



**RESEARCH  
FOR REAL-WORLD  
IMPACT**

# RESEARCH FOR REAL-WORLD IMPACT

2024-2025 at 31 March 2025

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Driven by a commitment to shaping practical solutions for lasting change, Canada's International Development Research Centre (IDRC) supports research that delivers real-world results.

Leveraging the power of locally led science and innovation, we partner with researchers, policymakers and communities in low- and middle-income countries to improve lives and build a more inclusive, sustainable and prosperous world.

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As part of Canada's foreign affairs and development efforts, IDRC champions and funds research and innovation within and alongside developing regions to drive global change. The Centre invests in research to build evidence, inform decisions and generate opportunities that promote an inclusive and sustainable world.

#### ON THE COVER

Lab assistant Ruth Onywera working as part of a livestock vaccination project in Kenya. As women represent only a third of the world's researchers, IDRC strives to tackle the systemic barriers to women's participation and leadership in the science, technology, engineering and mathematics fields.

Unless otherwise stated, all monetary amounts in this annual report are in Canadian dollars.

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# Our year at a glance

At IDRC, our mandate is clear: to support research that can deliver tangible results-driven solutions that improve lives and advance Canada’s international assistance priorities. Our distinctive approach funds researchers and innovators in low- and middle-income countries, creating practical solutions to urgent challenges. By investing in science and innovation led by those closest to the issues, IDRC creates lasting change to improve economic development, advance health, education and food systems, and protect human rights.

This year’s annual report demonstrates how IDRC-supported initiatives build local capacity and create networks of expertise that multiply impact across regions. Through strategic partnerships and evidence-based approaches, we ensure research findings translate into meaningful policy reforms, program improvements and community-level transformations that improve lives today and create lasting benefits for generations to come. The results of IDRC’s work have played an integral role in building Canada’s networks abroad by strengthening partnerships with key allies and increasing Canada’s global influence.



PANOS: TOMMY TRENCHARD

## Speeding up the fight against an Ebola strain in Uganda

Collaboration among hundreds of scientists and health workers enabled the rapid start of a vaccine trial for the Ebola Sudan virus in early 2025, helping to combat a deadly disease that knows no borders. Read more on page 9.



RAIL

## Advancing responsible AI to drive prosperity

An IDRC-supported program is helping shape an African-led approach to responsible artificial intelligence that supports equity, innovation and sustainable development from the ground up. Read more on page 11.



IDRC

## Boosting yields for Algerian farmers

Algerian farmers using IDRC-supported native mycorrhiza fungi technology report 32-55% higher crop yields while using less water, enhancing food security and improving sustainable agricultural practices. Read more on page 12.



JITRAPON KAIKOME

## Scaling future-proofed aquaculture across Southeast Asia

AQUADAPT’s innovative approach combines traditional farming practices with new technologies to help aquafarmers across 10 Asia-Pacific countries adapt to climate change. Read more on page 12.

## From evidence to action

Research shows what works and what doesn't, providing the information needed by communities and policymakers to save lives, build economies and improve wellbeing. IDRC's investments in research and its support towards enhancing the capacity of research institutions in low- and middle-income countries — many in collaboration with Canadian researchers and institutions — create the environment for

high-quality innovation. With a strategic focus on information sharing, it ensures research findings lead to tangible actions in policy, programs and communities. By supporting projects that engage policymakers, private sector actors and local communities from the outset, IDRC ensures research is designed for real-world impact that benefits everyone everywhere.

### GLOBAL REACH

# 5

regional offices located around the world enable a close connection to issues and stakeholders at the local, national and regional levels.

### EFFICIENT DELIVERY

# 91%

of funding goes directly to programming, ensuring resources reach those who need them.

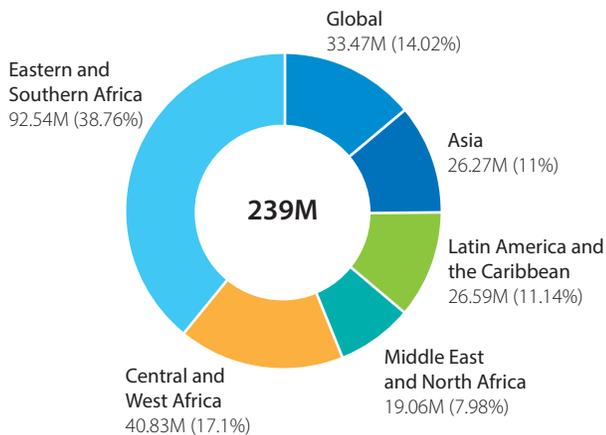
### SMART INVESTMENT

# LESS THAN 2%

is on average the amount of Canada's overseas development assistance invested annually in IDRC, showing big impacts come from modest investments.

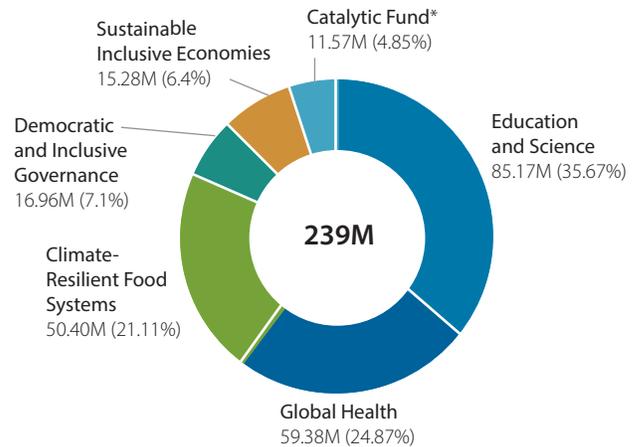
## OUR GEOGRAPHICAL REACH

Funds allocated towards new research projects approved in 2024-2025, across regions (CAD)



## OUR PROGRAMMATIC FOCUS

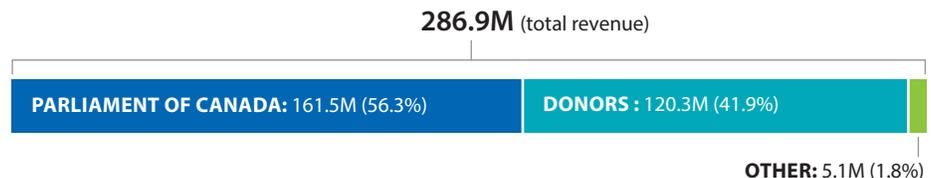
Funds allocated towards new research projects approved in 2024-2025, across the Centre's core program areas and Catalytic Fund\* (CAD)



\*IDRC's Catalytic Fund supports research on emerging or cross-cutting issues.

## OUR FUNDING SOURCES (CAD)

IDRC's 2024-2025 parliamentary appropriation was enhanced by donor funding, amplifying the impact of Canada's investment.



## Message from the chairperson



As Chair of the Board of Governors of the International Development Research Centre (IDRC), I reflect on a year marked by extraordinary global challenges and opportunities. The world continues to grapple with intersecting crises — climate change, conflict and displacement, food insecurity, threats to democratic institutions and persistent inequalities in health, education and economic opportunity. In this context, the role of research for development has never been more critical.

At home in Canada, we are experiencing a renewed conversation about our global role, our responsibilities as a G7 country, and the value of international cooperation in building a more secure, inclusive and sustainable world. The Canadian public continues to seek impact, accountability and innovation from institutions working on the world stage and rightfully so. IDRC aims to meet that expectation by leveraging funding partnerships, Canadian expertise and research partnerships with the Global South and by delivering results and evidence that shape policy and practice at scale.

This year, IDRC continued to champion locally led research and innovation as a cornerstone of equitable development. We deepened our commitment to decolonizing knowledge systems and supporting the next generation of researchers, especially women and young people who are

tackling the most pressing development challenges in their own communities. We also reaffirmed our leadership in strategic areas where progress is needed: technology, climate resilience, inclusive governance, gender equality and health systems strengthening.

As we look to the future, IDRC's value proposition is clear amid increasing global volatility and complexity. Canada's support for global research is a fundamental tool to overcome challenges through data and evidence-based solutions that benefit everyone, including both in low- and middle-income countries and in Canada.

We are a trusted partner for transformational research that informs evidence-based policy, strengthens institutions and enables resilient societies in the Global South. In a time of geopolitical fragmentation and shrinking civic space, IDRC's work continues to bridge divides, advance dialogue and anchor Canadian values in global solidarity.

On behalf of the Board of Governors, I thank IDRC's staff, our partners around the world and the Government of Canada for their unwavering dedication. Together, we remain committed to a world where knowledge fosters a more just, inclusive and sustainable future for all.

A handwritten signature in black ink, appearing to read 'Dorothy Nyambi', written over a light grey rectangular background.

**Dr. Dorothy Nyambi**  
Chairperson, IDRC Board of Governors

## Message from the president



It's no secret that the past year was unpredictable, for the world and for Canada. Geopolitical volatility, disruptive technology and increasingly severe weather events threw a wrench into our collective plans to advance prosperity and stability worldwide. These challenges,

among others, demand transformative solutions we can only reach by working together. We are proud to be an institution whose partnerships have built deep roots for Canada around the world, in large part through backing local researchers to produce impactful results for their countries and communities.

Over more than 50 years, IDRC has honed an approach that reaches across borders and sectors to bring forward local solutions to global problems. I have seen firsthand the impact that we can achieve by ensuring that researchers, community members and policymakers around the world have the tools they need to drive collaborative, evidence-based change in their communities.

This year's annual report, focused on the impact we can achieve by working together, highlights how changes on a local level add up to global transformation.

Take for instance Houaria Boudia, one small-scale farmer in northern Algeria who agreed to test out a simple fungi-based innovation developed by IDRC-supported researchers on her olive trees. When it was clear that the innovation increased yields while using less water and fertilizer, one farmer became 200 and now the product is government-approved and being commercialized by start-up companies. Thanks to Houaria — and researchers from Algeria and Canada working together with farmers on the ground — this innovation can be translated and applied across contexts to improve global food security in a changing climate.

Or take as another example the recent outbreak of the deadly Ebola Sudan virus in Uganda. As we know well, what may seem like localized health crises can quickly become global in our interconnected world. IDRC, together with the Canadian Institutes of Health Research and the Public Health Agency of Canada, supported the launch of the first-ever vaccine trial for this strain of the disease. Leveraging local expertise connected with global networks led to this crucial step to prevent future outbreaks in Uganda and around the world.

As we see increasing challenges in global cooperation, research is a tool to reach across divisions and unite around shared solutions that benefit people around the world, including Canadians.

Crossing the mid-way threshold of our strategic plan — Strategy 2030 —, I am proud of the position that IDRC is in to accelerate our ability to deliver results and scale our impact.

When IDRC-supported research produces meaningful change, it is thanks to our dynamic, driven and compassionate staff and partners. They are the driving force behind the research featured in this year's annual report. Every day, I find new reasons to be impressed by their dedication, passion and expertise. I remain committed to fostering an environment that is productive and supportive for all members of the IDRC community.

While reading this year's annual report, I hope you will be struck, as I am, by the incredible potential that impact-driven research and knowledge can have for the world and for Canada. By working with Canada's global allies, IDRC is supporting Canada's position as a leader in bringing innovative solutions from communities around the world to the global stage for impact.

A handwritten signature in blue ink, appearing to read 'Julie Delahanty', written over a light blue circular stamp.

**Julie Delahanty**  
President

# Research that drives lasting change

The defining challenges of our time demand more than good intentions — they require transformative solutions.

Rising temperatures threaten food systems that feed billions. Health systems strain under the weight of emerging threats. Digital technologies reshape economies faster than communities can adapt. And in many regions, democratic institutions face mounting pressure just when their stability matters most.

Each challenge presents an opportunity for transformation. Research — when focused on real-world impact and led by those closest to these issues — becomes a powerful catalyst for change. It reveals which solutions work, helps communities adapt proven approaches to local needs and ensures that policies are built on evidence rather than assumption.

This is where evidence meets action. IDRC invests in research that moves beyond academic insights to deliver tangible results in communities worldwide. Our approach is distinctive: we fund and support researchers and innovators in low- and middle-income countries in ways that put knowledge to work, creating practical solutions to urgent challenges. When a simple fungi-based innovation helps Algerian farmers increase yields by up to 55% while using less water, or businesses in five Latin American countries are empowered to attract investors committed to positive social impact, or practical tools using artificial intelligence (AI) are developed with university students to help address local development priorities in Ghana, we witness research delivering on its promise.

Impact doesn't happen overnight. Measuring real change requires looking beyond research outputs to track how projects influence decision-making, shape policy agendas and transform lives. The achievements highlighted in this report demonstrate this approach in action. In the Democratic Republic of the Congo (DRC), epidemiologists

are advancing global understanding of an emerging, fast-spreading disease across nine neighbouring countries. In Nepal, women are transforming traditional forest management into a driver of inclusive economic growth. In Kenya, new technologies are strengthening vocational education programs to equip youth with in-demand skills. These IDRC-supported initiatives build local capacity that fuels ongoing progress and creates networks of expertise that multiply impact across regions.

This commitment extends to Canada's role on the global stage. Through strategic partnerships with research institutions, governments and the private sector, IDRC amplifies Canadian expertise and resources while reinforcing the country's reputation as a trusted partner in sustainable development. Our work directly advances Canadian international priorities, ensuring research-driven solutions lead to lasting, scalable change.

*Now more than ever, the world needs smart, innovative solutions to tackle today's most pressing challenges.*

This report demonstrates the transformative power of research. It tells stories of an evidence-backed response to disease outbreaks by scientists in Africa, of Southeast Asian communities pioneering agriculture that thrives in the face of a changing climate, and of marginalized groups using knowledge to advocate for their rights. What is clear is that when local expertise drives research, and when evidence shapes policy, we create more than temporary solutions. We build foundations for lasting progress toward a more sustainable, inclusive and resilient world.



Women making clothes from recycled materials in a workshop in Llopongo, El Salvador. IDRC funds research that advances women's economic participation and fosters local job creation.

## Economic growth that builds resilient economies

Strategic investments in research and innovation drive strong, lasting economic opportunities for local communities in low- and middle-income countries.

IDRC funds research that shapes policy reforms, expands financial inclusion and unlocks new business models that drive local prosperity. Investing in local economies pays dividends in cultivating diversified global relationships, extending Canada's economic and diplomatic reach.

Strong economies don't happen by chance. IDRC funds research that helps governments and businesses anticipate risks and adapt policies, equipping communities with innovative, stabilizing financial tools. These efforts promote entrepreneurship and responsible investment, creating not only short-term gains but also long-term opportunities. Research also helps identify vulnerabilities and create models that balance growth with sustainability, allowing economies to adapt to global disruptions.

Economic growth should ensure that prosperity benefits all sectors of society. IDRC prioritizes research that advances women's economic participation and fosters

local job creation. These efforts don't just boost incomes; they strengthen entire communities by ensuring that prosperity reaches more people. By funding research that strengthens labour markets, supports innovative business models and fosters impact-driven economic solutions, IDRC helps create resilient economic foundations.

## A decade of impact: IDRC's partnership with Sistema B

IDRC's 10-year collaboration with Sistema B (the Latin American branch of the global B Corporation movement) has empowered thousands of Latin American businesses to thrive financially while improving communities and protecting the environment.

The partnership has sparked a growing movement of businesses able to demonstrate that enhanced profitability, investor attraction and competitive advantages can accompany positive social impact. Grounded in a decade of collaborative research and knowledge, the initiative has produced a rich body of research, public policy recommendations and practical tools — including the Sustainable Development Goals Action Manager, a free resource that helps businesses measure and improve their contributions to social and environmental goals. More than

20,000 companies are now using this research to measure and enhance their social impact while securing stronger market positions and sustainable revenue streams.

As a result of the collaboration, five countries now officially recognize B corporations, helping businesses attract investors and customers who value the commitments that exist as part of B-corp incorporation.

Academia B, a key initiative born out of this collaboration, has brought together business innovators, researchers, educators and students from more than 35 countries. This collaboration has developed practical approaches for companies to balance profits with positive impact, while inspiring a new generation of entrepreneurs who view sustainability as a strategic business advantage rather than a compliance issue.

Our support for this work positions Canada as a catalyst for market-driven solutions to global challenges, helping create resilient businesses and self-reliant economies across emerging markets.

## **Building women-led businesses through Nepal's forests**

In Nepal, nearly half the land is forested, making it a natural treasure trove of business opportunities. While women are an integral part of forest management and use ancestral skills to make forest-based products, they also face traditional norms that limit their decision-making power.

An initiative supported by IDRC and led by ForestAction Nepal and other partners aims to change that. Working closely with communities, the initiative undertook 30 months of research to examine how women can build profitable businesses using forest resources to mitigate risks from climate change and unstable markets. Researchers developed hands-on training and provided women with access to digital and climate-smart technologies, enabling them to enhance their business prospects. Policy dialogues also gave women greater visibility in the forest-management sector.

This support has already resulted in the launch or expansion of 18 women-led enterprises that process and market sustainably harvested forest products like herbs and edible greens.

Forest-based businesses can offer a more secure and steady income, even amid challenges like climate change and market shocks. They also play an important role in fostering low-carbon resource use.

While focused on women's empowerment, this approach also strengthens local communities and supports a greener economy, benefiting everyone. By transforming forest management into a driver of inclusive growth, the project sets the stage for sustainable economic progress across Nepal.

