KPMG

STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Financial Statements

December 31, 2011

(With Independent Auditors' Report Thereon)

14045

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 balance sheet of Stichting To Promote Women's World Banking (the Organization) as of December 31, 2011, and the related statements of activities and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from the Organization's 2010 financial statements, and, in our report dated May 23, 2011, we expressed an unqualified opinion on those financial statements.

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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Stichting To Promote Women's World Banking as of December 31, 2011, and the changes in its net assets and its cash flows for the year then ended, in conformity with U.S. generally accepted accounting principles.

KPMG LLP

May 11, 2012

(1) Organization

Stichting To Promote Women's World Banking (WWB or the Organization) is an international, independent organization incorporated in the Netherlands for the purpose of encouraging the direct participation of women and their families in the full use of the money economies of their countries, particularly those women who have not generally had access to the services of established financial institutions. WWB has been classified as a tax-exempt organization under Section 501(c)(4) of the Internal Revenue Code. The accompanying financial statements do not include the financial position or the changes in net assets of WWB's network members (NMs), which are separately incorporated organizations.

WWB'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 WWB:

(a) Institutional Development Programs (IDP) consists of technical support and strategy development for WWB NMs. Under this program, WWB offers leadership development trainings as well as services in building gender diversity in microfinance institutions. IDP provides strategic advice to WWB and NMs, develops best practice toolkits, 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.

(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. FPS also has a publication component to disseminate knowledge gained through developing new and innovative products.

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 WWB's Capital Fund. Currently, WWB GP holds WWB's interest in Kashf Microfinance Bank.

WWB Investments LLC, a Delaware limited liability company, is a wholly owned subsidiary of the Organization. WWB Investments, LLC is the general partner and management company of WWB Isis Fund L.P., a Delaware limited partnership formed in August 2010 to act as a socially responsible private equity fund.

(2) Significant Accounting Policies

(a) Basis of Accounting

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

STICHTING TO PROMOTE WOMEN'S
WORLD BANKING

Balance Sheet

December 31, 2011
(with comparative financial information as of December 31, 2010)

Assets		**2011**	**2010**
Cash and cash equivalents	$	6,871,502	3,665,784
Loan receivable (note 4)		4,151,717	4,151,717
Loan interest receivable (note 4)		207,211	-
Grants and contributions receivable, net (note 3)		7,011,058	5,300,051
Investments (note 5)		11,497,445	12,918,655
Other assets		193,176	106,519
Interest in net assets of supporting organization (note 11)		582,182	421,000
Furniture, equipment, and leasehold improvements, net of accumulated depreciation and amortization of $341,216 and $327,674 in 2011 and 2010, respectively		8,281	19,471
Total assets	$	30,522,572	26,583,197
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	541,038	564,110
Deferred revenue		945,787	595,675
Due to FWWB		113,320	-
Total liabilities		1,600,145	1,159,785
Net assets:			
Unrestricted		1,068,385	226,088
Temporarily restricted (note 7)		11,917,022	8,602,068
Permanently restricted capital fund (note 7)		15,937,020	16,595,256
Total net assets		28,922,427	25,423,412
Total liabilities and net assets	$	30,522,572	26,583,197

See accompanying notes to financial statements.

STICHTING TO PROMOTE WOMEN'S WORLD BANKING

Statement of Activities

Year ended December 31, 2011
(with summarized financial information for the year ended December 31, 2010)

		Unrestricted	Temporarily restricted	Permanently restricted	Total 2011	Total 2010
Operating activities:						
Revenue and support:						
Grants and contributions (note 2 (i) and 11)	$	42,900	12,157,315	-	12,200,215	4,835,552
In-kind contributions (note 9)		949,702	-	-	949,702	596,699
Interest and dividends, net of investment expenses		-	-	209,105	209,105	73,005
Net (depreciation) appreciation in fair value of investments		-	-	(867,341)	(867,341)	243,266
Change in interest in supporting organization (note 11)		-	161,182	-	161,182	(771,333)
Foreign currency translation loss		-	(402,677)	-	(402,677)	(143,318)
Fee for services		1,198,891	-	-	1,198,891	1,003,591
Other income		163,587	-	-	163,587	144,862
Net assets released from restrictions		8,600,866	(8,600,866)	-	-	-
Total revenue and support		10,955,946	3,314,954	(658,236)	13,612,664	5,982,324
Expenses and loss :						
Program services:						
Institutional development programs		3,533,300	-	-	3,533,300	4,020,806
Functional products and services		3,565,706	-	-	3,565,706	3,556,930
Total program services		7,099,006	-	-	7,099,006	7,577,736
General and administrative		1,214,822	-	-	1,214,822	1,272,841
Fund-raising		1,033,239	-	-	1,033,239	972,086
Total expenses		9,347,066	-	-	9,347,066	9,822,663
Loss on uncollectible grants receivable		-	-	-	-	234,026
Total expenses and loss		9,347,066	-	-	9,347,066	10,056,689
Increase (decrease) in net assets from operating activities		1,608,880	3,314,954	(658,236)	4,265,598	(4,074,365)
Nonoperating activities:						
Contributions to network members		(766,583)	-	-	(766,583)	(2,396,650)
Total nonoperating activities		(766,583)	-	-	(766,583)	(2,396,650)
Increase (decrease) in net assets		842,297	3,314,954	(658,236)	3,499,015	(6,471,015)
Net assets at beginning of year		226,088	8,602,068	16,595,256	25,423,412	31,894,427
Net assets at end of year	$	1,068,385	11,917,022	15,937,020	28,922,427	25,423,412

