STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Consolidated Financial Statements and Schedules

December 31, 2013

(With Independent Auditors' Report Thereon)

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Independent Auditors' Report

The Board of Trustees
Stichting To Promote Women's World Banking:

We have audited the accompanying consolidated financial statements of Stichting To Promote Women's World Banking (the Organization), which comprise the consolidated balance sheet as of December 31, 2013, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Organization's preparation and fair presentation of the consolidated 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 Organization'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 of the consolidated financial statements.

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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Stichting To Promote Women's World Banking as of December 31, 2013, and the changes in its net assets and its cash flows for the year then ended, in accordance with U.S. generally accepted accounting principles.

Report on Summarized Comparative Information

We have previously audited the Organization's 2012 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated June 6, 2013. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2012 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in schedules 1 and 2 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

KPMG LLP

May 21, 2014

STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Consolidated Balance Sheet

December 31, 2013
(with comparative financial information as of December 31, 2012)

Assets		**2013**	**2012**
Cash and cash equivalents	$	5,215,494	4,914,225
Due from FWWB		126,907	731,264
Grants and contributions receivable, net (note 3)		2,396,118	2,214,140
Grants receivable from FWWB		391,475	—
Investments (note 4)		18,323,370	16,721,820
Other assets		354,253	40,059
Interest in net assets of supporting organization (note 9)		896,962	689,670
Furniture, equipment, and leasehold improvements, net of accumulated depreciation and amortization of $383,822 and $357,450 in 2013 and 2012, respectively		39,922	57,894
Total assets	$	27,744,501	25,369,072
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	508,980	263,534
Deferred revenue		60,311	99,775
Total liabilities		569,291	363,309
Net assets:			
Unrestricted		2,951,232	2,518,913
Temporarily restricted (note 5)		23,535,127	6,549,830
Permanently restricted capital fund (note 5)		688,851	15,937,020
Total net assets		27,175,210	25,005,763
Total liabilities and net assets	$	27,744,501	25,369,072

See accompanying notes to consolidated financial statements.

STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Consolidated Statement of Activities

Year ended December 31, 2013
(with summarized comparative financial information for the year ended December 31, 2012)

	Unrestricted	Temporarily restricted	Permanently restricted	Total 2013	Total 2012
Operating activities:					
Revenue and support:					
Grants and contributions (notes 2(e) and 9)	$ 290,432	8,009,484	—	8,299,916	3,999,382
In-kind contributions (note 7)	278,412	—	—	278,412	287,281
Interest and dividends, net of investment expenses	—	—	—	—	23,679
Net appreciation in fair value of investments	4,553	1,900,225	—	1,904,778	803,643
Change in interest in supporting organization (note 9)	—	207,292	—	207,292	107,488
Foreign currency translation gain (loss)	—	234,900	—	234,900	(28,217)
Fee for services	708,414	—	—	708,414	1,625,000
Other income	167,845	162,620	—	330,465	151,897
Net assets released from restrictions and reclassifications (note 5a)	8,777,393	6,470,776	(15,248,169)	—	—
Total revenue and support	10,227,049	16,985,297	(15,248,169)	11,964,177	6,970,153
Expenses and loss:					
Program services:					
Institutional development programs	3,489,891	—	—	3,489,891	3,791,673
Functional products and services	3,421,889	—	—	3,421,889	4,052,992
Total program services	6,911,780	—	—	6,911,780	7,844,665
General and administrative	1,157,923	—	—	1,157,923	1,157,989
Fund-raising	951,700	—	—	951,700	1,084,925
Total expenses	9,021,403	—	—	9,021,403	10,087,579
Contributions to network members	595,602	—	—	595,602	740,238
Loss on uncollectible grants receivable	177,725	—	—	177,725	59,000
Total expenses and loss	9,794,730	—	—	9,794,730	10,886,817
Increase (decrease) in net assets	432,319	16,985,297	(15,248,169)	2,169,447	(3,916,664)
Net assets at beginning of year	2,518,913	6,549,830	15,937,020	25,005,763	28,922,427
Net assets at end of year	$ 2,951,232	23,535,127	688,851	27,175,210	25,005,763

See accompanying notes to consolidated financial statements.

STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Consolidated Statement of Cash Flows

Year ended December 31, 2013
(with comparative financial information for the year ended December 31, 2012)

		2013	2012
Cash flows from operating activities:			
Increase (decrease) in net assets	$	2,169,447	(3,916,664)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:			
Depreciation and amortization		26,372	16,234
Provision for uncollectible grants receivable		177,725	59,000
Net appreciation in fair value of investments		(1,904,778)	(803,643)
Increase in interest in net assets of supporting organization		(207,292)	(107,488)
(Increase) decrease in grants and contributions receivable, net		(359,703)	4,737,918
Increase in grants receivable from FWWB		(391,475)	—
Decrease (increase) in due from FWWB		604,357	(731,264)
(Increase) decrease in loan interest receivable		(32,711)	207,211
(Increase) decrease in other assets		(281,483)	153,117
Increase (decrease) in accounts payable and accrued expenses		245,446	(277,504)
Decrease in deferred revenue		(39,464)	(846,012)
Decrease in due to FWWB		—	(113,320)
Net cash provided by (used in) operating activities		6,441	(1,622,415)
Cash flows from investing activities:			
Purchases of furniture, equipment, and leasehold improvements		(8,400)	(65,847)
Purchases of investments		(3,490,683)	(4,987,927)
Proceeds from sale of investments		3,793,911	567,195
Proceeds from loan receivable		—	4,151,717
Net cash provided by (used in) investing activities		294,828	(334,862)
Net increase (decrease) in cash and cash equivalents		301,269	(1,957,277)
Cash and cash equivalents at beginning of year		4,914,225	6,871,502
Cash and cash equivalents at end of year	$	5,215,494	4,914,225

See accompanying notes to consolidated financial statements.

(1) Organization

Stichting To Promote Women's World Banking (SWWB or the Organization) is an international, independent organization incorporated in The Netherlands for the purpose of expanding the economic assets, participation and power of low income women and their households by helping them access financial services, knowledge, and markets. SWWB has been classified as a tax-exempt organization under Section 501(c)(4) of the Internal Revenue Code. The accompanying consolidated financial statements do not include the financial position or the changes in net assets of SWWB's network members (NMs), which are independent and unrelated organizations.

Friends of WWB/USA, Inc. (FWWB) is a nonprofit corporation whose purpose is to support programs of the Organization and is reflected as interest in net assets of supporting organization on the consolidated balance sheet (note 9).

SWWB's programs are organized into four areas: technical services, financial products and services, strategy and business development, and knowledge and communications. The following functional classifications have been established to account for the program services of SWWB:

(a) Institutional Development Programs (IDP) consists of technical support and strategy development for SWWB NMs. Under this program, SWWB offers leadership development trainings as well as services in building gender diversity in microfinance institutions (MFIs). IDP provides strategic advice to SWWB and NMs, organizes workshops and exchanges, and is charged with monitoring existing and cultivating new NMs. IDP also includes a strong communications component to share information across the network and bring public exposure to the network's value and principles. IDP also includes the expenses of WWB Asset Management LLC (WAM), a Delaware limited liability company, which directs and manages private equity investment in high-performing, women-focused MFIs worldwide. WAM works to achieve its objectives of demonstrating the investment case for conscientious, women-focused microfinance while also achieving positive economic returns.

(b) Functional Products and Services (FPS) support NMs and associates in expanding financial services to low-income entrepreneurs and in forging partnerships with banks. The products and services include marketing and market research, introduction of new products such as savings, micro-insurance, individual lending and rural lending, and formalization of nonbank institutions. FPS also has a publication component to disseminate knowledge gained through developing new and innovative products.

WAM is a wholly owned subsidiary of the Organization. The entity was established to hold the operations of the Organization's WAM activity, described above. WAM began operations on February 15, 2012.