Canada, which is home to nearly 9% of the world's forests, shares a deep commitment to sustainable forest management. By supporting projects like this, Canada empowers women who are leading the way toward climate-resilient communities and healthier forests worldwide.

## **Strengthening global health security**

IDRC supports research that strengthens health systems — the foundation of better health outcomes during crises and in everyday life. The COVID-19 pandemic and other recent health emergencies have overburdened health workforces, exposed gaps in preparedness and revealed the fragility of supply chains. Meanwhile, antimicrobial resistance is reducing our ability to treat infections effectively.

These challenges, combined with persistent health inequities, directly threaten our collective wellbeing. Building resilient health systems is key to protecting the global community against future crisis, including in Canada.

IDRC-funded research tackles these challenges through practical, locally led solutions. Projects focused on infectious disease prevention, maternal and child health and primary care generate evidence that strengthens frontline care and informs health policy reforms. Investments in surveillance and vaccine research also build capacity in regions that need it most, helping ensure communities can respond quickly and effectively when new health threats emerge.

## **Shining a light on a neglected disease**

When a deadly strain of mpox re-emerged in Central Africa in early 2024, Dr. Placide Mbala was among the first to raise the alarm. An epidemiologist at the Institut National de la Recherche Biomédicale in Kinshasa, DRC, he led a team that identified a new, human-to-human transmissible variant — genetically distinct from earlier outbreaks and capable of spreading quickly across borders. Mbala's work helped redirect international attention to a disease long neglected after case numbers dropped outside Africa.



The IDRC-supported Innovating for Maternal and Child Health in Africa (IMCHA) initiative made important strides toward improving the lives of women and children in 11 countries in sub-Saharan Africa. In Nigeria's Edo State, IMCHA interventions contributed to more than doubling the number of women receiving antenatal care and giving birth in health facilities.

IDRC / ANDREW ESIEBO

With support from IDRC and the Canadian Institutes of Health Research, Mbala is leading efforts to strengthen mpox surveillance and response across nine African countries. His genomic research is deepening understanding about how the virus spreads in overcrowded displacement camps and through non-sexual contact, offering crucial evidence to inform public health measures around the world.

Mbala's findings are already contributing to a stronger, faster global response, helping protect Canadians through early-warning systems and effective containment strategies. His close collaboration with Canadian virologist Dr. Jason Kindrachuk of the University of Manitoba exemplifies how Canadian-supported, African-led research strengthens health security for everyone.



JOELLE BOTTA/INSTITUT NATIONAL DE LA RECHERCHE BIOMÉDICALE

Dr. Placide Mbala, an epidemiologist at the Institut National de la Recherche Biomédicale in Kinshasa, DRC, was named one of *Nature* magazine's top 10 people who shaped science in 2024.

### Speeding up the fight against an Ebola strain

Just four days after an outbreak of the deadly Ebola Sudan virus was confirmed in Uganda on January 30, 2025, IDRC-supported research enabled the launch of the first-ever vaccine trial for this strain of the disease — a crucial step towards combatting future outbreaks. The research, jointly funded with the Canadian Institutes of Health Research and the Public Health Agency of Canada, paved the way for the World Health Organization to co-implement the trial with Uganda's Ministry of Health. Advanced research preparedness and collaboration among hundreds of scientists and health workers facilitated the process — at an unprecedented speed for a randomized vaccine trial in an emergency.

## Enabling opportunities through education, science and innovation

Education, which is a fundamental human right and poverty-reduction tool, faces critical challenges globally. Children in conflict zones are twice as likely to be out of school, with 130 million girls aged six to 17 not attending. Even among those enrolled, a learning crisis persists with over half of children in low- and middle-income countries lacking basic reading and math proficiency.

Similarly, science and innovation systems — essential for societies to advance — struggle in developing regions. Scientists from developing countries face barriers to high-quality training, research opportunities, funding and infrastructure. Their exclusion from emerging technologies like AI creates disproportionate risks for their populations, while the shortage of women scientists limits the potential for innovation.

IDRC-supported research addresses these interconnected challenges by testing and scaling educational innovations, particularly for marginalized groups, while strengthening science and innovation systems aligned with regional priorities.

## Turning skills into solutions for economies and communities

In Kenya, many young people struggle to find stable jobs, despite a growing demand for skilled workers in local industries. Vocational training has traditionally focused on classroom-based instruction, but many graduates lack opportunities to apply their skills, leaving them unprepared to enter the workforce.

Recognizing this gap, IDRC partnered with Colleges and Institutes Canada to support an initiative that strengthens vocational education by linking students with industry and community needs. The project established four innovation hubs at technical and vocational education and training institutions, where students apply their skills to solve local challenges. With mentorship and access to new technologies, they have made many innovations, including fuel-efficient stoves to reduce reliance on costly firewood and fortified flours from local crops that alleviate food insecurity. Some innovations are moving toward patents and commercialization, demonstrating the economic potential of vocational training.



IDRC-supported research in Kenya supports vocational education by linking training institutes with local communities and industry, creating new economic opportunities.

IDRC: TOMMY TRENCHARD



The RAIL initiative in Ghana, which trains women from diverse fields in coding essentials, is supported by IDRC as part of efforts to build sustainable artificial intelligence (AI) research capacities in low- and middle-income countries, given AI's immense potential to improve lives around the world.

## Advancing responsible AI to drive prosperity and innovation

The Responsible AI Lab (RAIL) at the Kwame Nkrumah University of Science and Technology in Ghana, is nurturing AI scientists locally to meet the growing talent requirements of Africa's public and private sectors. The lab is supported through IDRC's Artificial Intelligence for Development partnership with the United Kingdom's Foreign, Commonwealth and Development Office, which supports the creation of an inclusive and responsible AI ecosystem across Africa and beyond.

RAIL trains masters' and PhD students in responsible AI as they work on innovations to address challenges in key areas such as food security, education and disability inclusion. RAIL also started a program that trains women from diverse fields in coding essentials so they can build AI-based solutions to solve problems.

*"The future belongs to those who can find their way in the digital space."*

— Prof. Jerry John Kponyo, principal investigator for RAIL

The RAIL Robotics Club initiative, which established robotics clubs at four secondary schools in Ghana, introduces students to robotics, AI and education in the science, technology, engineering and mathematics fields.

Through both its research and outreach, RAIL is helping shape an African-led approach to responsible AI that supports equity, innovation and sustainable development from the ground up.

As a recognized global leader in advancing responsible AI, Canada is committed to ethical innovation through IDRC's support for initiatives like RAIL.

## Ensuring food security in a changing climate

Extreme weather and shifting rainfall patterns are destabilizing food production, making it harder for farmers to maintain reliable harvests. When crops fail or livestock suffers, entire communities face economic hardship and rising food insecurity. The challenge now is to develop farming approaches that can withstand increasingly unpredictable conditions.

IDRC invests in collaborative research where agricultural scientists and farmers together develop practical solutions: testing climate-resilient crop varieties, implementing soil conservation techniques and adapting traditional practices to new climate realities. We support solutions developed by those experiencing climate impacts firsthand, recognizing that effective adaptation must emerge from the communities themselves. Locally driven approaches, from improved water management to more efficient farming systems, ensure that agricultural communities are more resilient in the face of environmental pressures.

By investing in research, technology and policy innovation, IDRC is working toward a future where food systems are stronger, farmers are better equipped to manage climate challenges and communities have more secure, sustainable food sources. By facilitating knowledge exchange between farming communities, IDRC is enabling the adaptation and scaling of successful innovations across regions facing similar challenges.

### Boosting yields for Algerian farmers

In Biskra, Algeria, small-scale farmers like Houaria Boudia face worsening drought, soil degradation and rising fertilizer costs. A new bio-innovation called native mycorrhiza — a beneficial fungus that strengthens plant roots — has offered Boudia a sustainable solution.

Supported by IDRC, researchers from the Centre d'études des procédés chimiques du Québec (CÉPROCQ) worked with researchers from the Université de Blida 1 in Algeria to isolate and multiply native mycorrhizas from Algerian soils, then test them in labs and on farms.

When Boudia used them on her farm, she saw remarkable improvements in her olive trees, with stronger growth and healthier leaves. Encouraged, she spread the word, helping researchers introduce the product to other farmers. They reported 32% to 55% higher yields on olives, garlic, tomatoes, potatoes and beans — all while using less water. Beyond boosting productivity, the mycorrhiza reduces farmers' dependence on chemical fertilizers, which improves environmental and health outcomes. Now, Algeria's Ministry of Agriculture has approved the innovation, and start-ups like PLANTAbiotek and Alitech are set to commercialize it, expanding its benefits nationwide and supporting Algeria's climate and food security goals.

This successful collaboration exemplifies Canada's leadership in advancing sustainable agricultural solutions worldwide — demonstrating how research can help farmers build resilience to extreme weather events while strengthening international partnerships for healthier food systems.

*“When they brought me this product and asked me to try it, I used it with my olive trees. The results were amazing. It made the trees stronger and gave the leaves more life.”*

— Houaria Boudia, an olive farmer

### Scaling future-proofed aquaculture across Southeast Asia

Aquaculture is the fastest-growing food sector globally, providing people with essential protein and livelihoods. Yet as climate change intensifies, small- and medium-scale aquafarmers in Thailand and across Southeast Asia and the Pacific region face mounting challenges from warming waters, flooding and shifting ecosystems.

To address these vulnerabilities, IDRC and the Government of Canada jointly launched Nature-based Climate Solutions in Aquaculture Food Systems in Asia-Pacific (AQUADAPT) in 2023, a CAD24-million initiative supporting 11 applied research projects across 10 countries in Asia-Pacific — where over 90% of the world's aquaculture is concentrated. The program implements practical ecological farming techniques that simultaneously build climate resilience, protect local biodiversity and secure sustainable food production.

AQUADAPT's approach combines technological and nature-based solutions with community-based management, integrating traditional farming wisdom with scientific research. Farmers are testing innovations such as wind-powered aerators to maintain oxygen levels in warming ponds, while also developing shared water resource systems that benefit entire communities. The program recognizes that local knowledge, refined through generations of experience, is invaluable in shaping effective climate adaptation strategies.

Approximately 100 partner and collaborating institutions, including universities, civil society organizations, governments and private sector partners, are part of the AQUADAPT program, working together to develop practical solutions for partner countries. Building on previous IDRC-funded work, the initiative specifically addresses the needs of climate-vulnerable communities.



An aquafarmer in coastal Vietnam. The AQUADAPT initiative promotes sustainable aquaculture in the Asia-Pacific region and helps develop nature-based solutions and innovations to transform the aquatic food sector.

JCU/LEO NANKER

Through initiatives like AQUADAPT, Canada is extending its leadership in building a sustainable global blue economy — supporting innovative, nature-based solutions that protect aquatic resources, strengthen coastal communities and promote climate resilience.

*"Thai fish farmers have acquired knowledge of climate problems. Knowledge based on experience, not necessarily recorded, not subject to scientific protocol, but valid nonetheless. We've tried to listen as carefully as possible, and to be as humble as possible."*

— Louis Lebel, project leader, Department of Social and Environmental Research, Chiang Mai University, Thailand

## Advancing human rights and legal empowerment

Strong democracies require citizens who can assert their rights through accessible justice systems. When we remove legal barriers and empower marginalized groups, they can fully participate in society and strengthen democratic institutions.

Many communities benefit from IDRC-supported research and initiatives that enable communities to challenge discrimination, hold institutions accountable and demand access to essential services.

IDRC plays a role in supporting democratic thought leadership in exile, helping ensure that researchers, journalists and civil society leaders forced to leave their home countries can continue shaping discussions on governance and human rights. This work provides a vital space for evidence-based policymaking that contributes to long-term democratic resilience.

Meanwhile, people increasingly engage in democratic debate, access information and express themselves online. IDRC supports research on digital governance to ensure that online spaces are safe and accessible — particularly for marginalized communities. By addressing issues like misinformation, privacy and digital inclusion, our work helps protect fundamental rights in an increasingly digital world.

## Nurturing democratic ideas for the future of Afghanistan

When the Taliban seized control of Afghanistan in 2021, countless scholars and activists were forced to flee their homeland, creating a critical void in discussions about their country's future. While Western voices have dominated conversations about Afghanistan's political direction, human rights and gender equality, the perspectives of Afghan intellectuals themselves have largely gone unheard.

The IDRC-supported Afghan Research Initiative aims to address this gap. It coordinates university partnerships to support more at-risk scholars and activists in exile. The initiative has supported Afghan scholars to carry out studies, research and advocacy work on a range of issues, such as the provision of humanitarian aid, the impact of university closures and the rights of disabled people in Afghanistan.

The program creates a model for preserving vital knowledge and nurturing future democratic leaders during political crises. Canada's leadership in protecting these crucial voices is increasingly important for building a more stable, democratic future.

### **Strengthening community land rights and women's ownership in Sierra Leone**

In Sierra Leone, large-scale land investments are promoted as a pathway for economic growth. But they often disadvantage rural communities — especially women — who depend on land for their livelihoods.

With IDRC support, the NGO Namati has conducted research since 2017 to strengthen land rights, ensure women's participation in decision-making and influence national land reforms. The project tested approaches to scaling community land-protection efforts using community paralegals and grassroots legal education to establish transparent land governance structures.

The research, reflecting Canada's commitment to advancing human rights and inclusive governance, examined how land registration processes can protect women's rights and how to ensure women have an equal say in land decisions. For example, the research project established village area land committees charged with enforcing rules set by the community, with a requirement that at least 30% of committee members be women. Village area land committees was one of the mechanisms piloted in the project that were subsequently included in Sierra Leone's 2022 Customary Land Rights Act — the first to legally protect community land ownership and enshrine gender equality in land governance.

## **CONCLUSION**

### **A practical vision for Canada's global investments**

The shifting global landscape demands a renewed focus on measurable outcomes based on stronger institutions, evidence-based policies and empowered communities worldwide. IDRC's contributions influencing public policy, building economic resilience and advancing human rights are an asset to the world, and make it a smart, forward-looking investment in Canada's future.

As we enter the second half of IDRC's Strategy 2030, our vision of building a more inclusive and sustainable world remains as relevant as ever. The challenges that confront the world's ability to meet that ambition demand

science and evidence that is not only rigorous, but responsive to those most affected. By strengthening research capacity where it is needed most, IDRC will continue to turn insights into action, drive sustainable solutions and foster partnerships that amplify impact.

When tomorrow's challenges emerge, our research partners across the Global South will be equipped with the scientific, technical and problem-solving skills they need to tackle them. With this commitment, IDRC will help shape a future where knowledge drives equity, resilience and opportunity for generations to come.



## Management's discussion and analysis

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## Core business

As a Crown corporation, and part of Canada's global affairs and development efforts, IDRC invests in high-quality research and innovation that transform lives and livelihoods in low- and middle-income countries. Harnessing the power of our unique partnership network, the research we support creates practical solutions to real-world challenges and helps build more stable and prosperous societies.

IDRC's work is directed by the *International Development Research Centre Act (1970)*, which aims "to initiate, encourage, support and conduct research into the problems of the developing regions of the world and into the means for applying and adapting scientific, technical and other knowledge to the economic and social advancement of those regions."

In carrying out its mandate, the Centre:

- provides financial support to researchers in developing countries to address domestic development challenges and contribute to broader global solutions that benefit not only low- and middle-income countries but Canada and Canadians as well;
- facilitates the use and uptake of research, and encourages dialogue and learning between researchers, policymakers and private sector actors to improve economic development, advance health, education and food systems, and protect human rights;
- synthesizes and shares results from across its research investments to inform local, regional and global agendas, ensuring that research findings lead to tangible actions in policy, programs and communities;
- engages, convenes and collaborates with research organizations and funding partners throughout the innovation process, mobilizing global alliances for impact and extending the reach and influence of Canada's investments.

IDRC receives funding through a parliamentary appropriation from the Government of Canada to carry out its mandate. These funds, combined with donor contributions, enable the Centre to achieve its mission and objectives.

IDRC's activities are guided by Strategy 2030 — a bold and ambitious 10-year agenda that affirms the Centre's commitment to support more sustainable and inclusive societies in low- and middle-income countries.

Triennial reviews of the strategy, the second of which will take place in 2026-2027, provide opportunities to reflect on changes in the external environment, progress and challenges, and necessary adaptations with the goal of improving implementation.

## Partnerships

One of our strengths is rooted in our proven ability to mobilize alliances that multiply impact. Bringing to the table complementary expertise and a unique network of partners, IDRC contributes to major Canadian government initiatives and helps deliver on common objectives related to Canada's foreign affairs, trade and development priorities. The Centre works closely with Global Affairs Canada and regularly collaborates with other Government of Canada ministries and organizations, such as Canada's research granting councils.

IDRC's approach to partnering is focused on strategic collaboration with a wide variety of organizations, including government agencies, granting councils, the private sector and philanthropic foundations, in Canada and around the world. By mobilizing alliances, the Centre leverages and multiplies the financial resources available for building a future where communities in low- and middle-income countries are self-sufficient, healthy and prosperous. In doing so, we promote international stability and build trust and goodwill between Canada and the rest of the world.