See accompanying notes to financial statements.

STICHTING TO PROMOTE WOMEN'S
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Statement of Cash Flows

Year ended December 31, 2011
(with comparative financial information for the year ended December 31, 2010)

		2011	2010
Cash flows from operating activities:			
Increase (decrease) in net assets	$	3,499,015	(6,471,015)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:			
Depreciation and amortization		13,542	30,211
Provision for uncollectible grants receivable		-	234,026
Net depreciation in fair value of investments		867,341	220,660
(Increase) decrease in interest in net assets of supporting organization		(161,182)	771,333
(Increase) decrease in grants and contributions receivable, net		(1,711,007)	43,160
Increase in loan interest receivable		(207,211)	-
(Increase) decrease in other assets		(86,657)	93,570
Decrease in accounts payable and accrued expenses		(23,072)	(403,144)
Increase in deferred revenue		350,112	-
Increase in due to FWWB		113,320	65,175
Net cash provided by (used in) operating activities		2,654,201	(5,416,024)
Cash flows from investing activities:			
Purchases of furniture, equipment, and leasehold improvements		(2,352)	(13,426)
Purchases of investments		(3,531,410)	(15,320,053)
Proceeds from sale of investments		4,085,279	20,096,453
Loan receivable		-	(4,151,717)
Net cash provided by investing activities		551,517	611,257
Net increase (decrease) in cash and cash equivalents		3,205,718	(4,804,767)
Cash and cash equivalents at beginning of year		3,665,784	8,470,551
Cash and cash equivalents at end of year	$	6,871,502	3,665,784

See accompanying notes to financial statements.

(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 WWB 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 WWB 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. WWB's permanently restricted net assets consist of capital funds. 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. 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: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities.

The level in the fair value hierarchy within which a fair 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, 2011 and 2010. The Organization recognizes transfers as of the actual date of the event or change in circumstance that caused the transfer. There was a transfer from level 3 to level 1 during the year ended December 31, 2011.

(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

Revenue from grants and contributions is recognized when an unconditional commitment is made by a donor. WWB often receives multiyear grants denominated in foreign currency amounts, which are subject to future currency fluctuations. As a result, WWB 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.

Grants and contributions not expected to be received within one year are discounted at a risk-adjusted rate. Amortization of the discount is recorded as additional grants and contributions revenue.

(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. The fair value of alternative investments, which are not readily marketable, is based upon net asset values provided by the fund managers, which are reviewed by management for reasonableness.

The Organization follows the provisions of Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) 2009-12, *Fair Value Measurements and Disclosures* (Topic 820): *Investments in Certain Entities that Calculate Net Asset Value per Share (or Its Equivalent)*, pertaining to certain investments in funds that do not have readily determinable fair values including private equity and limited partnership with fund of funds. This guidance allows, as a practical expedient, for the estimation of fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent as reported by the investment managers.

In addition, because 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 3 is based on the Organization's ability to redeem its interest at or near the date of the 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 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 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 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 2011 and 2010, three funding sources accounted for 68% and 97% of contribution and grant revenue, respectively. Included in the funding sources is Friends of WWB (USA), Inc. (Friends), an affiliated organization (note 11). In 2011 and 2010, Friends provided approximately 11% and 34%, respectively, of total grant and contribution revenue.

In 2011 and 2010, contributions receivable was concentrated to three donors, which accounted for 71% and 88%, respectively.

(j) Prior Year Information

The statement of activities is presented with certain prior year summarized 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 financial statements for the year ended December 31, 2010 from which the summarized information was derived.