WWB GP LLC, a Delaware limited liability company, is a wholly owned subsidiary of the Organization. The entity was established to hold equity shares in affiliate organizations, primarily through investments from SWWB's Capital Fund. In fiscal year 2013, WWB GP LLC disposed of its assets and as of December 31, 2013 is no longer in operation.

WWB Investments, LLC, a Delaware limited liability company, is a wholly owned subsidiary of the Organization. WWB Investments, LLC is the general partner and has a 1% interest in WWB Isis Fund L.P., a Delaware limited partnership, formed in August 2010 to act as a socially responsible private equity fund. The activity of WWB Isis Fund L.P. is not consolidated within these financial statements as the general partner can be removed without cause through certain actions of the limited partners. The investment in WWB Isis Fund L.P. by WWB Investments LLC is reflected in these consolidated financial statements under the equity method.

(2) Significant Accounting Policies

(a) Basis of Accounting

The accompanying consolidated financial statements are prepared on the accrual basis of accounting.

(b) Basis of Presentation

Net assets and revenues, gains, losses, and other support are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of SWWB and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted net assets – Net assets subject to donor-imposed stipulations that will be met by actions of SWWB and/or the passage of time.

Permanently restricted net assets – Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization. SWWB's permanently restricted net assets consist of a Capital Fund. Generally, the donors of these assets permit the Organization to use all or part of the income earned, including net realized and unrealized gains on investments, for general purposes.

Revenues are reported as increases in unrestricted net assets unless their use is limited by donor-imposed restrictions or by law. Expenses are reported as decreases in unrestricted net assets. Gains and losses on assets or liabilities are reported as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulation or by law. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

(c) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 also includes investments in its limited partnership investments measured at net asset value, which are redeemable, in part or total, on or near the balance sheet date (within 90 days)

Level 3: Unobservable inputs for the asset or liability, and include investments in its limited partnership investments measured at net asset value, which are not redeemable near the balance sheet date

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest-level input that is significant to the fair value measurement.

The methods used may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. There were no changes in the Organization's valuation methodologies at December 31, 2013 and 2012. The Organization recognizes transfers as of the actual date of the event or change in circumstance that caused the transfer. There were no transfers between fair value levels for the year ended December 31, 2013, although there was a transfer from Level 3 to Level 2 during the year ended December 31, 2012.

The following methods and assumptions were used by the Organization in estimating its fair value disclosures for financial instruments: for cash and cash equivalents, the respective amounts reported on the consolidated balance sheet equal or approximate fair value and for investments, fair values are discussed in note 2(f). The fair values of accounts payable and accrued expenses, and deferred revenue approximate their respective carrying amounts due to the short-term nature of these financial instruments. The inputs to these fair value measurements are considered Level 3 in the fair value hierarchy.

(d) Cash and Cash Equivalents

The Organization considers all highly liquid debt instruments with maturities of three months or less at the time of purchase to be cash equivalents, except for those held for long-term investment purposes.

(e) Grants and Contributions

Grants and contributions, which include unconditional promises to give, are recognized as revenue in the period received. Unconditional promises to give are recognized initially at fair value as grants and contributions revenue in the period such promises are made by donors. Fair value is estimated giving consideration to anticipated future cash receipts (after allowance is made for uncollectible contributions) and discounting such amounts at a risk-adjusted rate commensurate with the duration of the donor's payment plan. These inputs to the fair value estimate are considered Level 3 in the fair value hierarchy. In subsequent periods, the discount rate is unchanged and the allowance for uncollectible contributions is reassessed and adjusted if necessary. Amortization of the discount is recorded as additional grants and contributions revenue.

SWWB often receives multiyear grants denominated in foreign currency amounts, which are subject to future currency fluctuations. As a result, SWWB will recognize foreign exchange gains or losses representing the difference in the dollar value of the grant between the time the grant commitment is made and recognized and when the sums are received.

(f) Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based upon quoted market prices.