**At 31 March 2025, IDRC had 36 active donor contribution agreements with 14 donors. The value of the donor contributions was \$640.6 million.**

## Programming

IDRC follows a robust process to select funding recipients. Proposals are assessed by experts based on scientific merit, development impact and risks. Complex projects often involve multiple grantee institutions, and each recipient institution must sign a grant agreement that provides the terms and conditions of funding. All grantee institutions are subject to a risk-assessment process that scrutinizes their administrative and financial capacity. The release of funds to grantees is based on progress toward research activities and validated through satisfactory technical and financial reports.

IDRC's Gender Equality and Inclusion Programming Framework (GEIPF) seeks to ensure gender equality and inclusion are promoted intentionally and systematically across the Centre's funded programming. The GEIPF, updated in 2025, continues to be operationalized through the consultative development and socialization of technical tools, knowledge-exchange platforms and capacity-strengthening resources.

Sharing results from across our research investments informs local, regional and global agendas and supports the application of research findings. Known as our knowledge-sharing functions, this work also strengthens the research capabilities of grant recipients. This

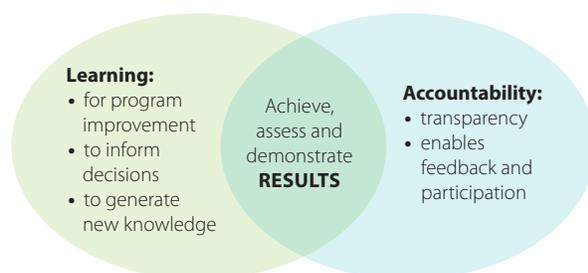
component of IDRC's work forms part of its value to recipients and distinguishes the Centre from other funders where direct funding may not be supported by a comprehensive capacity-building model.

Providing local support to enhance research capabilities is an essential element in strengthening partner relationships and ensuring effective results. As such, the employees in IDRC's five regional offices play an integral role in collaborating directly with research institutions in low- and middle-income countries to advance initiatives, enabling a close connection to issues and stakeholders at the local, national and regional levels.

## Monitoring and evaluation

IDRC uses monitoring, evaluation and learning (MEL) to assess and demonstrate results, learn how research contributes to development, inform decisions and meet accountability requirements. As a steward for research and innovation, IDRC believes the way research is evaluated is important for ensuring that it is a positive force for change in the world.

The Centre engaged in several key monitoring, evaluation and learning initiatives in 2024-2025. It updated its approach paper on evaluation, called *Evaluation at IDRC*, to clearly distinguish the different roles that evaluation plays at IDRC as well as the values and approaches the Centre fosters. External evaluation teams have been selected to conduct evaluations of all five programs at the mid-point of Strategy 2030. IDRC completed an evaluation of its Support to the Legal Empowerment Learning Agenda Initiative and six program evaluations were initiated with support from the MEL team. In addition, seven MEL capacity-strengthening initiatives were carried out for IDRC employees. A Massive Open Online Course on IDRC's work on scaling impact was developed during 2023-2024 and will be finalized and launched on the SDG Academy platform in 2025.



# Corporate governance

## The Board of Governors

The Board of Governors is responsible for the stewardship of the Centre: it provides strategic guidance to management and oversees the activities of the Centre. The board acts and conducts its business in accordance with the *IDRC Act*, the *IDRC General By-Law* and within a governance framework based on other applicable legal rules, policies and governance best practices. The Charter of the Board of Governors details the roles, responsibilities, authorities and governance practices of the board and its committees.

The Board of Governors carries out its responsibilities in accordance with the highest standards of ethics, integrity, transparency and professionalism. The standards of conduct for governors in carrying out their responsibilities and the exercise of their function are defined in the *IDRC Board Code of Conduct*, which members acknowledge on an annual basis. In accordance with the *IDRC Board Conflict of Interest Guidelines*, governors must declare any potential conflict of interest at the beginning of each meeting. Governors, like all employees at IDRC, are also expected to adhere to the values and behaviours outlined in the Government of Canada's Values and Ethics Code for the Public Sector in all activities related to their professional duties.

## Membership

The composition of the Board of Governors is defined within the *IDRC Act*, which allows for a balance between Canadian and international representation on the board. While a majority of the members must be Canadian, the board's international representation is important to the Centre. It enables the board to have a viewpoint on the issues and needs of people and communities in low- and middle-income countries, thereby supporting the continued relevance of the Centre's programs to the developing world.

The chairperson and the president are appointed by the Governor in Council to hold office for terms of up to five years. All other governors are appointed for terms of up to four years. Governors are appointed by the Governor in Council following an open, transparent and merit-based selection process.

## IDRC's Board of Governors

(as at 31 March 2025)

DOROTHY NYAMBI  
Chairperson, Ancaster, Ontario

NURJEHAN MAWANI  
Vice-Chairperson, Vancouver, British Columbia

JULIE DELAHANTY  
President, Ottawa, Ontario

AKWASI AIDOO  
Gastonia, North Carolina, USA

ALEX AWITI  
Nairobi, Kenya

PURNIMA MANE  
San Mateo, California, USA

BESSMA MOMANI  
Kitchener, Ontario

GILLES RIVARD  
Mont-Tremblant, Québec

HILARY ROSE  
Sherwood Park, Alberta

STEPHEN TOOPE  
Toronto, Ontario

## Function of the board

The board held three meetings in 2024-2025.

The board functions through standing committees. Each committee has its own terms of reference and serves to address issues that require specific expertise. This structure allows for detailed advice to be provided to the entire board on decision points concerning respective committees' areas of competence.

## IDRC has four board committees

(as at 31 March 2025)

The **Executive Committee** (convened four times in 2024-2025) ensures that the business of the board is carried out between meetings as necessary. It is also responsible to ensure that the board has a sound approach to corporate governance and is functioning effectively.

The **Finance and Audit Committee** (convened five times in 2024-2025) provides oversight responsibilities with respect to financial management and reporting, internal audits, risk management and internal controls, the annual audit of the financial statements conducted by the Office of the Auditor General, and standards for integrity and behaviour.

The **Strategy, Program Performance and Learning Committee** (convened four times in 2024-2025) supports the board in fulfilling its oversight and foresight responsibilities with respect to strategic and annual planning and performance monitoring.

The **Human Resources Committee** (convened three times in 2024-2025) supports the board in fulfilling responsibilities with respect to the application of sound human resource policies and practices that support the Centre's mission and mandate.

## Compensation

Compensation for governors is set according to the Government of Canada *Remuneration Guidelines for Part-time Governor in Council Appointees in Crown Corporations* as follows:

- per diem range for board chairperson and governors is \$360-\$420
- annual retainer range for committee chairpersons is \$4,600-\$5,400
- annual retainer range for the chairperson is \$9,200-\$10,800

## Centre executives (as at 31 March 2025)

JULIE DELAHANTY  
President

MAGGIE GORMAN VELEZ  
Vice-President, Strategy, Regions and Policy

SANTIAGO ALBA CORRAL  
Vice-President, Programs and Partnerships

GENEVIÈVE LEGUERRIER  
Vice-President, Resources, and Chief Financial Officer

## Board secretary (as at 31 March 2025)

SANDEEP PRASAD, Corporate Secretary

## Regional directors (as at 31 March 2025)

KAPIL KAPOOR  
Asia Regional Office

MARIE-GLORIOSE INGABIRE  
Central and West Africa Regional Office

FEDERICO BURONE  
Latin America and Caribbean Regional Office

WESSAM EL BEIH  
Middle East and North Africa Regional Office

KATHRYN TOURE  
Eastern and Southern Africa Regional Office

## Transparency and accountability

IDRC is accountable to Parliament and all Canadians for its use of public resources. The Centre provides information on its program impacts and details on compliance with key legislative requirements on its website, in reports to Parliament and through an open forum for discussion on its operations at its Annual Public Meeting.

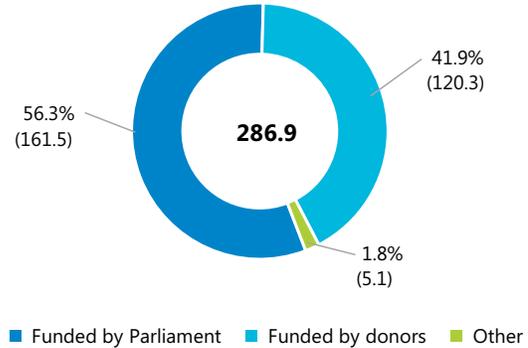
The Centre publishes the travel and hospitality expenses of its senior executives and governors in accordance with the *Access to Information Act* and submits annual reports to the Minister of Public Safety on its compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*. These reports and additional financial and corporate reporting, which are done to ensure compliance with federal requirements for Crown corporations, are available online at <https://idrc-crdi.ca/en>.

As a research organization, IDRC publishes the products and results of our funded research in line with our open access policy. This approach is based on the belief that full social and economic benefits of research in support of development should be available to everyone who could use it — and build on it — to improve people’s lives. IDRC’s open access policy is consistent with the broader movement toward open access, supported by research funders and governments, including the Government of Canada, as a way to increase transparency, accountability and efficiency.

## Financial resources

The Centre derives the majority of its revenue from a parliamentary appropriation and donor contributions. The parliamentary appropriation is the main source of revenue and allows the Centre to carry out its mandate. It includes a recurring portion and a non-recurring portion that fluctuates as parliamentary transfers are agreed with other federal government organizations. The total amount of the parliamentary appropriation recognized for 2024–2025 was \$161.5 million, which represents 56.3% of IDRC’s revenues. IDRC enters into co-funding agreements with donors who provide funding for the purpose of collaborating on projects and programs of common interest and that fall within the Centre’s mandate. This source of funding is categorized as donor contributions and represents 41.9% of IDRC’s revenues.

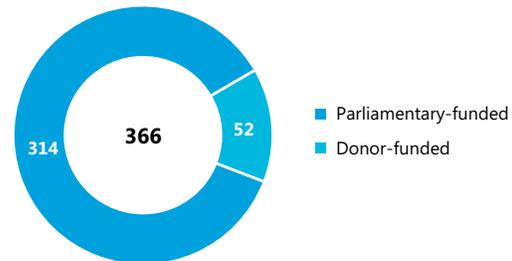
2024–2025 Revenue by source (\$ millions)



Contributions arising from co-funding agreements are accounted for as donor contribution revenues. In 2024–2025, the value of signed multi-year co-funding agreements was \$94.0 million.

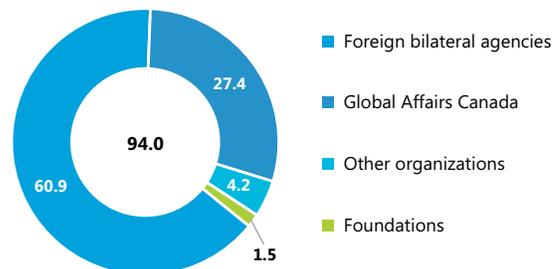
As part of the co-funding agreements, IDRC recruits experts in specific research areas to work on co-funded projects and programs. As such, a portion of IDRC’s workforce is funded via funds received from donors. During 2024–2025, a total of 52 positions were funded by donors.

IDRC’s workforce by funding source

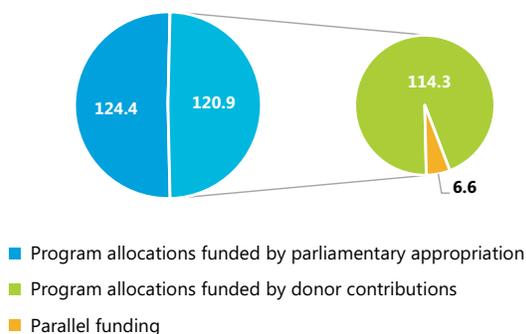


The Centre further leverages donor funds by combining these with those of other partners that provide funds directly to recipients, thereby increasing the total funding available for these projects (referred to as parallel funding). In 2024–2025, \$6.6 million of parallel funding was generated, bringing total external contributions to IDRC-funded projects to \$120.9 million.

2024–2025 Co-funding agreements by donor type (\$ millions)



## 2024–2025 Total contributions to IDRC-funded projects



### Financial accountability and sound financial management

IDRC's financial management framework is robust, which ensures appropriate allocation and management of funds entrusted to IDRC. From the preparation of a rigorous budget to regular monitoring and analysis of financial results and continuous forecasting, the framework ensures that financial resources are used for their intended purpose and contribute to achieving the Centre's mission and vision.

Management monitors key financial indicators and variables that impact the level of resources available for research in future years, including outstanding commitments, expenditure patterns on new projects and the level of administrative expenses. Tracking these indicators ensures that financial management and planning is exercised with the utmost prudence and diligence regarding public funds while achieving IDRC's goal of being a fit-for-purpose organization.

## Sustainable and inclusive organization

As part of Strategy 2030, IDRC made a strong commitment to being a sustainable and inclusive organization.

### A focus on the environment

With this commitment, IDRC is working to reduce the greenhouse gas emissions associated with its operations, with the goal of achieving net-zero emissions by 2050. Several initiatives have been implemented, such as sustainable aviation fuel partnerships with airlines, and others are in development, such as a sustainable travel policy. See the Climate-related financial risk disclosures section on page 32 for more details.

## Focus on people and talent

IDRC's success relies on employing a workforce that is committed, innovative and engaged. The Centre actively nurtures a healthy and effective workplace that provides employees with opportunities to build the expertise, skills and capacities they need to excel. The work carried out by IDRC employees is guided by meaningful culture and values statements.

### Excerpt from IDRC's Culture Statement:

*IDRC's diverse talent is the key to its success.*

*We strive to achieve a more sustainable and inclusive world respecting all individuals and being intentional in our actions and accountable in our work and in our relationships.*

### Excerpt from IDRC's Values Statements:

*At IDRC we are respectful, intentional and accountable.*

- *We treat all individuals with **respect**.*
- *We are **intentional** in our work to make a difference around the world.*
- *We undertake to be **accountable** in our work and in our relationships.*

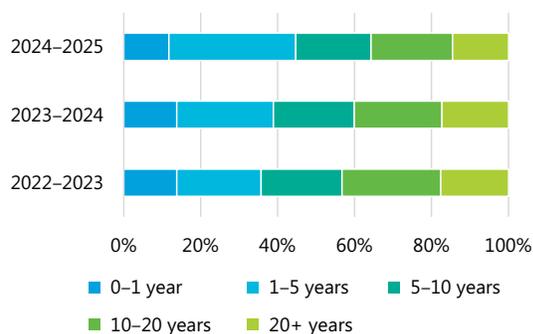
IDRC champions professional growth and wellbeing among its employees by creating an environment that makes everyone feel valued. Wellness programs with access to mental health resources and confidential support services are offered, while staff are encouraged to pursue learning and development opportunities — such as leadership programs, conferences, language training and mentorship — to enable each individual to grow. A temporary Mental Health Committee, composed of representatives from across the Centre, was set up to provide recommendations to management for improving IDRC's approach to employee wellbeing. IDRC strives to have a diverse workforce with representation from varied cultural and ethnic backgrounds.

### Workforce diversity:

- 68% women
- 33% members of visible minorities
- 0% Indigenous Peoples
- 18% persons with disabilities

(as at 31 December 2024; as per reporting to the Labour Program of Employment and Social Development Canada, only Ottawa-hired staff positions are included.)

### Years of service

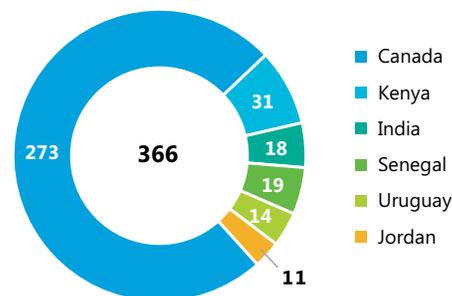


Efforts undertaken to enhance our processes and practices aimed at fostering a diverse and inclusive workplace include the organization of unconscious bias training for staff and the introduction of diverse hiring panels. The Centre's first-ever Accessibility Plan, published in 2022, outlines a set of initiatives to improve accessibility and enhance the experiences of all stakeholders and employees, including people with disabilities. Plan measures implemented thus far include the provision of accessibility training for all staff, the completion of a comprehensive accessibility audit of our website, and office enhancements such as barrier-free washrooms, wide walkways and sliding doors to improve mobility. IDRC will continue efforts to increase representation of all underrepresented groups within our staffing community, as well as investing in efforts to ensure that all employees feel welcomed, supported and provided with the support needed to thrive in the workplace.

In 2024-2025, IDRC deepened its commitment to Indigenous reconciliation through a series of strategic actions. A key milestone was the establishment of the Indigenous Action Working Group to guide the development of inclusive institutional policies and practices. Its aim is to strengthen support for Indigenous-led research and foster respectful, mutually beneficial relationships with Indigenous Peoples, researchers and organizations. This work builds on a portfolio of programming that supports Indigenous knowledge systems worldwide. A refreshed employee Code of Conduct was launched in 2024. The Code of Conduct is an essential component of the Centre's corporate

governance practices and contributes to maintaining the public trust in IDRC. All IDRC's employees reaffirmed their commitment to the Code of Conduct as part of the exercise conducted yearly.

### IDRC's workforce by location



IDRC is committed to upholding high ethical standards in its policies, programs and daily activities, with zero tolerance for inaction against sexual exploitation, abuse and harassment. The Preventing and Responding to Sexual Exploitation Abuse and Harassment Policy is central to these efforts, aiming to protect vulnerable individuals, prevent abuses of power and ensure accountability. To support this commitment, IDRC has launched a platform and hotline for confidential reporting of unethical conduct related to its mandate and activities.

