



Women Entrepreneurs Finance Initiative

Financial Report

Prepared by the Trustee

As of September 30, 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 September 30, 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 September 30, 2018, pledges and contributions to the We-Fi Trust Fund totaled USDeq. 346.72 million. The Trustee has executed contribution agreements/arrangements with 13 contributors totaling USDeq. 296.72 million, of which USDeq. 185.02 million has been deposited into the We-Fi Trust Fund.

Investment Income:

As of September 30, 2018, the We-Fi Trust Fund earned investment income of approximately USD 2 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 1.11% through August of calendar year 2018.

Funding Approvals:

As of September 30, 2018, the We-Fi Governing Committee had approved funding from the We-Fi Trust Fund totaling USD 123.64 million, with USD 119.89 million to cover project activities and fees, and USD 3.75 million for administrative budgets to support the activities of the We-Fi Secretariat and Trustee.

Cash Transfers:

The Trustee has transferred a total of USD 55.16 million as at September 30, 2018, including USD 47.87 million related to project activities.

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 September 30, 2018 amounted to USDeq. 131.86 million.

Funds Available for We-Fi Governing Committee Funding Decisions:

As of September 30, 2018, funds available to support We-Fi Governing Committee funding decisions amounted to USD 61.37 million net of USD 2 million 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 September 30, 2018

In USD millions

| | Total | % of Total |
|---|---------------|---------------|
| <u>Donor Pledges and Contributions</u> | | |
| Contributions | 296.72 | 85.6% |
| Pledges | 50.00 | 14.4% |
| Total Pledges and Contributions | 346.72 | 100.0% |
| <u>Cumulative Resources</u> | | |
| <u>Resources received</u> | | |
| Cash Receipts | 185.02 | 53.1% |
| Investment Income earned ^{a/} | 2.00 | 0.6% |
| Total Resources Received | 187.01 | 53.6% |
| <u>Resources not yet received</u> | | |
| Contributions not yet received | 111.70 | 32.0% |
| Pledges | 50.00 | 14.3% |
| Total resources not yet received | 161.70 | 46.4% |
| Total Potential Resources (A) (in USD millions) | 348.72 | 100.0% |
| <u>Cumulative Funding Decisions</u> | | |
| Projects | 112.08 | 90.6% |
| Fees | 7.82 | 6.3% |
| Administrative Budget | 3.75 | 3.0% |
| Total Funding Decisions Net of Cancellations (B) | 123.64 | 100.0% |
| Total Potential Resources Net of Funding Decisions (A) - (B) | 225.08 | |
| Total Potential Resources Net of Funding Decisions and Operational Reserve | 223.08 | |
| <u>Funds Available</u> | | |
| Funds Held in Trust with no restrictions | 129.86 | |
| Approved Amounts Pending Cash Transfers | 68.49 | |
| Total Funds Available to Support Governing Committee Decisions | 61.37 | |

a/ represents investment income earned through September 30, 2018 on the liquid balances of the We-Fi Trust Fund, and investment income earned through June 30, 2018, as reported and returned to the Trustee by Implementing Partner/s

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

2. Pledges and Contributions as of September 30, 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/ | FY19 Receipts in USDeq. a/ c/ | FY20 in USDeq. a/ d/ | FY21 in USDeq. a/ d/ | | | FY22 in USDeq. a/ d/ |
| Australia | USD | 10.00 | 10.00 | 10.00 | 5.00 | 5.00 | 5.00 | 5.00 | - | - | - | - | 10.00 |
| 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 | 7.14 | - | - | - | - | 7.14 | 3.64 |
| Germany f/ | USD | 50.00 | - | - | - | - | 40.00 | - | 10.00 | - | - | - | - |
| Japan | USD | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | - | - | - | - | - | - | 50.00 |
| Korea | USD | 10.00 | 10.00 | 2.68 | - | - | 2.68 | 2.68 | 3.32 | 4.00 | - | 7.32 | 2.68 |
| 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 | 10.00 | 10.00 | 10.00 | - | - | - | - | - | - | 10.00 |
| 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 | 1.85 | 2.45 | 2.45 g/ | 2.41 | - | 2.41 | 2.41 | - | 7.24 | 2.45 |
| United States | USD | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | - | - | - | - | - | - | 50.00 |
| Total | | | | | 177.34 | 177.34 | 80.24 | 7.68 | 38.73 | 28.41 | 22.00 | 111.70 | 185.02 |

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) September 30, 2018 value of unpaid amounts

c/ Represents actual USD receipts

d/ Valued on the basis of exchange rates as of September 30, 2018

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

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

g/ Instalment payment due in June 2018 (FY18) was received in July 2018 (FY19)