For investments in funds that do not have readily determinable fair values including private equity and limited partnership with fund of funds, the fair value is estimated using net asset value per share or its equivalent as reported by the fund managers. The estimated fair values may differ significantly from values that would have been used had a ready market for these securities existed. These values are reviewed and evaluated by management.

Given that the net asset value reported by each fund is used as a practical expedient to estimate fair value of the Organization's interest therein, its classification in Level 2 or Level 3 is based on the Organization's ability to redeem its interest at or near the date of the consolidated balance sheet. If the interest can be redeemed in the near term, the investment is classified in Level 2. The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

(g) Furniture, Equipment, and Leasehold Improvements

Furniture, equipment, and leasehold improvements are reported at cost less accumulated depreciation or amortization. Depreciation of furniture and equipment is computed on a straight-line basis over a period of three to five years. Amortization of leasehold improvements is computed on a straight-line basis over the remaining life of the lease or the estimated useful life of the improvement, whichever is shorter.

(h) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(i) Concentration of Revenues

In 2013 and 2012, three funding sources accounted for approximately 75% and 93% of contribution and grant revenue, respectively. Included in the funding sources is FWWB, an affiliated organization (note 9). In 2013 and 2012, Friends provided approximately 28% and 61%, respectively, of total grant and contribution revenue.

As of December 31, 2013 and 2012, contributions receivable was concentrated to four donors, which accounted for approximately 100% at each year end.

(j) Prior Year Information

The consolidated statement of activities is presented with certain prior year summarized financial information in total, but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the Organization's consolidated financial statements for the year ended December 31, 2012 from which the summarized information was derived.

(k) Tax Status

The Organization recognizes the effects of income tax positions only if those positions are more likely than not to be sustained. The Organization has evaluated its tax positions in 2013 and 2012, and has determined that there are no significant uncertain tax positions and that it will continue to be exempt from income taxes.

(3) Grants and Contributions Receivable and Conditional Grant

Grants and contributions receivable, including the grant receivable from FWWB, at December 31, 2013 and 2012 are scheduled to be collected as follows:

		2013	2012
Less than one year	$	610,880	2,214,140
One to five years		2,285,464	—
		2,896,344	2,214,140
Less discount to present value (at discount rate of 2.5% per year)		(108,751)	—
	$	2,787,593	2,214,140

In 2013, SWWB received a multiyear conditional grant in the amount of $1,724,715 from United Nations Capital Development Fund (UNCDF) which is being recognized as the conditions are met. During the year ended December 31, 2013, $785,105 of this grant was received and recognized as revenue.

(4) Investments

The following table presents the Organization's fair value hierarchy for investments as of December 31, 2013:

		Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents:					
Cash and cash equivalents	$	1,246,845	1,246,845	—	—
Equities:					
Domestic and Non-U.S. equity		5,946,568	5,946,568	—	—
Fixed income:					
Mutual funds		445,989	445,989	—	—
Alternative investments:					
Limited partnerships		10,683,968	—	10,539,804	144,164
Total investments	$	18,323,370	7,639,402	10,539,804	144,164

The following table presents the Organization's fair value hierarchy for investments as of December 31, 2012:

	Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents:				
Cash and cash equivalents	$ 465,976	465,976	—	—
Equities:				
Domestic equity	6,202,299	6,202,299	—	—
Fixed income:				
Mutual funds	533,729	533,729	—	—
Alternative investments:				
Limited partnerships	9,315,342	—	5,828,440	3,486,902
Private equity	204,474	—	—	204,474
Total investments	$ 16,721,820	7,202,004	5,828,440	3,691,376

At December 31, 2013 and 2012, Level 1 assets comprised 42% and 43% of the Organization's total investments, respectively.