### Risk management

The Centre is committed to implementing a continuous, proactive and systematic approach to risk management. The ultimate purpose of IDRC's risk management is the protection of IDRC's assets and successful mandate delivery.

IDRC's risk-management processes and practices are based on guidelines published by two international bodies that foster sound and prudent risk-management practices: the International Organization for Standardization (ISO 31000:2018) and the Committee of Sponsoring Organizations (COSO 2017). IDRC's risk-management processes and practices are also aligned with the Treasury Board of Canada's Framework for the Management of Risk. The guidance provided by these entities has been customized to the Centre's needs and context.

IDRC's mandate, international network and the complex environments in which the Centre operates expose it to a wide range of risks. IDRC applies various controls and strategies to adequately manage risk and, in addition to the annual audit conducted by the Office of the Auditor General, uses the Institute of Internal Auditors' three-line model for its internal control framework.

- **First line role: Management** leads and directs actions and application of resources to achieve objectives, ensures compliance with legal, regulatory and ethical expectations, and establishes and maintains appropriate structures, internal controls and processes for the effective management of operations and risk on a day-to-day basis.
- **Second line role: Risk management** provides leading expertise, complementary support, monitoring and a challenge function related to the management of risk through the analysis of the adequacy and effectiveness of risk management and the continuous improvement of risk-management practices at a process, systems and entity level.
- **Third line role: Internal audit** maintains primary accountability to the Board of Governors and independence from the responsibilities of management and communicates objective assurance and advice to management on the adequacy and effectiveness of governance, risk management and controls to support the achievement of organizational objectives and to promote continuous improvement.

IDRC evaluates and monitors various types of risks related to diverse areas of the Centre’s business activity (i.e., financial, reputational, programmatic). The formal and structured risk assessment at the corporate level ensures that the total portfolio of IDRC’s risks is considered. To ensure effective management of risks, IDRC’s risk-management principles, practices and accountabilities are integrated at all levels and across the Centre. They are designed to identify opportunities that may enhance, as well as threats that may hinder, the achievement of established objectives, and to manage both within acceptable risk levels.

In March 2025, the Board of Governors reviewed key corporate risks, namely reputation, funding, cybersecurity and wellbeing, that were identified through a comprehensive Centre-wide assessment process. Appropriate controls and strategies to mitigate those risks will be implemented throughout the year. The evolution of IDRC’s risk exposure is continuously monitored and risks with an increasing trend are escalated for additional review and action as required.

### Internal audit

Internal audit is a key element within IDRC’s accountability structure. It strengthens IDRC’s ability to create, protect and sustain value by providing the Board of Governors and management with risk-based, independent and objective assurance, advice, insight and foresight. It also improves the effectiveness of risk management, control and governance processes, which supports management’s efforts in the achievement of IDRC’s mission and strategic objectives, enhances

decision-making and oversight and strengthens overall reputation and credibility with stakeholders. To provide for the independence of the internal audit function, the chief audit executive reports functionally to the Finance and Audit Committee of the Board of Governors and administratively to the president. The purpose, authority and independence, responsibilities, scope of work and professional standards for internal audit are defined in the board-approved Internal Audit Charter, published on IDRC’s website.

## Results and outlook

### Performance indicators

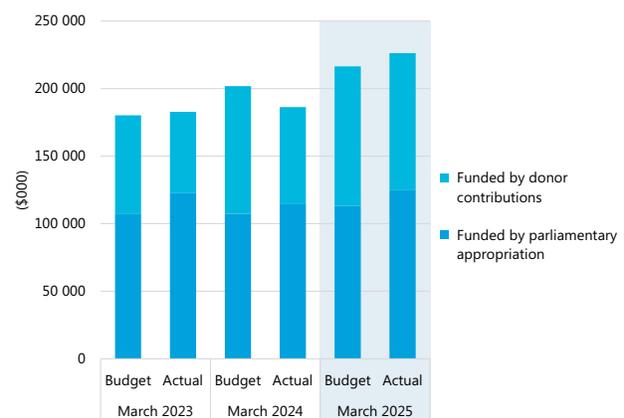
Performance indicators allow the Centre to monitor its performance and identify areas where corrective measures must be taken. IDRC uses performance indicators to ensure the Centre is on track to meet its budget and the organizational objectives as outlined in Strategy 2030.



### Research project expenses compared to budget

Research project expenses are carefully monitored, given they represent IDRC’s largest expense and are the primary means by which IDRC fulfills its mandate. At 31 March 2025, the overall research project expenses amounted to \$226.2 million, or 104.5% of a budget of \$216.4 million. The research expenses funded by parliamentary appropriation are above budget mostly due to earlier-than-expected submission of satisfactory grant deliverables from recipients, which led to earlier disbursement in grant payments. This increase is partly offset by lower expenses in research expenses funded by donor contributions, resulting from a change in the classification of the Nature-based Climate Solutions in Aquaculture Food Systems in Asia-Pacific (AQUADAPT) partnership which is accounted for as funded by parliamentary appropriation rather than donor contributions (see Figure 1).

**FIGURE 1: RESEARCH PROJECT EXPENSES**



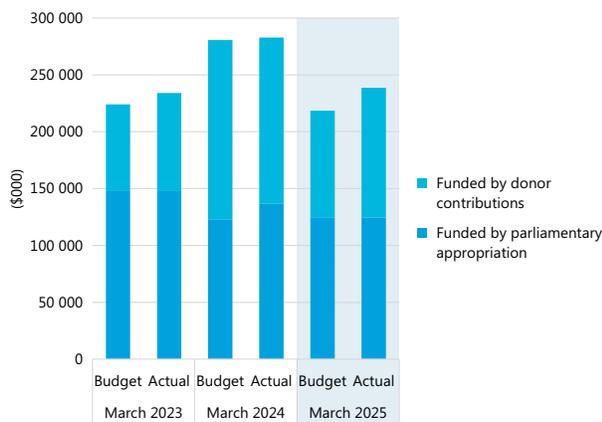


### Program allocations

Program allocations represent funds approved for new research projects with disbursements occurring over multiple years. As funds must be allocated before they can be committed and then expensed, program allocations represent a leading indicator for research project expenses, the Centre’s largest expenditure. Allocations can be funded by parliamentary appropriation alone or through a combination of parliamentary appropriation and donor contributions.

Allocations funded by parliamentary appropriation of \$124.4 million are consistent with the budget of \$124.3 million at 31 March 2025. Allocations funded by donor contributions of \$114.3 million are higher than the budget of \$94.2 million (see Figure 2). The variance is mostly related to the timing of allocations in the Advancing Research for Climate and Health (ARCH) initiative and the Artificial Intelligence for Development (AI4D) program.

**FIGURE 2: PROGRAM ALLOCATIONS**

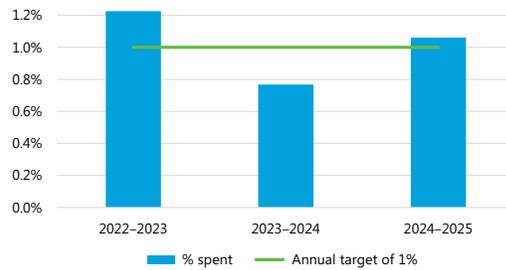


### Investment in learning and professional development

IDRC requires highly skilled employees to undertake the work required to deliver on its mandate. Therefore, it is important that the Centre continually invest in learning and development to ensure employees develop and maintain the skills required for IDRC to succeed in a rapidly changing world.

The Centre invested 1.1% of its payroll in employee learning and professional development during the year ended 31 March 2025, slightly higher than the target of 1.0%. This is a positive development since employee learning and professional development was below target during the 2023-2024 financial year. Management encourages employees to avail themselves of training opportunities given the need to keep up with rapid technological changes and build new skills to respond to changes in IDRC’s operating environment (see Figure 3).

**FIGURE 3: LEARNING AND PROFESSIONAL DEVELOPMENT**

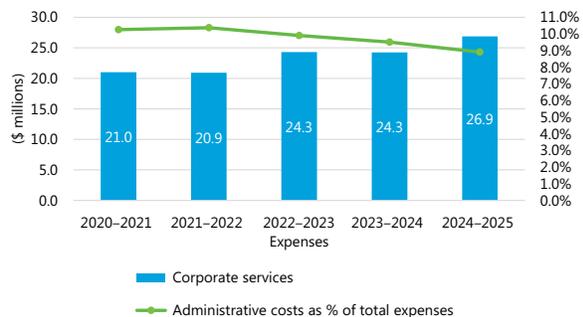


### Corporate and administrative expense ratio

IDRC continuously ensures that the majority of funds received goes towards directly fulfilling its mandate.

Consequently, IDRC monitors its corporate and administrative expense ratio (i.e., corporate and administrative expenses as a percentage of total expenses) to ensure it is operating efficiently and providing maximum value for its stakeholders. The actual corporate and administrative expenses increased in 2024–2025, mostly due to planned salary increases and higher technological costs, such as the regular laptop refresh (refer to Table 1 for more details on the variance). The percentage of corporate and administrative expenses for the year ending 31 March 2025 decreased to 8.9% (compared to 9.5% for the year ending 31 March 2024) due to higher overall expenses (primarily research project expenses) for the year ended 31 March 2025, compared to previous years. IDRC’s corporate and administrative expenses are within the desired target range of 8% to 11% (see Figure 4).

**FIGURE 4: CORPORATE AND ADMINISTRATIVE EXPENSES RATIO**



## Overall financial summary

The 2024-2025 financial year was a year of growth as research project expenses and related revenues from donor-funded projects were higher than in the previous financial year due to the life cycle of the second phase of two significant externally funded programs, namely, the Climate Adaptation and Resilience (CLARE) program and the Knowledge and Innovation Exchange (KIX) program. The research project expenses funded by parliamentary appropriation also increased given the level of research

program allocations for 2024-2025 and the prior financial years. These funds are used to invest in high-quality research in developing countries, thereby building a more sustainable and inclusive world.

**Expenses of \$301.8 million**  
(\$254.9 million in 2023–2024)

**Revenues of \$286.9 million**  
(\$254.8 million in 2023–2024)

**TABLE 1: SUMMARY OF EXPENSES AND REVENUES**

(\$000)	2024–2025	2023–2024	\$ change <sup>a</sup>	% change <sup>a</sup>
<b>Development research programming</b>				
Research projects funded by parliamentary appropriation	124 785	114 368	10 417	9.1% <sup>1</sup>
Research projects funded by donor contributions	101 401	71 858	29 543	41.1% <sup>2</sup>
Enhancing research capabilities	48 767	44 395	4 372	9.8% <sup>3</sup>
	<b>274 953</b>	<b>230 621</b>	<b>44 332</b>	<b>19.2%</b>
<b>Corporate and administrative services</b>	<b>26 892</b>	<b>24 254</b>	<b>2 638</b>	<b>10.9%</b> <sup>4</sup>
<b>Total expenses</b>	<b>301 845</b>	<b>254 875</b>	<b>46 970</b>	<b>18.4%</b>
<b>Total revenues</b>	<b>286 931</b>	<b>254 758</b>	<b>32 173</b>	<b>12.6%</b> <sup>5</sup>
<b>Net results of operations</b>	<b>(14 914)</b>	<b>( 117)</b>	<b>(14 797)</b>	<b>12 663.7%</b>

<sup>a</sup> \$ and % change actual in 2024–2025 over 2023–2024.

The net result of operations does not consist of an operating deficit but is rather a reflection of the inherent variability associated with research project milestones. The net result of operations was partially offset by the funds set aside in reserved equity, which were used for their intended purpose, i.e., to absorb fluctuations in the disbursement of outstanding research program commitments.

### Variations

<sup>1</sup> Research projects funded by parliamentary appropriation	Year-over-year increase of \$10.4 million is due to higher expenses in both the Catalytic Fund, as well as the IDRC portion of several large, multi-year programs such as the Innovative Veterinary Solutions for Antimicrobial Resistance (InnoVet-AMR) initiative, the AI4D program and phase II of the CLARE initiative. The Catalytic Fund enables IDRC to respond rapidly to strategic opportunities and explore emerging regional, thematic and cross-cutting research issues. The increase is partly offset by lower expenses for the Women RISE initiative, which is ramping down as it reaches its conclusion.
<sup>2</sup> Research projects funded by donor contribution	Year-over-year increase of \$29.5 million is mainly due to programming activities picking up in relation to large programs such as phase II of the CLARE initiative, the AI4D program and phase II of the InnoVet-AMR initiative.
<sup>3</sup> Enhancing research capabilities	Year-over-year increase is primarily due to salaries and benefits resulting from planned salary increases and more travel activities to support research projects, particularly within large co-funded research programs.
<sup>4</sup> Corporate and administrative services	Year-over-year increase due to salaries and benefits (primarily as a result of planned salary increases and lower vacancies), higher software expense costs (due primarily to inflationary increases and exchange rate fluctuations) and the head office regular laptop refresh. These are partly offset by reductions in professional services consistent with the Government of Canada's goal to reduce spending in this category.
<sup>5</sup> Total revenues	Year-over-year increase in revenues is mostly due to higher donor contributions. The increase is partly offset by lower parliamentary appropriation. Further rationale for these changes is provided in the Revenues section.

## Expenses

The Board of Governors approved the 2024–2025 budget prior to the start of the financial year. The results from this exercise are incorporated throughout the annual report’s Management’s discussion and analysis.

IDRC reports expenses under two principal headings: development research programming and corporate and administrative services. The direct costs of ongoing scientific and technical research projects that the Centre funded in **development research programming** are presented by source of funding (see Table 1). Most of these projects are carried out by independent institutions with the support of research grants. Projects also include research activities undertaken by individuals with the support of individual training grants, scholarships, fellowships, internships and individual research and research-related grants. Research project expenses fluctuate annually based on the project portfolio.

Research project payments are based upon the recipient’s progress on research activities and the submission of satisfactory grant deliverables. As such, research project payments may sometimes be delayed or occur sooner than originally planned.

Development research programming includes **enhancing research capabilities**, which is an important knowledge-sharing function that is central to IDRC’s business and overall corporate performance.

**Corporate and administrative services** provide a variety of functions that support the Centre’s overall operations and corporate responsibilities. These expenses include services such as information governance and digital solutions, human resources, finance and administration, legal, risk management and internal audit.

The table below presents actual expenses by category against budget for the 2024-2025 financial year and a year-over-year comparison of expenses.

**TABLE 2: YEAR-OVER-YEAR EXPENSES BY CATEGORY**

(\$000)	2024–2025				2023–2024 Actual	\$ change actual <sup>a</sup>	% change actual <sup>a</sup>	
	Actual	Budget	Variance	% variance				
Research projects	226 186	216 411	9 775	4.5 %	186 226	39 960	21.5 %	1
Salaries and benefits	54 148	52 859	1 289	2.4 %	50 307	3 841	7.6 %	2
Professional services	3 191	2 937	254	8.6 %	3 851	(660)	(17.1%)	3
Travel	3 220	4 690	(1 470)	(31.3%)	2 594	626	24.1 %	4
Accommodations	2 715	2 856	( 141)	(4.9%)	2 190	525	24.0 %	5
Software expenses	2 980	1 913	1 067	55.8 %	2 103	877	41.7 %	6
Depreciation of right-of-use assets	1 711	1 655	56	3.4 %	1 684	27	1.6 %	
Interest on lease liabilities	1 441	1 386	55	4.0 %	1 458	( 17)	(1.2%)	
Furniture, equipment and maintenance	1 445	780	665	85.3 %	906	539	59.5 %	7
Depreciation of property and equipment	1 088	714	374	52.4 %	775	313	40.4 %	8
Other	3 720	1 692	2 028	119.8%	2 781	939	33.7%	9
<b>Total expenses</b>	<b>301 845</b>	<b>287 893</b>	<b>13 952</b>	<b>4.8 %</b>	<b>254 875</b>	<b>46 970</b>	<b>18.4 %</b>	

<sup>a</sup> \$ and % change actual in 2024–2025 over 2023–2024.