(k) Tax Status

The Organization has evaluated its tax positions in 2011 and 2010, and noted that there were 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 at December 31, 2011 and 2010 are scheduled to be collected as follows:

	2011	2010
Less than one year	$ 5,267,465	3,772,276
One to five years	1,806,010	1,590,210
	7,073,475	5,362,486
Less discount to present value (at discount rate of 2.5%)	(62,417)	(62,435)
	$ 7,011,058	5,300,051

In 2011, WWB received a conditional grant in the amount of approximately $641,000 from Irish Aid, which will be recognized as funds are received. As of December 31, 2011, approximately $254,000 has been recognized.

(4) Loan Receivable and Interest Receivable on Loan

In 2010, the Organization authorized the use of a portion of its permanently restricted funds to make a loan to WWB investments LLC, which is the general partner of the Fund.

During 2011, the loan was extended through February 2012. The loan principal and the accrued interest on the loan at December 31, 2011 were $4,151,717 and $207,211 respectively.

As described in note 12, in February 2012, WWB Investments LLC paid the loan in full with all applicable interest.

(5) Investments

The following table presents the Organization's fair value hierarchy for investments as of December 31, 2011:

		Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents:					
Cash	$	25,985	25,985	—	—
Certificates of deposit		539,598	539,598	—	—
Equities					
Domestic equity		3,296,649	3,296,649	—	—
Alternative investment:					
Limited partnership		7,368,248	—	—	7,368,248
Private equity		266,964	—	—	266,964
Total investments	$	11,497,444	3,862,232	—	7,635,212

The following table presents the Organization's fair value hierarchy for investments as of December 31, 2010:

		Fair value	Level 1	Level 2	Level 3
Cash and cash equivalents:					
Cash	$	19,147	19,147	—	—
Certificates of deposit		3,770,543	3,770,543	—	—
Alternative investment:					
Limited partnership		8,488,736	—	—	8,488,736
Private equity		589,783	—	—	589,783
Total investments	$	12,868,209	3,789,690	—	9,078,519

At December 31, 2011 and 2010, Level 1 assets comprised 34% and 30% of the Organization's total investments.

The following table presents a roll-forward of Level 3 investments for the years ended December 31, 2011 and 2010:

		2011	2010
Beginning balance	$	9,078,519	810,443
Purchases		—	8,024,810
Transfer to level 1		(802,481)	—
Net (depreciation) appreciation		(644,757)	243,266
Ending balance	$	7,631,281	9,078,519

In May 2009, WWB 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. At December 31, 2011 and 2010, this investment is estimated to have a fair value of $266,964 and $589,783, respectively.

As of December 31, 2011 and 2010, the estimated fair value of the Organization's limited partnership totaled $7,364,317 and $8,488,736, respectively. This balance is invested with a lock up period through June 30, 2012, after which, the investment can be redeemed quarterly with 60 days notice.

(6) Loan Guarantees

From time to time, WWB provides collateral to sponsor loan guarantees as an authorized use of the Organization's permanently restricted Capital Fund. As of December 31, 2010, WWB provided partial guarantees through letters of credit for a loan or a line of credit from a bank to two NMs for on-lending to the NMs' clients that are secured by WWB's certificates of deposits funded by permanently restricted funds.

As of December 31, 2011, one loan guarantee structure remained outstanding with a total of $500,000. The NM's loan may individually exceed $500,000 at any given time but WWB's potential exposure will never exceed the $500,000 partial guarantee. The Organization maintains a 5% reserve for the outstanding guarantee and has not experienced a default in several years of providing guarantees of similar structure. This guarantee expired in February 2012 without experiencing any loss or default.

(Continued)

(7) Restricted Net Assets

(a) Temporarily Restricted Net Assets

At December 31, 2011 and 2010, temporarily restricted net assets are available for the following purposes:

		2011	2010
Institutional development programs	$	4,404,357	3,163,989
Functional products and services		6,930,483	5,017,079
Interest in supporting organization (note 11)		582,182	421,000
	$	11,917,022	8,602,068

(b) Permanently Restricted Net Assets

The Organization's Capital Fund is primarily invested by the organization through five investment vehicles that have been established to support the Organization's mission and are aligned with WWB'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

WWB 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; and

7. The investment policies of the Organization.

Funds with Deficiencies

From time to time, the fair value of assets associated with donor-restricted endowment funds may fall below the initial level of contribution due to net losses from investments. In 2009, WWB sought and received a clarification letter from the Dutch Government, a major donor of the Capital Fund regarding its intention for the net loss scenario. The Dutch Government clarification releases WWB's obligation to pay back losses to the Capital Fund. As of December 31, 2011, due to general market volatility, the Capital Fund experienced a net loss of $658,236, which is being absorbed within the Dutch Government portion of the Fund.

Spending Policy

In 2010, the board of trustees authorized the appropriation of all investment gains, net of investment losses. In 2011, the Organization did not appropriate any income from investments to be spent by the Organization. Overall, WWB intends to limit the spending of investment gains whenever financially feasible to promote the continued growth of Investments as there were net losses in the fund.