The following table presents a rollforward of Level 3 investments for the years ended December 31, 2013 and 2012:

	2013	2012
Beginning balance	$ 3,691,376	7,635,212
Purchases	29,337	1,377,085
Sales	(199,365)	—
Transfers to Level 2	(3,363,688)	(5,828,440)
Net (depreciation) appreciation	(13,496)	507,519
Ending balance	$ 144,164	3,691,376

In May 2009, SWWB capitalized WWB GP LLC, through which a 10% equity interest in Kashf Microfinance Bank (Kashf) was secured. The cost of the investment in Kashf was $980,500 and the estimated fair value of the investment was $204,474 at December 31, 2012. On May 6, 2013, WWB GP LLC sold its position in Kashf. Also included in the limited partnerships balance at December 31, 2013 and 2012 is the Organization's investment in WWB Isis Fund A, L.P. of $144,164 and $123,215, respectively.

As of December 31, 2013 and 2012, the estimated fair value of the Organization's limited partnerships totaled $10,683,968 and $9,315,342, respectively. This balance is invested through six limited partnership agreements in 2013 and 2012, each with varying lockup periods. As of December 31, 2013, the majority of funds within the limited partnerships can be redeemed quarterly with 60 days' notice, as the lockup periods have expired, and are classified as Level 2. However, one fund still subject to lockups and gates is classified in Level 3.

As of December 31, 2013, the Organization had an unfunded commitment of approximately $300,000 to the WWB Isis Fund L.P. through WWB Investments LLC. Footnote 1 includes a further description of the WWB Isis Fund L.P. There were no other unfunded commitments in the other limited partnerships.

(5) Restricted Net Assets

(a) Temporarily Restricted Net Assets

At December 31, 2013 and 2012, temporarily restricted net assets are available for the following purposes:

		2013	2012
Institutional development programs	$	1,760,324	2,269,598
Functional products and services		3,563,304	2,763,721
Interest in supporting organization (note 9)		896,962	689,670
Temporarily Restricted Donor Fund		17,314,537	826,841
	$	23,535,127	6,549,830

Significant 2013 Developments

In October 2013, SWWB received clarifying communications from its four largest donors of the Capital Fund who represent 97% or $15,248,169 of the Fund. The donors acknowledged that their gifts would be reclassified from an endowment to an expendable restricted gift and would continue to remain invested under the direction of the SWWB's Board of Directors. The funds will be utilized for the following purposes: (1) support the general operations of SWWB; (2) support a loan guarantee program; and (3) support the capitalization of MFIs. Spending will be based on an established spending rate as directed by the Board in a manner consistent with the gift purpose. As a result, SWWB has reclassified the funds from a permanently restricted endowment fund to a temporarily restricted donor fund.

(b) Permanently Restricted Net Assets

The Organization's Capital Fund is primarily invested by the organization through two investment vehicles that have been established to support the Organization's mission and are aligned with SWWB's investment strategy. As required by GAAP, net assets associated with the Capital Fund are classified and reported based upon the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

SWWB follows the policies under New York Prudent Management of Institutional Funds Act (NYPMIFA) as signed into law in New York State in September 2010. As a result of NYPMIFA, the

Organization classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment; (b) the original value of subsequent gifts to the permanent endowment; and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. GAAP requires the portion of a donor-restricted endowment fund that is not classified as permanently restricted net assets to be classified as temporarily restricted net assets until appropriated for expenditure in a manner consistent with the standard of prudence prescribed by NYPMIFA. In accordance with NYPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the Capital Fund
2. The purposes of the Organization and the Capital Fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Organization
7. The investment policies of the Organization

Spending Policy

In 2013, the Organization appropriated $659,718 of income from investments to be spent to support the general operations of the Organization. SWWB utilizes funds for expenditure based on SWWB's spending policy which is reviewed and approved annually by SWWB's Finance Committee. This appropriation was made based on the 2012 year end assets.

Return Objectives and Risk Parameters

The Organization has adopted investment and spending policies for the Capital Fund that attempts to provide a predictable stream of funding to programs supported by the fund while seeking to maintain the purchasing power of the fund. The fund includes those assets of donor-restricted funds that the Organization must hold in perpetuity or for a donor-specified period(s) or purposes.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends).