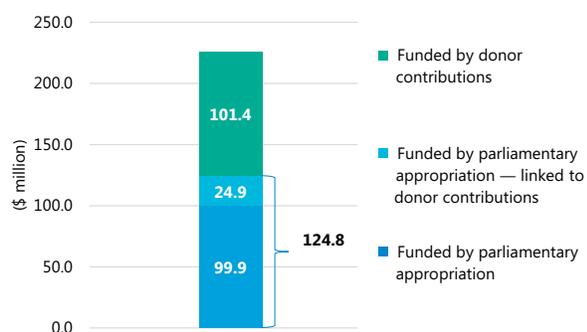
### Variations

1	Research projects	<p><b>Budget variance</b> as a result of increased research project expenses funded by parliamentary appropriation. Research project expenses in this category were higher than budgeted due to grant payments planned for 2025-2026 being issued earlier given receipt of acceptable project deliverables as well as project expenditure patterns being higher than originally planned.</p> <p><b>Year-over-year increase</b> is due to increases in both research expenses funded by parliamentary appropriation and research expenses funded by donor contributions. Refer to Table 1 above for more details.</p>
2	Salaries and benefits	<p><b>Budget variance</b> is mostly due to shorter staffing gaps than anticipated as well as greater use of temporary resources to support the operations of the Centre.</p> <p><b>Year-over-year increase</b> is mostly due to planned salary increases and fewer vacant positions.</p>
3	Professional services	<p><b>Budget variance</b> mostly related to greater consulting services to support the advancement of key initiatives related to digital solutions and information governance as well as legal advice on operational matters.</p> <p><b>Year-over-year decrease</b> is consistent with the Government of Canada’s goal to reduce spending in this category.</p>
4	Travel	<p><b>Budget variance</b> due to a lesser need to travel than originally planned at the time of budgeting, which is influenced by the Government of Canada’s goal to reduce spending in this category and the Centre’s commitment to reduce its carbon footprint.</p> <p><b>Year-over-year increase</b> due to an increase in face-to-face meetings linked with increased research project activities and their associated complexity, as well as the Board of Governor’s field visit to Latin America to meet with research partners and stakeholders.</p>

5	Accommodations	<b>Budget variance</b> is due to utility payments, maintenance and property taxes for office premises being lower than anticipated at the time of budget preparation. <b>Year-over-year increase</b> is primarily due to new lease agreements in the regional offices in India, Uruguay and Jordan signed during the 2023-2024 financial year.
6	Software expenses	<b>Year-over-year and budget variance</b> are due to higher costs in maintenance, user fees, licence costs, annual subscription fees and support including Software as a Service; these are primarily due to inflationary increases and exchange rate fluctuations.
7	Furniture, equipment and maintenance	<b>Year-over-year and budget variance</b> are mostly due to the 2024–2025 head office and regional office laptop refresh.
8	Depreciation of property and equipment	<b>Year-over-year increase</b> is due to amortization of leasehold improvements that were made during the 2023–2024 financial year at the regional offices in India, Uruguay, Jordan and Senegal.
9	Other	<b>Year-over-year and budget variance</b> are mostly due to foreign exchange losses.

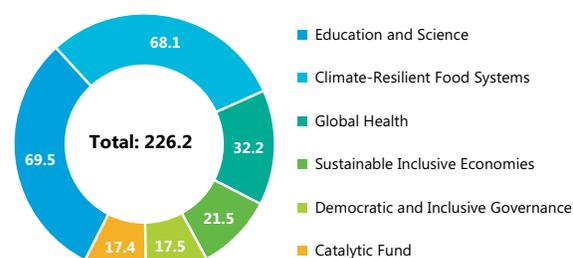
The Centre often combines donor funds (pursuant to a co-funding agreement) with parliamentary funds to amplify funding arrangements with donors. In 2024-2025, IDRC contributed \$24.9 million of its internal funds towards agreements linked to donor contributions. This represents 24.9% of the total Parliament-funded research project expenses (see Figure 5).

**FIGURE 5: DEVELOPMENT RESEARCH PROJECT EXPENSES IN 2024–2025**



IDRC divides its research project expenses by program based upon needs at the time that funding is allocated. In 2024-2025, the Centre’s largest expenses were in the Education and Science program, followed by the Climate-Resilient Food Systems program (see Figure 6).

**FIGURE 6: DEVELOPMENT RESEARCH PROJECT EXPENSES IN 2024–2025 BY PROGRAM**  
(\$ MILLIONS)



## Revenues

IDRC’s revenues include a parliamentary appropriation, donor contributions and revenues from other sources.

The parliamentary appropriation funding is part of Canada’s international assistance envelope and allocated to the Centre to support the delivery of its mandate. IDRC also receives donor contributions to research programs or specific projects, which are recognized as donor contribution revenue over the life of the co-funding

agreement when the related expenses are incurred. Consequently, while projects funded by donor contributions significantly contribute to advancing the Centre’s mandate, their impact on net results and year-end equity is limited.

The table below presents actual revenues against budget for the 2024-2025 financial year, and a year-over-year comparison of revenues.

**TABLE 3: REVENUES**

(\$000)	2024–2025				2023–2024	\$ change	% change
	Actual	Budget	Variance	% variance	Actual	actual <sup>a</sup>	actual <sup>a</sup>
Parliamentary appropriation – recurring	153 446	153 446	-	-	154 866	(1 420)	(0.9%) ①
Parliamentary appropriation – non-recurring	8 024	4 427	3 597	81.3%	11 374	(3 350)	(29.5%) ②
Total parliamentary appropriation	161 470	157 873	3 597	2.3%	166 240	(4 770)	(2.9%)
Donor contributions	120 335	122 642	(2 307)	(1.9%)	86 413	33 922	39.3% ③
Investment and other income	5 126	981	4 145	422.7%	2 105	3 021	143.5% ④
<b>Total revenues</b>	<b>286 931</b>	<b>281 496</b>	<b>5 435</b>	<b>1.9 %</b>	<b>254 758</b>	<b>32 173</b>	<b>12.6 %</b>

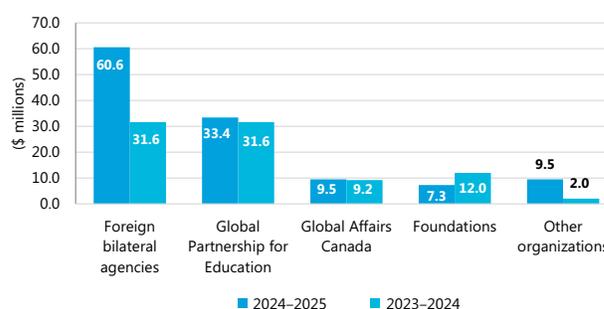
<sup>a</sup> \$ and % change actual in 2024–2025 over 2023–2024.

**Variations**

- ① **Parliamentary appropriation – recurring**  
**Year-over-year decrease** reflects the reduction announced by the Government of Canada relating to the Refocusing Government Spending initiative.
- ② **Parliamentary appropriation – non-recurring**  
**Budget variance** is due to \$3.7 million relating to a transfer from Global Affairs Canada for AQUADAPT in support of Canada’s climate finance targets, and a \$1.0 million transfer from the Canadian Institutes of Health Research (CIHR) to support sexual and reproductive health and rights research in sub-Saharan Africa. These are partly offset by lower revenue recognition of \$1.1 million relating to transfers from CIHR and the Social Sciences and Humanities Research Council to support women’s health and economic wellbeing for a post-COVID-19 recovery.  
**Year-over-year decrease** of \$3.4 million is mostly due to the lower revenue recognition relating to transfers to support women’s health and economic wellbeing for a post-COVID-19 recovery and a one-time adjustment of \$1.7 million relating to the funding for compensation adjustments that occurred in 2023–2024. These decreases are partially offset by the transfer to support sexual and reproductive health and rights research in sub-Saharan Africa, and the revenue recognition relating to a transfer to support a vaccine clinical trial against the Sudan Ebola virus. The balance is from annual non-recurring transfers from other government organizations.
- ③ **Donor contributions**  
**Budget variance** is mostly related to change in the classification of the AQUADAPT partnership, which is accounted for as a parliamentary transfer rather than a donor contribution as originally budgeted. This variance was partly offset by expenses relating to the Advancing Research for Climate and Health initiative signed late in 2023–2024. Donor contributions are received in advance and recognized as revenue when the related project expenses are incurred. The fact that payments did not occur as per the projected timing, especially in large and complex multi-year programs, reflects the inherent unpredictability related to the conduct of research activities.  
**Year-over-year increase** is mostly due to the project cycles of phase II of the CLARE program, the AI4D program and the second phase of Innovet-AMR. Donor contribution revenues fluctuate year-over-year based on the project portfolio. These fluctuations are linked to the phase in the life cycle of the programs.
- ④ **Investment and other income**  
**Budget variance** is due primarily to foreign exchange gains and investment income exceeding budget.

IDRC partners with external donors to undertake high-value research projects that allow it to further its mandate. These partnerships are amplified by combining donor funds with IDRC’s own internal funds, resulting in projects that deliver a greater impact. IDRC’s funders include bilateral aid organizations, philanthropic foundations, emerging development research funders in the Global South and private-sector actors. IDRC’s largest donors in 2024–2025 were foreign bilateral agencies and the Global Partnership for Education (see Figure 7).

**FIGURE 7: REVENUES FROM DONOR CONTRIBUTIONS<sup>a</sup>**



<sup>a</sup> Expended on development research programming and administrative costs.

## Financial position

The majority of the Centre's assets consists of cash and investments derived from the cycle of funding received from donor contributions. Liabilities contain a large

portion of deferred revenue, which represents donor funds received but not yet recognized as revenue.

**TABLE 4: ASSETS**

(\$000)	March 2025	March 2024	\$ change	% change
Cash and cash equivalents	32 048	38 594	(6 546)	(17.0%)
Investments	52 968	55 823	(2 854)	(5.1%)
Accounts receivable and prepaid expenses	4 326	9 202	(4 876)	(53.0%)
Right-of-use assets	24 209	25 551	(1 342)	(5.3%)
Property, equipment and intangible assets	8 110	7 574	535	7.1 %
	<b>121 661</b>	<b>136 744</b>	<b>(15 083)</b>	<b>(11.0%)</b>

Total **assets** decreased by 11% to \$121.7 million (from \$136.7 million as at 31 March 2024). Cash balances decreased primarily due to an increase in expenses. The decrease in accounts receivable and prepaid expenses is mostly the result of a donor contribution and one investment, both receivable as at 31 March 2024. The Centre invests excess

liquidities not required in the short-term to earn higher interest earnings than can be generated in bank accounts. The investments consist of bonds and guaranteed-investment certificates (refer to Note 3 of the financial statements).

**TABLE 5: LIABILITIES**

(\$000)	March 2025	March 2024	\$ change	% change
Deferred revenue	71 541	70 872	669	0.9 %
Accounts payable and accrued liabilities	20 748	20 660	88	0.4 %
Lease liabilities	26 061	26 913	( 852)	(3.2%)
Employee benefits	942	1 016	( 75)	(7.4%)
	<b>119 292</b>	<b>119 461</b>	<b>( 170)</b>	<b>(0.1%)</b>

Total **liabilities** decreased by 0.2% to \$119.3 million (from \$119.5 million as at 31 March 2024). This is primarily due to a lower balance of lease liabilities as lease payments reduce this carrying value. This decrease is partly offset by higher deferred revenue. The employee benefits amount shown in

Table 5 represents the non-current portion; the current portion is included within accrued liabilities.

IDRC's equity consists of four classes: restricted, reserved, unrestricted and net investments in capital assets. The equity amount in each class is established in accordance with the Centre's equity policy.

**TABLE 6: EQUITY**

(\$000)	2024–2025			2023–2024	\$ change actual <sup>a</sup>	% change actual <sup>a</sup>
	Actual	Budget	Variance	Actual		
Unrestricted	(7 010)	119	(7 129)	2 097	(9 107)	(129.9%)
Restricted	1 269	1 285	(16)	1 276	(7)	0.5 %
Net investments in capital assets	8 110	6 862	1 248	7 574	536	(6.6%)
Reserved	-	6 138	(6 138)	6 336	(6 336)	-
<b>Total equity</b>	<b>2 369</b>	<b>14 404</b>	<b>(12 035)</b>	<b>17 283</b>	<b>(14 914)</b>	<b>629.6 %</b>

<sup>a</sup> \$ and % change actual in 2024–2025 over 2023–2024.

The negative balance of \$7.0 million in **unrestricted** equity represents the residual balance of equity after the allotments to restricted and reserved equity. This balance reflects all variances from expenses and revenues. The negative balance at 31 March 2025 is due to the research project expenses exceeding the annual budget by \$9.8 million.

**Restricted** equity is stable at \$1.3 million and represents funds received as bequests and donations to be used to support young researchers through fellowships, scholarships or internships.

The \$8.1 million **net investments in capital assets** relate to the portion of the equity representing IDRC's net investments in capital assets. The balance increased by

\$0.5 million year-over-year as capital asset purchases exceeded amortization and depreciation, due to expenses for computer equipment and communications systems (see Table 7).

The **reserved equity** is intended to be used to absorb fluctuations in the disbursement of outstanding research program commitments, which are dependent on the performance of recipients, and to fund future purchases of property, equipment, intangibles and future initiatives. At 31 March 2025, the balance is nil as the reserve was used to absorb fluctuations in the disbursements of outstanding research project commitments. The reserved equity will be replenished during the first quarter of 2025-2026.

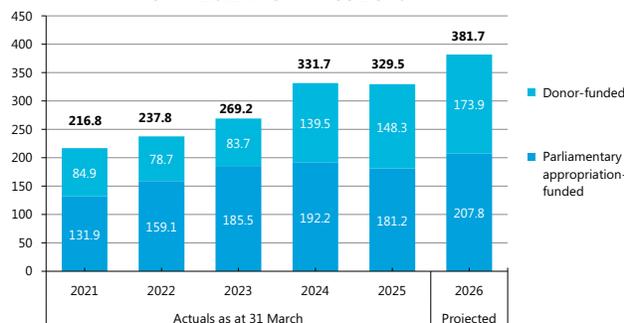
**TABLE 7: CAPITAL ASSETS**

(\$000)	Balance 1 April 2024	Net changes	Balance 31 March 2025
Leasehold improvements	5 010	( 188)	4 822
Computer equipment	186	339	525
Office furniture, equipment and vehicles	1 977	59	2 036
Communication systems	401	326	727
<b>Total property, equipment and intangible assets</b>	<b>7 574</b>	<b>536</b>	<b>8 110</b>

## Other key financial information

Figure 8 shows the value of outstanding commitments on research projects for five financial years, as well as the projected value for the 2025–2026 financial year.

**FIGURE 8: OUTSTANDING COMMITMENTS ON RESEARCH PROJECTS**



As at 31 March 2025, the Centre is committed to disbursing up to \$329.5 million for development research programming activities. It is anticipated that the funds will be disbursed over the next six years. The increase in 2025–2026 is attributable to previous year allocations, which is driven by upcoming milestones and will reduce as milestones are achieved and payments are released. These commitments are subject to funds provided by Parliament and by donors on co-funded agreements. They are also subject to the compliance of recipients with the terms and conditions of their grant agreements.

## Historical review and future outlook

IDRC conducts forward-looking financial planning using conservative assumptions for both revenues and expenses, while maintaining a focus on maximizing parliamentary-funded project funding. Management will continue to focus on handling operational expenses to meet organizational needs under Strategy 2030, while ensuring the efficient use of financial resources to create impact and add value. The 2025–2026 budget was prepared with a focus on establishing the necessary financial, human and technological resources required to advance in the achievement of the objectives set out in Strategy 2030, deliver the Centre’s programs as well as meet the deliverables of the corporate priorities and divisional workplans. The budget also reflects the adaptive changes to the organization structure that aim to enhance IDRC’s capacity to meet future challenges and achieve our existing priorities. They are designed in recognition of the need to support new ways of working that foster greater collaboration and coordination among all areas of the Centre and put increased emphasis on integrity and compliance.

The budget was prepared in the context of the Budget 2023 announcement about the Government of Canada’s initiative to bring government spending back to a pre-pandemic level;

2025–2026 is the second of three years covered by this initiative. These reductions, which represent approximately 3% of the Centre’s recurring parliamentary appropriation, will continue incrementally until 2026–2027. The Centre’s reduction targets will be applied to both research and operational expenses; reductions should be made against the baseline year of 2023–2024. The reduction in research expenses will impact the level of funds available for new research projects in future years (future program allocation budgets). The reductions in operational expenses will be mainly applied to travel and professional services, as these are the areas of expenses that the Government of Canada is hoping to reduce by the year 2026–2027. The Centre began making reductions in these areas in 2024–2025 as a first step to achieving this goal. The Centre is on track to reach the reduction target with the cumulative spending cuts compared to the baseline year of 2023–2024.

Table 8 provides a historical review of IDRC for the last five financial years for the expenses and revenues found on the Statement of Comprehensive Income, as well as information on program allocations and outstanding commitments. It also presents the financial outlook, providing an overview of the expenses, revenues, allocations and equity forecasts for the 2025–2026 financial year.

**TABLE 8: HISTORICAL REVIEW AND BUDGET OUTLOOK**

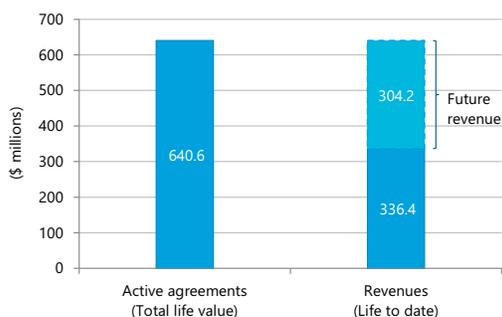
(\$000)	Budget			Actual		
	2025–2026	2024–2025	2023–2024	2022–2023	2021–2022	2020–2021
<b>Statement of comprehensive income</b>						
<b>Expenses</b>						
Development research programming						
Research projects funded by parliamentary appropriation	101 787	124 785	114 368	122 495	89 910	98 433
Research projects funded by donor contributions	111 783	101 401	71 858	60 315	56 158	47 095
Enhancing research capabilities	52 524	48 767	44 395	38 130	34 689	38 204 <sup>a</sup>
Development research programming	266 094	274 953	230 621	220 940	180 757	183 732
Corporate and administrative services	24 909	26 892	24 254	24 300	20 925	21 131 <sup>a</sup>
	291 003	301 845	254 875	245 240	201 682	204 862
<b>Revenues</b>						
Parliamentary appropriation — recurring	151 898	153 446	154 866	150 911	148 611	145 654
Parliamentary appropriation — non-recurring	7 541	8 024	11 374	7 380	-	-
Donor contributions	132 984	120 335	86 413	71 434	66 283	56 897
Investment and other income	755	5 126	2 105	2 159	1 267	567
	293 178	286 931	254 758	231 884	216 161	203 117
<b>Net results of operations</b>	2 175	(14 914)	( 117)	(13 356)	14 479	(1 745)
<b>Other financial information</b>						
<b>Financial ratio</b>						
Corporate and administrative expenses ratio	8.6%	8.9%	9.5%	9.9%	10.4%	10.3%
<b>Program allocations</b>						
Development research programming						
Funded by recurring parliamentary appropriation	110 600	124 438	137 053	147 858	129 951	100 386
Funded by donor contributions	67 512	114 319	145 844	86 267	36 721	66 992
<b>Outstanding commitments</b>						
Funded by parliamentary appropriation	207 824	181 227	192 176	185 450	159 060	131 899
Funded by donor contributions	173 933	148 284	139 481	83 677	78 706	84 917

<sup>a</sup> The amount was adjusted to reflect the 2021–2022 presentation.