Note: totals may not add up due to rounding

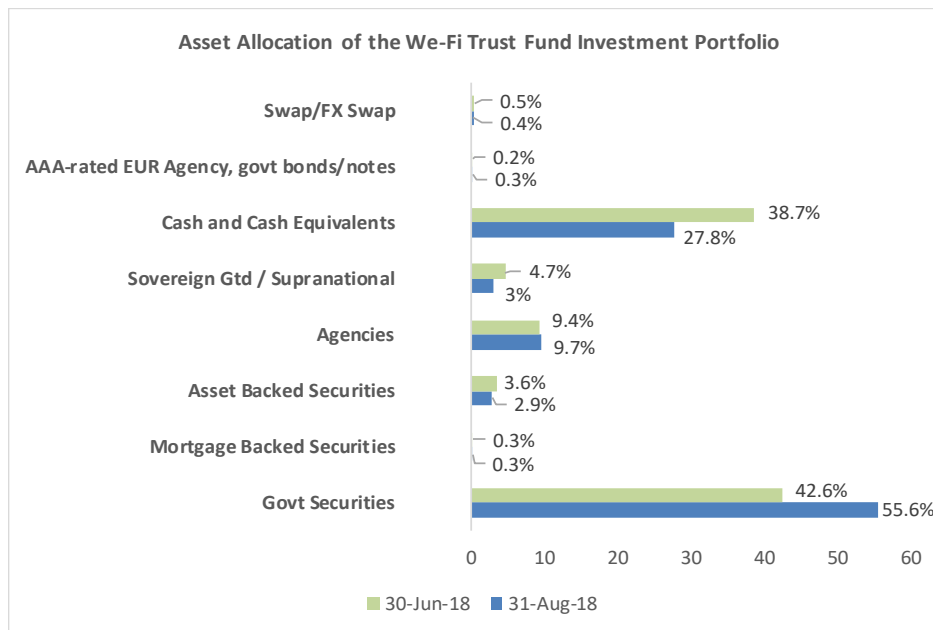


3. Asset Mix and Investment Income

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.



INVESTMENT RETURNS

The We-Fi funds are invested in accordance with the investment strategy established for all 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 131.86 million at end-September 2018) has earned approximately USD 2 million in investment income since inception.



4. Cumulative Funding Decisions

In USD millions

| <u>Projects</u> | | as of <u>September 30, 2018</u> |
|-------------------------------------|------|------------------------------------|
| Multi Regional | ISDB | 30.23 |
| Multi Regional | IBRD | 24.20 |
| | IFC | 45.90 |
| Sri Lanka | ADB | 11.74 |
| | | 112.08 |
| <u>Fees</u> | | |
| ADB | | 0.81 |
| IBRD | | 1.50 |
| IFC | | 3.50 |
| ISDB | | 2.01 |
| | | 7.82 |
| <u>Administrative Budget</u> | | |
| Secretariat | | 2.91 |
| Trustee | | 0.84 |
| | | 3.75 |
| Total Funding Decisions | | 123.64 |

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



5. Funds Available

In USD millions

| | As of September 30, 2018 (a) | As of June 30, 2018 (b) | Change since last report (a) - (b) |
|--|------------------------------------|-------------------------------|---------------------------------------|
| 1. Cumulative Receipts | 187.01 | 176.14 | 10.87 |
| a. Cash receipts from Contributors | 185.02 | 174.89 | 10.13 |
| b. Investment Income earned a/ | 2.00 | 1.26 | 0.74 |
| 2. Cumulative Cash Transfers | 55.16 | 9.29 | 45.87 |
| a. Projects | 47.87 | 7.10 | 40.77 |
| b. Fees | 3.54 | 0.50 | 3.04 |
| c. Administrative Budget | 3.75 | 1.69 | 2.07 |
| 3. Funds Held in Trust (3 = 1 - 2) | 131.86 | 166.86 | (35.00) |
| 4. Operational Reserve b/ | 2.00 | 2.00 | - |
| 5. Funding Decisions Pending Cash Transfer | 68.49 | 114.36 | (45.87) |
| 6. Funds available to support Governing Committee decisions (6 = 3 - 4 - 5) | 61.37 | 50.50 | 10.87 |

a/ represents investment income earned through September 30, 2018 on the liquid balances of the We-Fi Trust Fund, and investment income earned through June 30, 2018, as reported and returned to the Trustee by Implementing Partner/s

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

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



Glossary

| Term | Definition |
|------|---|
| ADB | Asian Development Bank |
| IBRD | International Bank for Reconstruction and Development |
| IFC | International Finance Corporation |
| IP | Implementing Partner |
| ISDB | Islamic Development Bank |