The following represents the net asset classes of the Organization's Capital Fund at December 31, 2013:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted Capital Fund	$	—	1,422,869	688,851	2,111,720
Total	$	—	1,422,869	688,851	2,111,720

The following represents the net asset classes of the Organization's donor-restricted funds at December 31, 2012:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted Capital Fund	$	—	826,841	15,937,020	16,763,861
Total	$	—	826,841	15,937,020	16,763,861

Changes in the Organization's Capital Fund for the year ended December 31, 2013 are as follows:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Capital Fund, beginning of year	$	—	826,841	15,937,020	16,763,861
Release from permanent restriction (note 5a)		—	—	(15,248,169)	(15,248,169)
Investment return:					
Net realized and unrealized gains		—	1,255,746	—	1,255,746
Total investment gain		—	1,255,746	—	1,255,746
Appropriation of Capital Fund for expenditure		—	(659,718)	—	(659,718)
Net Capital Fund, end of year	$	—	1,422,869	688,851	2,111,720

Changes in the Organization's Capital Fund for the year ended December 31, 2012 are as follows:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Capital Fund, beginning of year	$	—	—	15,937,020	15,937,020
Investment return:					
Interest and dividend income		—	23,198	—	23,198
Net realized and unrealized gains		—	803,643	—	803,643
Total investment gain		—	826,841	—	826,841
Appropriation of Capital Fund for expenditure		—	—	—	—
Net Capital Fund, end of year	$	—	826,841	15,937,020	16,763,861

(6) Lease Commitment

SWWB occupies facilities under a lease agreement expiring December 31, 2014. The lease contains escalation clauses, which provide for increased payments resulting from increases in real estate taxes and certain other building expenses in excess of the base period amounts. The total lease payment due in 2014 is $651,000.

Total rent, utilities, and maintenance expense in 2013 and 2012 amounted to $747,332 and $731,241, respectively.

(7) In-Kind Contributions

In-kind contributions are recorded where there is an objective basis upon which to value these contributions. These amounts are recognized as both support and expense in the accompanying consolidated financial statements. During the years ended December 31, 2013 and 2012, in-kind contributions consisted of $278,412 and $287,281, respectively, for legal and other services.

(8) Pension Benefits

SWWB sponsors a 401(k) retirement plan for its eligible employees with benefits up to 3.5% of eligible compensation. Total retirement expense relating to 2013 and 2012 was $119,138 and $118,036, respectively.

(Continued)

(9) Interest in Net Assets of Supporting Organization

SWWB acts in cooperation with FWWB and in compliance with an operating agreement, which has a separate board of trustees and maintains its legal and financial independence. Management of SWWB and FWWB is shared. The principal activity of FWWB is the solicitation, receipt, and administration of grants and contributions on behalf of SWWB. From time to time, FWWB will grant funds to SWWB for certain programs in compliance with all 501(c) (3) activities. SWWB regularly reports back to FWWB's board of trustees on the progress of projects and the utilization of funds granted.

In accordance with Financial Accounting Standards Board Accounting Standards Codification 958-20, *Financially Interrelated Entities*, SWWB's balance sheet includes its interest in the net assets of FWWB. The increase in SWWB's interest in the net assets of the supporting organization during 2013 and 2012 of $207,292 and $107,488, respectively, was recorded as change in interest in supporting organization.

Expenses allocated to FWWB include amounts for personnel, travel, and overhead of $562,134 and $874,393 in 2013 and 2012, respectively. SWWB received grants and contributions from FWWB of $2,387,124 and $2,388,786 in 2013 and 2012, respectively.

(10) Subsequent Events

On April 29, 2014, the Organization executed a new facilities lease agreement with expires on March 31, 2030 and made a security deposit of approximately $100,000. The lease calls for base lease payments of approximately $402,000 from April 1, 2015 to March 31, 2020, $427,000 from April 1, 2020 to March 31, 2025, and $452,000 from April 1, 2025 to May 31, 2030. Occupancy is expected to occur in the fourth quarter of 2014 and rent is abated until April 1, 2015. The lease contains a termination provision, at the option of the Organization, on March 31, 2025 with proper notice and a lease termination payment. The lease also contains escalation clauses which provide for increased payments resulting from increases in real estate taxes and certain other building expenses.