The figure below shows the status of donor contributions as at 31 March 2025 and distinguishes revenue already recognized versus future revenue.

As at 31 March 2025, IDRC manages co-funding agreements valued at \$640.6 million. Of this amount, \$336.4 million has been recognized as revenue. This leaves a balance of \$304.2 million, which represents donor contribution revenue for the next three to six years. Signing new co-funding agreements in the future would replenish this revenue source.

**FIGURE 9: STATUS OF DONOR CONTRIBUTION AGREEMENTS (AS AT 31 MARCH 2025)**





# Climate-related financial risk disclosures

IDRC is committed to identifying, evaluating and managing climate-related risks and opportunities across its operations and initiatives. Recognizing that both the transition to a low-carbon economy and the increasing severity of climate threats could impact the sustainability of its work, the Centre is proactively addressing these risks and opportunities from both operational and strategic perspectives.

In 2023-2024, IDRC initiated its annual reporting on climate-related financial risks, aligning with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), established by the International Financial Stability Board in 2015. This reporting also aligns with the Government of Canada's directive requiring Crown corporations with less than \$1 billion in assets to adopt TCFD recommendations and begin reporting on climate-related financial risks for financial years starting in 2024.

### Forward-looking statements

The public communications in this section may contain forward-looking information. These statements may include, but are not limited to, discussions of strategies, plans or future initiatives. By nature, forward-looking statements are based on assumptions and are subject to significant risks and uncertainties. They should not be relied upon, as external events and general uncertainties may evolve. Actual results could differ significantly from those expressed in forward-looking statements due to various factors, including those outlined in this section.

### Assumptions and external factors

IDRC's progress toward its environmental, social and governance (ESG) goals, including reducing greenhouse gas (GHG) emissions and achieving net-zero emissions, depends on various assumptions and external influences. These factors include the transition to a low-carbon economy, data availability, technological advancements, risk-management practices, regulatory changes, economic conditions, climate-related impacts, environmental data collection, timely implementation of initiatives and compliance by third parties.

While these assumptions were considered reasonable at the time of reporting, they are not guarantees. Readers are advised to interpret them with caution, as various risk factors may result in actual outcomes differing from those outlined in this section.

IDRC's climate-related risk-management framework incorporates the following four core elements:



GOVERNANCE



RISK  
MANAGEMENT



STRATEGY



METRICS AND  
TARGETS

The following section outlines the steps that IDRC is taking to incorporate climate considerations across these four categories, identifying where climate is considered in existing frameworks as well as where additional measures have been established.

## Governance

IDRC's Board of Governors provides guidance on the organization's strategic direction. The board's Executive Committee is responsible for the governance of the Centre's ESG efforts, including its environmental pillar.

Within the executive leadership and management team, IDRC's president, who is also a member of the Board of Governors, is responsible for managing the Centre's ESG strategy. The vice-president, resources and chief financial officer, directs the ESG program, oversees the development of the ESG framework and presents ESG results to the Centre Management Committee, composed of IDRC's senior staff members.

On behalf of the Centre Management Committee, the president and the vice-president, resources and chief financial officer, provide regular updates to the board's Executive Committee regarding the direction and strategy pursued by the Centre to address climate-related risks and opportunities.

## Strategy

For over half a century, IDRC has championed and funded research and innovation to drive global change. The Centre's dedication to these goals was renewed with Strategy 2030, which identifies inequality and climate change as major barriers to achieving the Sustainable Development Goals (SDGs). It articulates a vision for how IDRC uses its deep-rooted experience and broad networks to foster global scientific collaboration and take decisive action to overcome barriers to sustainable development. Through Strategy 2030, IDRC is dedicated to driving innovation and promoting knowledge-sharing, establishing the Centre as a key player in advancing sustainable and inclusive growth globally. IDRC is proud to be a leader in funding climate-related research in low- and middle-income countries with like-minded partners who are also pursuing meaningful change.

## Risk management

At IDRC, strategic risk management means proactively engaging with key stakeholders, broadening the Centre’s research strategies to include more climate-related topics and adjusting its funding models to meet evolving priorities. IDRC is also dedicated to bolstering its operational capabilities and the wellbeing of its employees in response to climate challenges.

IDRC’s ESG program has initiated a focus on climate-related risks, with leaders and employees committed to a proactive, continuous and systematic approach to identifying, assessing and managing these risks. This was integrated into the Centre’s enterprise risk-management framework in 2024–2025.

As climate change challenges continue to grow both globally and locally, IDRC has identified key climate-related risks and opportunities that could significantly affect its operations and strategic goals. In accordance with the

TCFD framework, these are categorized into transition risks (which relate to the shift towards a lower-carbon economy) and physical risks (which involve the direct impacts of climate change, such as extreme weather events, rising sea levels and shifts in temperature and precipitation).

The Centre’s Board of Governors oversees the broader Enterprise Risk Management Framework, which assesses these risks as outlined in the risk-management section of this annual report.

IDRC’s strategy addresses the potential impact of these risks on its operations, research initiatives and funding mechanisms and outlines effective measures to mitigate the risks while capitalizing on emerging opportunities. Recognizing and evaluating these opportunities is crucial for IDRC as it continues to fund research that supports work in areas such as climate resilience and adaptation. The tables below provide a guide on how IDRC plans to navigate these complexities.

## CLIMATE-RELATED RISKS

TRANSITIONAL RISK	Description and potential impacts	Risk mitigation
<b>Operational risks</b> Organizational reputation	Failing to place sufficient organizational emphasis on managing climate-related issues to respond to stakeholders’ priorities could potentially impact organizational reputation and impede on the core objective of mobilizing alliances for impact.	Management prioritizes strategic exchanges with stakeholders from the Office of the Minister of Foreign Affairs, Office of the Secretary of State for International Development, Global Affairs Canada, parliamentarians and other key government stakeholders to build support and understand emerging budgetary dynamics.
<b>Research and programming risks</b> Research strategy	Research strategies need to position climate and related topics more broadly across all five program areas, as both the potential increase of physical climate impacts and prioritization of climate-related research among stakeholders could affect existing strategies.	IDRC management and the Board of Governors, through the Strategy, Program Performance and Learning Committee, review programming priorities for each program division to monitor climate-related impacts on ongoing and future research funded by IDRC and make the appropriate changes.
<b>Funding and partnerships</b> Research funding	Funding partners may further increase their prioritization of climate-related issues, and IDRC should seize these opportunities to expand partner funding and further advance on its core objective of mobilizing alliances for impact.	1) The Funding Partnerships Strategy is in place and outlines IDRC’s approach to engagement with existing and prospective funding partners in support of programming. 2) The Centre is standing up a new division that is focused on further leveraging alliances and funding partnerships.

PHYSICAL RISK	Description and potential impacts	Risk mitigation
<b>Operational risks</b> Employee wellbeing	IDRC employees from each region could face risks to their wellbeing from climate-related incidents, such as droughts, extreme heat, air pollution and other physical climate impacts. Such climate-related incidents could negatively affect employee health, thereby threatening IDRC's ability to maintain a healthy workplace.	<ol style="list-style-type: none"> <li>1) IDRC is following the health and safety legislation provided by the Government of Canada and local contexts for regional offices.</li> <li>2) Various forms of assistance are being offered to employees in support of wellbeing.</li> <li>3) IDRC's security plan provides for frequent assessment and training related to security risks specific to regions where employees are travelling, residing, or relocating. The plan also provides for ongoing third-party security monitoring for employees travelling or residing abroad.</li> </ol>
Operational capacity	Both physical and transition risks posed by climate-related issues may threaten IDRC's ability to fulfil its mandate through a range of impacts, such as increased costs, damage to physical infrastructure, or reduced capacity for required travel, which could threaten IDRC's core objective of investing in high-quality research and innovation in low- and middle-income countries.	IDRC monitors the environment to respond to these risks.
<b>Research and programming risks</b> Research delivery	Climate change could impact national academic infrastructure where researchers operate and reduce financial capacity due to costs of addressing severe national climate-related damages. In addition, risks resulting from climate-related incidents, such as increased spread of infectious diseases and climate-related conflicts, may impact research partners' capabilities to deliver on research objectives and threaten IDRC's core objective of investing in high-quality research and innovation in developing countries.	IDRC maintains strong financial management and accountability for the Centre's budget and contracting clauses that allow for flexibility should funding not materialize or change due to unforeseen circumstances.

## CLIMATE-RELATED OPPORTUNITIES

AREA OF OPPORTUNITY	Description and potential impacts
<b>Operations</b> Climate initiatives	Developing an operational-level strategy for climate initiatives could enable IDRC to enhance existing operational climate initiatives like the Air Canada Leave Less Program and introduce new initiatives such as the proposed guidelines to promote sustainable regional travel. The consolidation of these initiatives into a cohesive operational-level strategy would support the organizational objective of greening operations and allow IDRC to plan the development of initiatives, leverage synergies between them and track their effectiveness.
<b>Research and programming</b> Research scope	Increased global pressure associated with climate change provides an opportunity for IDRC to build on and expand its existing climate-oriented research and increase the impact of IDRC-supported research, thereby driving the core objective of sharing knowledge for greater uptake and use. This could include areas the TCFD identifies as climate opportunities, including climate resilience and adaptation, energy efficiency and alternative energy sources, and renewable energy.
<b>Funding and partnerships</b> Research partnerships	IDRC can build and advance partnerships with key strategic actors, such as the private sector, to access climate-specific funding opportunities to scale research, build skills and innovate for the public good, which will further support the organization's core objective of mobilizing alliances for impact.

## Metrics and targets

As an organization with a commitment to building a more sustainable and inclusive world, IDRC has a vested interest in reducing its GHG emissions. IDRC uses the widely accepted classification system based on Scopes 1, 2 and 3 to measure its GHG emissions, and the GHG inventory was developed based on the GHG Protocol. Scope 1 emissions are direct emissions from sources owned or controlled by an organization and a direct result of its activities. Scope 2 refers to indirect emissions associated with the purchase of energy (electricity, heating, cooling). These emissions occur at the facility where the energy is generated but are accounted for by the organization because they are the result of the organization's energy use. Scope 3 emissions are all indirect emissions that occur as a result of an organization's operations but are not within its direct control. They include both upstream and downstream emissions.

The Centre has maintained the same baseline year for Scopes 1 and 2 (2020-2021 financial year). In addition, to calculate Scope 2 emissions for the 2024-2025 period, the Centre has continued using the International Energy Agency (IEA) factors (<https://www.iea.org/data-and-statistics/data-product/emissions-factors-2024>), consistent with best practice.

For Scope 3 emissions, there were a few updates in the methodology based on best practices, but they did not incur any material changes when compared to the baseline calculations. For GHG emissions resulting from air travel, the previous methodology using the Haversine (curved line) method has been simplified by using straight line distances. For emissions related to hotel stays, the previous methodology used the Hotel Carbon Footprint Calculator website in cases where the country emission factors known as DEFRA (for the UK Government's Department for the Environment, Food and Rural Affairs) were unavailable. Our current methodology uses a DEFRA global average in cases where country emission factors are unavailable.

### SCOPE 1

This financial year, Scope 1 emissions for IDRC increased by 13%, primarily due to higher natural gas consumption at the head office. The increase is due to Ottawa experiencing a harsher winter during 2024-2025 compared to the 2020-2021 baseline year, since natural gas is used entirely to provide heating for IDRC's office space.

### SCOPE 2

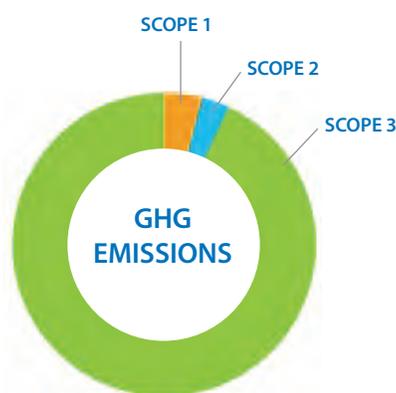
As in 2023-2024, IDRC maintained a reduction in Scope 2 emissions compared to the baseline, including a 52% decrease at the head office alone. IDRC continues to benefit from having moved its head office to a new, more efficient building and occupying a smaller office footprint.

### SCOPE 3

Scope 3 emissions remain the largest contributor to IDRC's carbon footprint and are a key focus for future reduction efforts. As an organization that depends on close collaboration with stakeholders in low- and middle-income countries, air travel is essential to delivering on the Centre's strategy. However, emissions related to employee travel continue to account for most of IDRC's emissions.

In 2023-2024, IDRC updated its methodology for a more precise calculation of Scope 3 category 6 business travel GHG emissions. Due to this newly adopted methodology, the baseline for Scope 3 GHG emissions is derived from 2023-2024 data.

Through continued commitment to reducing air travel emissions, the Centre has achieved a further 3% reduction in emissions by reducing travel and purchasing increased Sustainable Aviation Fuel (SAF) through multiple airlines.



Source	Site / Activity	GHG emissions 2020-2021 baseline (tCO <sub>2</sub> e)	GHG emissions 2023-2024 (tCO <sub>2</sub> e)	GHG Emissions 2024-2025 (tCO <sub>2</sub> e)	Change tCO <sub>2</sub> e from baseline	Change % from baseline
<b>SCOPE 1: DIRECT EMISSIONS</b>						
Natural gas consumption	Head office	83.3	83.6	95.1	11.8	14.1%
Emergency diesel generator	Regional offices	0.2	0.0	0.0	-0.2	-100%
Fuel consumption (vehicles)	Regional offices	1.4	1.4	1.0	-0.4	-27.6%
<b>Total Scope 1</b>		<b>84.9</b>	<b>85.0</b>	<b>96.1</b>	<b>11.2</b>	<b>13.2%</b>
<b>SCOPE 2: INDIRECT EMISSIONS</b>						
Electricity consumption	Head office	43.1	20.4	20.8	-22.3	-51.8%
	Regional offices	51.6	41.6	55.5	3.9	7.5%
<b>Total Scope 2</b>		<b>94.7</b>	<b>62.0</b>	<b>76.2</b>	<b>-18.5</b>	<b>-19.5%</b>

Source	Site / Activity	GHG emissions 2023-2024 baseline (tCO <sub>2</sub> e)	GHG Emissions 2024-2025 (tCO <sub>2</sub> e)	Change tCO <sub>2</sub> e from baseline	Change % from baseline
<b>SCOPE 3: INDIRECT EMISSIONS</b>					
Business travel (Category 6)	Train travel	0.02	0.02	0.00	-10.5%
	Bus travel	0.01	0.02	0.01	79.5%
	Air travel	1,948.40	1,885.4	-63.0	-3.2%
	Hotel stays	13.20	10.9	-2.3	-17.3%
<b>Total Scope 3</b>		<b>1,961.60</b>	<b>1,896.3</b>	<b>-65.3</b>	<b>-3.3%</b>

## Moving forward

IDRC is dedicated to addressing climate change and its effects while remaining resilient and adaptable in supporting high-quality research and innovation in developing regions. The Centre takes a leading role in incorporating climate considerations into development research, aiming to make a meaningful impact on global sustainability goals.

As IDRC advances its mission, it continues to assess and respond to climate-related risks and opportunities with a responsible and forward-thinking approach. This includes strengthening measures to monitor environmental impact, mitigate emissions and reduce its overall footprint. While specific targets have not been outlined in this report, IDRC remains committed to achieving net-zero emissions and is focused on aligning with reduction goals. The organization is actively working to refine and enhance its climate strategies to support this long-term commitment.



## Financial statements

# Financial statements

## Management Responsibility for Financial Statements

The financial statements and all other financial information presented in this annual report are the responsibility of management and have been approved by the Board of Governors. Management has prepared the financial statements in accordance with International Financial Reporting Standards and, where appropriate, the financial statements include amounts that reflect management’s best estimates and judgment. Financial information presented elsewhere in the annual report is consistent with the information presented in the financial statements.

