CVaR, at the portfolio’s investment horizon, is not to exceed 1% with 99% confidence.

The portfolio allocation by asset class has the largest allocations to government securities and money market instruments.



Note: The negative position in swaps is primarily due to changes in foreign currency exchange (FX) rates in cross currency basis swaps. Such swap instruments are used to implement currency hedges on bond positions within the portfolio. These hedges remain in place.

INVESTMENT RETURNS

The We-Fi funds are invested in accordance with the investment strategy established for all of the trust funds administered by the World Bank. The We-Fi funds are invested in a short term fixed income portfolio with an investment horizon of one year. The We-Fi Trust Fund portfolio (which totaled approximately USD 168.58 million at end-March 2018) has earned approximately USD 0.38 million in investment income since inception.



4. Cumulative Funding Decisions

In USD millions

| <u>Administrative Budget</u> | <u>as of March 31, 2018</u> |
|--------------------------------|---------------------------------|
| FY18 Secretariat | 1.34 |
| FY18 Trustee | 0.35 |
| | 1.69 |
| Total Funding Decisions | 1.69 |

Note: sub-totals may not add up due to rounding



5. Funds Available

In USD millions

| | As of March 31, 2018 (a) | As of January 31, 2018 (b) | Change since last report (a) - (b) |
|--|--------------------------------|----------------------------------|---------------------------------------|
| 1. Cumulative Receipts | 170.27 | 44.36 | 125.91 |
| a. Cash receipts from Contributors | 169.89 | 44.34 | 125.55 |
| b. Investment Income earned | 0.38 | 0.02 | 0.36 |
| 2. Cumulative Cash Transfers | 1.69 | 1.69 | - |
| a. Projects | - | - | - |
| b. Fees | - | - | - |
| c. Administrative Budget | 1.69 | 1.69 | - |
| 3. Funds Held in Trust (3 = 1 - 2) | 168.58 | 42.67 | 125.91 |
| 4. Operational Reserve a/ | 2.00 | 2.00 | - |
| 5. Funding Decisions Pending Cash Transfer | - | - | - |
| 6. Funds available to support Governing Committee decisions (6 = 3 - 4 - 5) | 166.58 | 40.67 | 125.91 |

a/ reserve to cover operational costs of the We-Fi Secretariat and Trustee

Note: sub-totals may not add up due to rounding