In connection with the preparation of the consolidated financial statements, the Organization evaluated subsequent events after the consolidated balance sheet date of December 31, 2013 through May 21, 2014, the date the consolidated financial statements were available to be issued and noted no additional items that would require adjustment to, or disclosure, in the 2013 consolidated financial statements.

Schedule 1

STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Grants and Contributions Receivable Rollforward

December 31, 2013

	Net receivable balance at December 31, 2012	New grants, 2013	Cash receipts, 2013	Discount adjustments	Foreign currency translation and other adjustments	Net receivable balance at December 31, 2013
Asian Development Bank	$ —	20,000	(20,000)	—	—	—
Accion	—	30,000	(30,000)	—	—	—
United Nations Capital Development Fund	—	785,105	(785,105)	—	—	—
Agence Française de Développement	—	2,671,420	(671,677)	(103,245)	65,157	1,961,655
International Finance Corp-IFC	—	25,000	(25,000)	—	—	—
Irish Aid	—	226,455	(226,455)	—	—	—
Swedish International Develop. Coop – (SIDA)	1,273,275	—	(1,375,803)	(31,935)	134,463	—
Hivos Foundation	4,615	351,242	(137,470)	(5,506)	2,177	215,058
Grameen-Jameel Microfinance Limited	—	25,000	(25,000)	—	—	—
Inter-American Development Bank (IDB) *	397,130	—	—	—	(177,725)	219,405
Government of Germany (BMZ)	232,077	—	(204,601)	(5,091)	(22,385)	—
Government of Finland	307,043	1,282,510	(1,645,041)	—	55,488	—
Credit Suisse	—	602,342	(602,342)	—	—	—
Others	—	39,495	(39,495)	—	—	—
Friends of WWB/USA, Inc.	—	2,387,124	(1,995,649)	—	—	391,475
	$ 2,214,140	8,445,693	(7,783,638)	(145,777)	57,175	2,787,593

* Adjustment represents a loss on an uncollectible grant receivable.

See accompanying independent auditors' report.

Schedule 2

STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Schedule of Functional Expenses

Year ended December 31, 2013
(with summarized comparative financial information for the year ended December 31, 2012)

	Institutional development programs excluding WAM	Women's asset management (WAM)	Total institutional development programs	Functional products and services	Total program services	General and administrative	Fund-raising	Total 2013	Total 2012
Personnel costs	$ 1,202,708	170,481	1,373,189	1,429,396	2,802,585	717,476	474,112	3,994,173	3,933,637
Technical service consultants	829,018	135,288	964,306	1,173,890	2,138,196	31,704	41,845	2,211,745	2,924,692
Legal, accounting, and auditing	75,367	95,149	170,516	75,367	245,883	75,367	75,367	396,617	324,170
Travel, workshops, and meetings	623,279	45,869	669,148	463,950	1,133,098	57,193	82,828	1,273,119	1,776,630
Printing, production, and video	2,369	—	2,369	1,884	4,253	1,268	1,268	6,789	2,847
Rent and utilities	186,833	—	186,833	186,833	373,666	186,833	186,833	747,332	731,241
Telephone and cable	19,371	66	19,437	19,212	38,649	18,920	18,947	76,516	85,459
Office expenses	87,648	9,852	97,500	64,764	162,264	62,569	63,907	288,740	292,669
Depreciation and amortization	6,593	—	6,593	6,593	13,186	6,593	6,593	26,372	16,234
	$ 3,033,186	456,705	3,489,891	3,421,889	6,911,780	1,157,923	951,700	9,021,403	10,087,579
Project initiatives – contributions to network members								$ 595,602	740,238
Loss on uncollectible grants receivable								177,725	59,000
Total expenses and losses								$ 9,794,730	10,886,817

See accompanying independent auditors' report.