Management is responsible for the integrity and reliability of the financial statements and accounting systems from which they are derived. The Centre maintains an internal control framework to provide reasonable assurance that the financial information is reliable, transactions are authorized and recognized, assets are safeguarded and liabilities recognized. Management also ensures that resources are managed economically and efficiently in the attainment of corporate objectives and that operations are carried out in accordance with the International Development Research Centre Act and by-law of the Centre.

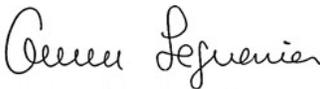
Responsibilities of the Centre’s internal auditors incorporate reviewing internal controls, including accounting and financial controls and their application. The Auditor General of Canada conducts an independent audit of the annual financial statements in accordance with Canadian generally accepted auditing standards. The audit includes appropriate tests and procedures to enable the Auditor General of Canada to express an opinion on the financial statements. The internal and external auditors have full and free access to the Finance and Audit Committee of the board.

The Board of Governors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The board benefits from the assistance of its Finance and Audit Committee in overseeing and discharging its financial oversight responsibility, which includes the review of the financial statements with management and the external auditors before recommending their approval to the board. The committee, which is made up of independent governors, meets with management, the internal auditors and the external auditors on a regular basis.

On behalf of management,



Julie Delahanty  
President



Geneviève Leguerrier, CPA  
Vice-President, Resources,  
and Chief Financial Officer

Ottawa, Canada  
9 June 2025



Office of the  
Auditor General  
of Canada

Bureau du  
vérificateur général  
du Canada

## INDEPENDENT AUDITOR'S REPORT

To the International Development Research Centre and to the Minister of Foreign Affairs

### Report on the Audit of the Financial Statements

#### *Opinion*

We have audited the financial statements of the International Development Research Centre (the Centre), which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Centre as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

#### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Centre in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other Information*

Management is responsible for the other information. The other information obtained at the date of this auditor's report is the Management's discussion and analysis section included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent

with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Centre's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Centre or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Centre's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Centre's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Centre's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Centre to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### **Report on Compliance with Specified Authorities**

#### *Opinion*

In conjunction with the audit of the financial statements, we have audited transactions of the International Development Research Centre coming to our notice for compliance with specified authorities. The specified authorities against which compliance was audited are the applicable provisions of Part X of the *Financial Administration Act* and regulations, the *International Development Research Centre Act* and the by-laws of the International Development Research Centre.

In our opinion, the transactions of the International Development Research Centre that came to our notice during the audit of the financial statements have complied, in all material respects, with the specified authorities referred to above. Further, as required by the *Financial Administration Act*, we report that, in our opinion, the accounting principles in IFRS Accounting Standards as issued by the IASB have been applied on a basis consistent with that of the preceding year.

*Responsibilities of Management for Compliance with Specified Authorities*

Management is responsible for the International Development Research Centre's compliance with the specified authorities named above, and for such internal control as management determines is necessary to enable the International Development Research Centre to comply with the specified authorities.

*Auditor's Responsibilities for the Audit of Compliance with Specified Authorities*

Our audit responsibilities include planning and performing procedures to provide an audit opinion and reporting on whether the transactions coming to our notice during the audit of the financial statements are in compliance with the specified authorities referred to above.



Mimma Venema, CPA, CA, CGA  
Principal  
for the Auditor General of Canada

Ottawa, Canada  
9 June 2025

## Statement of Financial Position

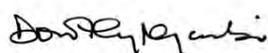
(in thousands of Canadian dollars)  
as at 31 March

	<u>2025</u>	<u>2024</u>
<b>Assets</b>		
Current		
Cash (Note 2)	32 048	38 594
Investments (Note 3)	5 610	4 657
Accounts receivable and prepaid expenses (Note 4)	4 326	9 202
	<u>41 984</u>	<u>52 453</u>
Non-current		
Investments (Note 3)	47 358	51 166
Property and equipment (Note 5)	8 110	7 574
Right-of-use assets (Note 6)	24 209	25 551
	<u>121 661</u>	<u>136 744</u>
<b>Liabilities</b>		
Current		
Accounts payable and accrued liabilities (Note 7)	20 748	20 660
Lease liabilities (Note 8)	965	988
Deferred revenue (Note 9)	60 335	62 127
	<u>82 048</u>	<u>83 775</u>
Non-current		
Deferred revenue (Note 9)	11 206	8 745
Employee benefits (Note 10)	942	1 016
Lease liabilities (Note 8)	25 096	25 925
	<u>119 292</u>	<u>119 461</u>
<b>Equity</b>		
Unrestricted	(7 010)	2 097
Restricted (Note 11)	1 269	1 276
Net investments in capital assets (Note 5)	8 110	7 574
Reserved	—	6 336
	<u>2 369</u>	<u>17 283</u>
	<u>121 661</u>	<u>136 744</u>

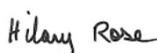
Commitments (Note 12)

*The accompanying notes form an integral part of these financial statements.*

These financial statements were approved by the Board of Governors on 9 June 2025.



Dorothy Nyambi  
Chairperson  
Board of Governors



Hilary Rose  
Chairperson  
Finance and Audit Committee

## Statement of Comprehensive Income

(in thousands of Canadian dollars)  
for the year ended 31 March

	<u>2025</u>	<u>2024</u>
<b>Expenses</b>		
Development research programming (Note 13)		
Research projects funded by parliamentary appropriation (Note 14)	124 785	114 368
Research projects funded by donor contributions (Note 14)	101 401	71 858
Enhancing research capabilities	<u>48 767</u>	<u>44 395</u>
	274 953	230 621
Corporate and administrative services (Notes 13)	26 892	24 254
<b>Total expenses</b>	<u><b>301 845</b></u>	<u><b>254 875</b></u>
<b>Revenues</b>		
Donor contributions (Note 15)	120 335	86 413
Investment income	816	969
Other income	<u>4 310</u>	<u>1 136</u>
	125 461	88 518
Cost of operations before parliamentary appropriation	(176 384)	(166 357)
Parliamentary appropriation (Note 15)	<u>161 470</u>	<u>166 240</u>
<b>Net results of operations</b>	<u><b>(14 914)</b></u>	<u><b>(117)</b></u>

*The accompanying notes form an integral part of these financial statements.*

## Statement of Changes in Equity

(in thousands of Canadian dollars)  
for the year ended 31 March

	<u>2025</u>	<u>2024</u>
<b>Unrestricted equity</b>		
Beginning of year	2 097	1 442
Net results of operations	(14 914)	(117)
Net transfers from other classes of equity	5 807	772
Balance end of year	<u>(7 010)</u>	<u>2 097</u>
<b>Restricted equity</b>		
Beginning of year	1 276	1 296
Net decrease	(7)	(20)
Balance end of year	<u>1 269</u>	<u>1 276</u>
<b>Net investments in capital assets</b>		
Beginning of year	7 574	5 122
Net increase	536	2 452
Balance end of year	<u>8 110</u>	<u>7 574</u>
<b>Reserved equity</b>		
Beginning of year	6 336	9 540
Net transfers to other classes of equity	(6 336)	(3 204)
Balance end of year	<u>—</u>	<u>6 336</u>
<b>Equity, end of year</b>	<u><u>2 369</u></u>	<u><u>17 283</u></u>

*The accompanying notes form an integral part of these financial statements.*

## Statement of Cash Flows

(in thousands of Canadian dollars)  
for the year ended 31 March

	2025	2024
<b>Operating activities</b>		
Net results of operations	(14 914)	(117)
Adjustments to determine net cash (used in)/from operating activities		
Depreciation of property and equipment	1 088	775
Depreciation of right-of-use assets	1 710	1 683
Amortization of investment premiums/discounts	(827)	(316)
Loss on disposal of property and equipment	3	—
Gain on lease modification	(294)	—
Employee benefits	(74)	(54)
	<b>1 606</b>	<b>2 088</b>
Change in non-cash operating items		
Accounts receivable and prepaid expenses	2 005	634
Accounts payable and accrued liabilities	146	1 174
Deferred revenue	3 539	3 416
	<b>5 690</b>	<b>5 224</b>
<b>Cash flows from (used in) operating activities</b>	<b>(7 618)</b>	<b>7 195</b>
<b>Investing activities</b>		
Purchase of investments	(10 902)	(28 142)
Maturity of investments	14 586	15 714
Acquisition of property and equipment	(1 686)	(3 320)
<b>Cash flows from (used in) investing activities</b>	<b>1 998</b>	<b>(15 748)</b>
<b>Financing activities</b>		
Payment of lease liabilities	(926)	(934)
<b>Cash flows used in financing activities</b>	<b>(926)</b>	<b>(934)</b>
<b>Decrease in cash</b>	<b>(6 546)</b>	<b>(9 487)</b>
<b>Cash beginning of year</b>	<b>38 594</b>	<b>48 081</b>
<b>Cash end of year</b>	<b>32 048</b>	<b>38 594</b>

Supplementary Information (Note 19)

*The accompanying notes form an integral part of these financial statements.*

# Notes to the Financial Statements

For the year ended 31 March 2025

## 1- Basis of preparation

### A) General information

The International Development Research Centre (the Centre or IDRC), a Canadian Crown corporation without share capital, is not an agent of His Majesty and was established as a registered charity in 1970 by the Parliament of Canada through the International Development Research Centre Act.

The Centre is funded primarily through an annual appropriation received from the Parliament of Canada. In accordance with section 85(1.1) of the Financial Administration Act, the Centre is exempt from Divisions I to IV of Part X of the Act, except for sections 89.8 to 89.92, subsection 105(2) and sections 113.1, 119, 131 to 148 and 154.01.

The mandate of the Centre is to initiate, encourage, support and conduct research into the problems of the developing regions of the world and into the means for applying and adapting scientific, technical and other knowledge to the economic and social advancement of those regions.

### B) Basis of preparation

These financial statements comply with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). These financial statements are prepared on a historical cost basis except for investments, which are measured at amortized cost and certain financial instruments, which are measured at fair value through profit and loss.

These financial statements are presented in Canadian dollars, which is the functional currency of the Centre. All values are rounded to the nearest thousand (\$000) except where otherwise indicated.

### C) Material accounting policies

The material accounting policies are presented in these financial statements in the appropriate section of these notes. These accounting policies have been used throughout all periods presented in the financial statements unless otherwise disclosed.

### D) Significant judgements and estimates

In the process of applying the Centre's accounting policies and the application of accounting standards, management is required to make judgements, estimates and assumptions with regards to the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results may differ from these estimates. These judgements, estimates and assumptions affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Uncertainty about these assumptions and estimates, or changes in the significant judgments made, could result in adjustments to the disclosed amounts of the assets or liabilities in future years.

Information about judgements, estimates and assumptions that are relevant to understanding these financial statements are disclosed in the relevant notes as follows:

- Credit risk (Note 4 *Accounts receivable and prepaid expenses*)
- Useful lives of assets (Note 5 *Property and equipment*)
- Measurement of borrowing rates (Note 6 *Right-of-use assets*)
- Factors for determining employee benefits (Note 10 *Employee benefits*)
- Financial instruments risks (Note 17 *Financial instruments and related risks*)

The judgments, estimates and assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

### E) Taxation

The Centre is exempt from the payment of income tax, as per section 149 of the *Income Tax Act*.

F) Application of new accounting standards

I. New standards, amendments and interpretations that took effect in 2024

There were no new standards, amendments or interpretations issued by the International Accounting Standards Board or the IFRS Interpretation Committee that had an impact on the current financial statements.

II. Standards, amendments and interpretations not yet in effect

*IFRS 18 Presentation and Disclosure in Financial Statements:* In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18), which will replace IAS 1 *Presentation of Financial Statements*. The objective of IFRS 18 is to improve how information is communicated in the financial statements, with a focus on information in the Statement of Comprehensive Income. It will include requirements for additional defined subtotals in the Statement of Comprehensive Income, disclosures about management performance measures and strengthened requirements for aggregation and disaggregation of information. IFRS 18 is required to be implemented for annual reporting periods beginning on or after 1 January 2027. The impact on the Centre's financial statements has not yet been assessed.

## 2- Cash

### Accounting policy

Cash includes funds on deposit at financial institutions and nominal petty cash at regional offices. Cash is carried at fair value and its performance is actively monitored. Cash not immediately required for working capital can be invested as per the Centre's Investment Policy.

## 3- Investments

### Accounting policy

Investments consist of non-derivative financial assets with fixed or determinable payments of principal and interest and fixed maturities. The Centre's business model is to hold the investments until maturity to collect the contractual cash flows. The Centre currently holds listed bonds and guaranteed investment certificates (GICs) that are initially recorded at fair value plus transaction costs that are directly attributable to the acquisition and subsequently measured at amortized cost using the effective interest method and are subject to impairment. Gains and losses are recognized in the Statement of Comprehensive Income in the year in which the investments are derecognized, modified or impaired. The Centre has an investment policy approved by the Finance and Audit Committee of the Board of Governors. Interest income is accrued when earned and included in income for the year.

### Supporting information

The Centre's investment portfolios consist of Canadian federal, provincial, municipal, corporate, schedule I and II bank financial instruments. The bonds have effective interest rates ranging from 1.38% to 4.42% (coupon rates ranging from 1.40% to 7.35%) and GICs have fixed interest rates ranging from 0.8% to 5.55%. The maturity dates of the bonds vary from December 2025 to October 2032 and those of the GICs vary from April 2025 to May 2028. Management intends to hold all investments to maturity.

The net book value, measured at amortized cost, and fair value of these investments, are shown in the following tables. The fair values of the investments can be determined by (a) quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1); (b) inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices) (Level 2); or (c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (Level 3). The fair values of the Centre's investments are not quoted in an active market, but rather are determined from quoted prices in a decentralized over-the-counter market, which is considered Level 2 in the fair value hierarchy.

	<b>Net book value at amortized cost 31 March 2025</b>	<b>Fair Value 31 March 2025</b>	<b>Net book value at amortized cost 31 March 2024</b>	<b>Fair Value 31 March 2024</b>
Bonds:				
Federal	3 034	2 856	3 021	2 668
Provincial	30 222	30 549	30 972	30 202
Corporate	3 928	3 880	3 939	3 686
Municipal	884	871	891	832
Total bonds	<u>38 068</u>	<u>38 156</u>	<u>38 823</u>	<u>37 388</u>
Guaranteed investment certificates	<u>14 900</u>	<u>15 240</u>	<u>17 000</u>	<u>17 312</u>
	<u><b>52 968</b></u>	<u><b>53 396</b></u>	<u><b>55 823</b></u>	<u><b>54 700</b></u>

### Effective interest rates and maturity terms

	<b>Effective Interest Rate</b>	<b>Within one year</b>	<b>After one year but no more than five years</b>	<b>More than five years</b>	<b>Total</b>
Bonds:					
Federal	1.85%	—	—	3 034	3 034
Provincial	1.38% to 4.42%	1 610	20 220	8 392	30 222
Corporate	1.84% to 3.20%	—	3 046	882	3 928
Municipal	2.31%	—	884	—	884
Total Bonds		<u>1 610</u>	<u>24 150</u>	<u>12 308</u>	<u>38 068</u>
Guaranteed investment certificates	0.80% to 5.55%	<u>4 000</u>	<u>10 900</u>	—	<u>14 900</u>
		<u><b>5 610</b></u>	<u><b>35 050</b></u>	<u><b>12 308</b></u>	<u><b>52 968</b></u>

## 4- Accounts receivable and prepaid expenses

### Accounting policy

Accounts receivable and prepaid expenses are incurred in the normal course of business. The accounts receivable are due upon issuance and the carrying values approximate their fair value due to the short-term nature of these instruments.

### Accounting estimates and judgements

These are not considered by management to present a significant credit risk. The Centre did not identify any receivables that are either past due or impaired as at 31 March 2025 (31 March 2024: nil).

### Supporting information

	<b>31 March 2025</b>	<b>31 March 2024</b>
Accounts receivable		
Donor contributions	695	3 565
Other	1 760	3 322
	<u>2 455</u>	<u>6 887</u>
Prepaid expenses	<u>1 871</u>	<u>2 315</u>
Total accounts receivable and prepaid expenses	<u><b>4 326</b></u>	<u><b>9 202</b></u>

## 5- Property and equipment

### Accounting policy

Property and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost includes any expenditure directly related to the acquisition of the asset, dismantling costs to remove the items and restoring the site on which they are located. All maintenance expenditures are recognized in the Statement of Comprehensive Income.

Property and equipment are depreciated over their useful lives once the assets are available for use by the Centre and are recognized on a straight-line basis. The estimated useful life of each asset category is as follows:

Asset category	Useful life
Computer equipment	5 years
Office furniture and equipment	5 years
Vehicles	3 to 7 years
Communication systems	5 years
Leasehold improvements	Shorter of lease term or the asset's useful economic life

An item of property and equipment is derecognized upon disposal, or when no future economic benefits are expected from its use or disposal.

Any gain or loss arising on derecognition of the property or equipment (calculated as the difference between the net disposal proceeds and the carrying amount of said asset) is included in the Statement of Comprehensive Income in the year the asset is derecognized. The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year-end and adjusted prospectively when necessary.

An assessment is made annually as to whether an asset or a group of assets contained in this category is impaired. Any adjustment to the carrying value of the asset is recorded in the Statement of Comprehensive Income.

### Accounting estimates and judgements

The following are key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the financial statements within the next 12 months:

- Useful lives are assessed annually and are based on management's best estimates of the period of service provided by the assets.
- Changes to useful life estimates would affect future depreciation expenses and the future carrying value of assets.