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).

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 Organization has no board-designated endowment funds. The following represents the net asset classes of the Organization's donor-restricted endowment funds at December 31, 2011:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted capital fund	$	—	—	15,937,020	15,937,020
Total	$	—	—	15,937,020	15,937,020

The following represents the net asset classes of the Organization's donor-restricted funds at December 31, 2010:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor-restricted capital fund	$	—	—	16,595,256	16,595,256
Total	$	—	—	16,595,256	16,595,256

Changes in the Organization's donor-restricted endowment funds for the year ended December 31, 2011 are as follows:

		Unrestricted	Temporarily restricted	Permanently restricted	Total
Capital fund, beginning of year	$	—	—	16,595,256	16,595,256
Investment return:					
Interest and dividend income		—	—	209,105	209,105
Net realized and unrealized losses		—	—	(867,341)	(867,341)
Total investment loss		—	—	(658,236)	(658,236)
Appropriation of endowment assets for expenditure		—	—	—	—
Net capital fund, end of year	$	—	—	15,937,020	15,937,020

Changes in the Organization's donor-restricted endowment funds for the year ended December 31, 2010 are as follows:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Capital fund, beginning of year	$ (21,931)	—	16,595,256	16,573,325
Investment return:				
Interest and dividend income	—	73,005	—	73,005
Net realized and unrealized gains	21,931	221,335	—	243,266
Total investment return	21,931	294,340	—	316,271
Appropriation of endowment assets for expenditure	—	(294,340)	—	(294,340)
Net capital fund, end of year	$ —	—	16,595,256	16,595,256

(8) Lease Commitment

WWB 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.

Future minimum lease payments under this lease are as follows:

	Amount
Year ending December 31:	
2012	$ 635,000
2013	643,000
2014	651,000
	$ 1,929,000

Total rent, utilities and maintenance expense in 2011 and 2010 amounted to $724,264 and $698,330, respectively.

(9) 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 financial statements. During the years ended December 31, 2011 and 2010, in-kind contributions consisted of $949,702 and $596,699, respectively, for legal and other services.

(10) Pension Benefits

In 2009, WWB sponsored an employee pension-individual retirement plan covering substantially all of its employees. Discretionary contributions were funded annually up to a maximum of 3.5% of compensation. The plan was funded annually up to the total obligation relative to annual compensation.

In 2010, WWB funded retirement benefits up to 3.5% of compensation. Some retirement contributions were made to employee pension-individual retirement in 2010, although the majority of contributions were made to the organization's sponsored 401(k) plan. During 2011, all contributions were made to the organization's sponsored 401(k) plan. Total retirement expense relating to 2011 and 2010 was approximately $109,435 and $101,000, respectively.

(11) Interest in Net Assets of Supporting Organization

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

In accordance with FASB Accounting Standards Codification (ASC) 958-20, *Transfers of Assets to a Not-for-Profit Organization or Charitable Trust that Raises or Holds Contributions for Others*, WWB's balance sheet includes its interest in the net assets of Friends. The increase (decrease) in WWB's interest in the net assets of the supporting organization during 2011 and 2010 of $161,182 and ($771,333), respectively, was recorded as change in interest in supporting organization.

Expenses allocated to Friends include amounts for personnel, travel, and overhead of $842,781 and $352,329 in 2011 and 2010, respectively. WWB received grants and contributions from Friends of $1,447,257 and $1,674,421 in 2011 and 2010, respectively.

(12) Subsequent Events

In 2010, the Organization began to formulate an alternative business model, which shifts the organization away from a wholly grant dependent funding base towards a global enterprise platform. This will include the WWB Isis Fund L.P. ("the Fund"), which is anticipated to be fully operational and begin financial activity in 2012.

The Fund will invest in socially responsible, women-focused, mature microfinance institutions. The Fund and all related entities formed and in the process of being formed will be wholly owned by the Organization. The Fund closed its first round of financing in February 2012 after which time the Organization is holding a minority interest through the related management entity, WWB Asset Management, LLC, which was formed in 2011. In accordance with WWB's Subscription Agreement, WWB has agreed to a $300,000 capital commitment to the Fund, of which approximately $46,000 has been funded as of February 2012.

The Fund and all related entities had no significant financial activity distinct from the Organization at the issuance of these financial statements, but in February 2012, all outstanding financial liabilities due to WWB from these entities have been satisfied.

In connection with the preparation of the financial statements, the Organization evaluated subsequent events after the balance sheet date of December 31, 2011 through May 10, 2012, the date the financial statements were available to be issued and noted no additional items that would require adjustment to, or disclosure, in the 2011 financial statements.