### Supporting information

	Computer equipment	Office furniture & equipment	Vehicles	Communication systems	Leasehold improvements	Total
<b>Cost</b>						
<b>at 31 March 2024</b>	685	2 423	129	545	5 763	9 545
Additions	426	573	—	430	199	1 628
Disposals	(208)	(8)	—	(119)	—	(335)
<b>at 31 March 2025</b>	<u>903</u>	<u>2 988</u>	<u>129</u>	<u>856</u>	<u>5 962</u>	<u>10 838</u>
<b>Accumulated depreciation</b>						
<b>at 31 March 2024</b>	(499)	(477)	(98)	(144)	(753)	(1 971)
Depreciation for the year	(83)	(508)	(6)	(104)	(387)	(1 088)
Disposals	204	8	—	119	—	331
<b>at 31 March 2025</b>	<u>(378)</u>	<u>(977)</u>	<u>(104)</u>	<u>(129)</u>	<u>(1 140)</u>	<u>(2 728)</u>
<b>Net book value</b>						
<b>at 31 March 2024</b>	<u>186</u>	<u>1 946</u>	<u>31</u>	<u>401</u>	<u>5 010</u>	<u>7 574</u>
<b>at 31 March 2025</b>	<u>525</u>	<u>2 011</u>	<u>25</u>	<u>727</u>	<u>4 822</u>	<u>8 110</u>

At 31 March 2025, the Centre had no impairment of property and equipment.

## 6- Right-of-use assets

### Accounting policy

The Centre leases office space in six countries in the normal course of its business. The average lease term for office space is 12 years. At the inception of a contract, the Centre assesses whether the contract is or contains a lease that conveys the right to use an asset for a period in exchange for considerations. The Centre recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is a lessee. The Centre uses a practical expedient in the standard to not separate non-lease components from lease components.

The right-of-use assets are measured at cost, which includes the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred and an estimate of the dismantling costs to restore the underlying asset.

Right-of-use assets are depreciated over the lease terms on a straight-line basis. The lease term includes periods covered by an option to extend if the Centre is reasonably certain to exercise the option. At the end of each reporting period, an assessment is performed to determine whether there is any indication that right-of-use assets may be impaired. If any such indication exists, the recoverable amount of the right-of-use asset is estimated and an impairment expense is recognized if the carrying value of the right-of-use asset exceeds its recoverable amount.

### Accounting estimates and judgements

The incremental borrowing rates applied to lease liabilities vary depending on the economic environment in which the lease was entered into, the country-specific risk-free rate and the lease term. The incremental borrowing rates represent the applicable rate had the Centre borrowed funds over a similar term with a similar asset in a similar economic environment. The rate is calculated using various inputs as the Centre does not borrow.

### Supporting information

The Centre calculated the lease liabilities using the incremental borrowing rate of between 3.8% and 16.45%. The weighted average rate at 31 March 2025 is 5.54% (31 March 2024: 5.42%).

	<u>31 March 2025</u>	<u>31 March 2024</u>
<b>Cost</b>		
Leases beginning of year	39 008	38 658
Additions	368	350
	<u>39 376</u>	<u>39 008</u>
<b>Accumulated depreciation</b>		
Beginning of year	(13 457)	(11 774)
Depreciation expense for the year	(1 710)	(1 683)
	<u>(15 167)</u>	<u>(13 457)</u>
<b>Net book value end of year</b>	<u>24 209</u>	<u>25 551</u>

The Centre signed a lease modification in September 2024 for the office space in Kenya to extend the term by 12 years, which includes a six-year lease renewal period.

## 7- Accounts payable and accrued liabilities

### Accounting policy

Accounts payable and accrued liabilities are incurred in the normal course of operations and are classified as non-current liabilities if a right to defer settlement by at least 12 months exists at the end of the reporting period. Accounts payable and accrued liabilities are recognized initially at fair value and subsequently measured at amortized cost.

### Supporting information

Accounts payable and accrued liabilities of the Centre principally comprise amounts outstanding for purchases relating to operational activities, grants due to be paid under agreements and accruals for employee paid annual leave and overtime. The carrying amounts set out below approximate their fair value due to the short-term nature of these liabilities.

	<u>31 March 2025</u>	<u>31 March 2024</u>
Grant payables and accruals	11 466	10 173
Payroll	5 952	5 482
Trade payables	2 989	4 638
Other <sup>a</sup>	341	367
	<u>20 748</u>	<u>20 660</u>

<sup>a</sup> The prior year comparatives were aggregated to agree with the current year presentation.

## 8- Lease liabilities

### Accounting policy

Lease liabilities are comprised of amounts owing for right-of-use assets. At the commencement date, the lease liability is accounted for at the present value of the fixed future lease payments. Subsequent to the commencement date, the liability is remeasured by discounting the revised lease payments using a revised discount rate if the lease term changes. The lease payments are discounted using the Centre's notional incremental borrowing rate. Lease liabilities are classified as non-current if a right to defer settlement by at least 12 months exists at the end of the reporting period.

	<u>31 March 2025</u>	<u>31 March 2024</u>
Beginning of year	26 913	27 497
Additions	74	350
Interest expense	1 441	1 458
Lease payments	(2 367)	(2 392)
	<u>26 061</u>	<u>26 913</u>

### Lease liabilities included in the statement of financial position

Current	965	988
Non-current (after one year, but not more than five)	5 067	4 983
Non-current (more than five years)	20 029	20 942
	<u>26 061</u>	<u>26 913</u>

### Maturity analysis of contractual undiscounted cash flows

	<u>31 March 2025</u>	<u>31 March 2024</u>
Current	2 364	2 403
Non-current (after one year, but not more than five)	9 959	9 895
Non-current (more than five years)	26 102	27 512
	<u>38 425</u>	<u>39 810</u>

## 9- Deferred revenue

Deferred revenue includes the unspent portion of funds received or receivable on donor contribution activities and the unspent portion of certain parliamentary appropriations received for specific projects and programs. Deferred revenue is classified as non-current if a right to defer settlement by at least 12 months exists at the end of the reporting period.

## Supporting information

### a. Donor contribution funding for development research programming

	<u>31 March 2025</u>	<u>31 March 2024</u>
Current	56 263	56 376
Non-current	<u>10 727</u>	<u>8 745</u>
	<u><b>66 990</b></u>	<u><b>65 121</b></u>

Of the total deferred donor contribution funding, Global Affairs Canada accounts for \$13 365 (31 March 2024: \$10 174), all of which was received at year-end.

### b. Parliamentary appropriations – projects and programs

	<u>31 March 2025</u>	<u>31 March 2024</u>
Current	4 072	5 751
Non-current	<u>479</u>	<u>—</u>
	<u><b>4 551</b></u>	<u><b>5 751</b></u>

### c. Total deferred revenues

	<u>31 March 2025</u>	<u>31 March 2024</u>
Current	60 335	62 127
Non-current	<u>11 206</u>	<u>8 745</u>
	<u><b>71 541</b></u>	<u><b>70 872</b></u>

## 10- Employee benefits

### Accounting policy

#### Pension benefits – head office

Most employees of the Centre working in its head office are covered by the Public Service Pension Plan (the Plan), a defined benefit plan established through legislation and sponsored by the Government of Canada. Contributions are required by both the employees and the Centre to cover current service costs. Pursuant to legislation currently in place, the Centre has no legal or constructive obligation to pay further contributions with respect to any past service or funding deficiencies of the Plan. Consequently, contributions are recognized as an expense in the year when employees have rendered services and represent the total pension obligation of the Centre.

#### Pension benefits – regional offices

The Centre offers a number of defined contribution plans that provide pension and other benefits to eligible employees in regional offices. The Centre's contributions reflect the full cost as employer and are currently based on a multiple of an employee's required contribution to the plans. The Centre's contributions are expensed during the year the service is rendered and represent the total obligation of the Centre.

### Accounting estimates and judgments

Employee benefit obligations to be settled in the future require assumptions to establish the benefit obligations. Defined benefit accounting is intended to reflect the recognition of the benefit costs over the employee's approximate service period or when an event triggering the benefit entitlement occurs based on the terms of the plan. The significant actuarial assumptions used by the Centre in measuring the benefit obligation and benefit costs are the discount rate, mortality tables, and inflation rate, which have an impact on the long-term rates of compensation increase. The Centre consults with external actuaries regarding these assumptions annually. Changes in these assumptions can have an impact on the defined benefit obligation.

## Supporting information

### Pension benefits – head office

The president of the Treasury Board of Canada sets the required employer contributions based on a multiple of the employees' required contribution. The general contribution rate for the employer effective at year-end was 11% of gross salary (31 March 2024: 10.9%). Total contributions of \$3 631 (31 March 2024: \$3 370) were recognized as an expense in the current year.

The Government of Canada holds a statutory obligation for the payment of benefits relating to the Plan. Pension benefits generally accrue up to a maximum period of 35 years at an annual rate of 2% of pensionable service times the number of years. The pensionable service value is calculated as the average of the best five consecutive years of earnings. The benefits are coordinated with the Canada Pension Plan and Québec Pension Plan benefits and are indexed to inflation.

### Pension benefits – regional offices

The Centre's contributions to all regional office plans for the year ended 31 March 2025 totalled \$594 (31 March 2024: \$541).

## 11- Equity management

The Centre's equity balances are comprised of unrestricted, restricted, net investments in capital assets and reserved equity. The Centre has an equity management policy in place to ensure that it is appropriately funded and that the equity position is identified, measured and managed.

The Centre's objective, with respect to its equity management, is to ensure that sufficient funds are maintained to adequately protect the financial position of the Centre.

Equity is managed through a board-approved equity policy that restricts a portion of equity to fund special or significant programs and operational initiatives planned for future financial years. Management also reserves a portion of equity as a financial planning reserve. The financial planning reserve is intended to absorb the impact of significant variances in development research programming expenditures. The Centre is not subject to any externally imposed equity requirements.

## Supporting information

### Restricted equity

Restricted equity for special or materially large research programs is drawn down as the funds are used for these programs. A total of \$1.1 million was set aside in restricted equity for the annual awarding of the John G. Bene Fellowship in Community Forestry. In 2016–2017, \$0.1 million was added to restricted equity for funds received for The David and Ruth Hopper & Ramesh and Pilar Bhatia Canada Fund bursaries. These funds are being used to support young researchers through fellowships, scholarships or internships.

### Net investments in capital assets

This represents the Centre's net investment in capital assets that will be depreciated or amortized over future accounting periods (see Note 5).

### Reserved equity

The objectives of the reserved equity are to protect the financial position of the Centre by ensuring that a reasonable balance of funds is reserved by management to absorb fluctuations in the disbursement of multi-year outstanding research program commitments and to fund future purchases of property, equipment and intangibles, as well as future initiatives.

## 12- Commitments

### Research project-related

The Centre is committed to making payments of up to \$329.5 million (31 March 2024: \$331.7 million) during the next six years. These payments are subject to funds being provided by Parliament or donors, compliance by recipients with the terms and conditions of their grant agreements, and the fulfillment of existing contracts for services. Of this amount, \$181.2 million (31 March 2024: \$192.2 million) is expected to be funded from future parliamentary appropriations and \$148.3 million (31 March 2024: \$139.5 million) from donor contribution agreements.

	<u>31 March 2025</u>	<u>31 March 2024</u>
Within one year	171 122	145 717
After one year, but not more than five	158 187	185 662
More than five years	202	278
Total future payments	<u>329 511</u>	<u>331 657</u>

#### Other

The Centre has entered into various agreements for goods and services in Canada and abroad related to Centre operations. These agreements expire at different dates up to 2042. Future payments related to these commitments are as follows:

	<u>31 March 2025</u>	<u>31 March 2024</u>
Within one year	5 314	6 350
After one year, but not more than five	14 253	14 763
More than five years	35 570	36 275
Total future payments	<u>55 137</u>	<u>57 388</u>

### 13- Schedule of expenses

	<u>31 March 2025</u>	<u>31 March 2024</u>
<b>Development research programming</b>		
Contributions to institutions and individuals	218 238	178 471
Core salaries and benefits	28 654	27 193
Co-funded project salaries and benefits <sup>a</sup>	9 069	7 776
Professional services	7 182	7 269
Travel	2 168	1 994
Accommodations	1 614	1 386
Depreciation of right-of-use assets	1 163	1 145
Co-funded project expenses <sup>a</sup>	1 683	1 132
Interest on lease liabilities	980	992
Depreciation of property and equipment	915	595
Meetings and conferences	368	298
Furniture, equipment and maintenance	168	202
Other	2 751	2 168
	<u>274 953</u>	<u>230 621</u>
<b>Corporate and administrative services</b>		
Salaries and benefits	16 451	15 338
Software expenses	2 828	1 925
Professional services	2 580	3 145
Furniture, equipment and maintenance	1 158	606
Depreciation of right-of-use assets	547	538
Interest on lease liabilities	461	466
Travel	454	325
Accommodations	365	268
Depreciation of property and equipment	173	180
Other	1 875	1 463
	<u>26 892</u>	<u>24 254</u>
<b>Total expenses</b>	<u>301 845</u>	<u>254 875</u>

<sup>a</sup> Includes all costs directly related to the development of research capabilities in co-funded projects and programs. These represent total expenses of \$10 752 (31 March 2024: \$8 908). Enhancing research capabilities expenses represent IDRC's multifaceted role as research funder, adviser and knowledge broker. This means that IDRC is a research funder and builds recipient capacity throughout the research process.

## 14- Grant payments

### Accounting policy

All grant payments to institutions carrying out research projects approved by the Centre are subject to the provision of funds by Parliament or by donors. They are recorded as an expense, either under research projects funded by parliamentary appropriation or research projects funded by donor contributions, in the year they come due as per the terms and conditions of the agreements. Refunds on previously disbursed grant payments are credited against the current year expenses or to other income in situations where the grant account has been closed.

## 15- Revenue

### Accounting policy

#### Parliamentary appropriation

The parliamentary appropriation is recorded as revenue in the year for which it is approved by Parliament. The exception is for those funds received for specific projects and programs, which are deferred when received and recognized when related expenses are incurred. The Centre does not receive parliamentary appropriations for which the primary condition is that the Centre purchase, construct or otherwise acquire property or equipment. Aside from parliamentary appropriations received for specific projects and programs, there are no conditions or contingencies existing under which the parliamentary appropriation would be required to be repaid once received by the Centre. The IDRC Act gives the Board of Governors the authority to allocate all appropriated funds.

#### Donor contributions

The Centre enters into co-funding (contribution) agreements with various donors to complement the Centre's funding of research for development by deepening and broadening its programming reach, increasing resources for development research projects and programs and bringing innovation to scale. The Centre manages donor contributions together with its own contribution funded from the parliamentary appropriation. Funds received or receivable under donor contribution agreements are recorded as deferred revenues until the Centre complies with the conditions attached to the agreements. These deferred revenues are recognized as revenues on a systematic basis in the year in which the expenses are incurred for the purposes they were received.

### Supporting information

	<u>31 March 2025</u>	<u>31 March 2024</u>
Approved parliamentary appropriation	160 270	164 606
Portion deferred for projects and programs	(6 000)	(7 400)
Deferred appropriation recognized	<u>7 200</u>	<u>9 034</u>
Parliamentary appropriation recognized in the Statement of Comprehensive Income	<u><b>161 470</b></u>	<u><b>166 240</b></u>

A breakdown of the revenue and expense recognition for donor contributions is provided below.

	<u>31 March 2025</u>	<u>31 March 2024</u>
Foreign, Commonwealth & Development Office (FCDO)	49 674	21 183
Global Partnership for Education Fund (GPE)	33 391	31 646
Global Affairs Canada (GAC)	9 492	9 205
The Secretary of State for Health and Social Care (DHSC)	9 199	1 315
Ministry of Foreign Affairs Netherlands	5 951	4 375
The William and Flora Hewlett Foundation	3 061	1 981
Norwegian Agency for Development Cooperation (NORAD)	2 920	1 931
Rockefeller Foundation	2 107	2 374
Swedish International Development Cooperation Agency (SIDA)	1 769	3 516
Gates Foundation	1 311	3 814
Azrieli Foundation	834	3 444
Other donor agencies	<u>626</u>	<u>1 629</u>
	<u><b>120 335</b></u>	<u><b>86 413</b></u>

The Centre recovers administrative costs from the management of donor contribution funding. The total recovery for the year ended 31 March 2025 was \$10 896 (31 March 2024: \$7 730) of which \$863 (31 March 2024: \$837) was from GAC.

## 16- Related party transactions

### Accounting policy

The Government of Canada, as the parent of the Centre, has control over the Centre and causes the Centre to be related, due to common ownership, to all departments, agencies and Crown corporations created by the Government of Canada. The Centre enters into transactions with other Government of Canada entities in the normal course of operations, under the same terms and conditions that apply to unrelated parties. Any transactions are recorded at their exchange amounts, which are determined to approximate fair value.

Related party transactions are disclosed in Notes 9 and 15 to these financial statements.

### Compensation of key management personnel

Key management personnel include the Board of Governors, the president and the vice-presidents. Compensation paid or payable to key management personnel during the year is summarized in the table below.

	<u>31 March 2025</u>	<u>31 March 2024</u>
Salaries and short-term benefits	1 611	1 770
Post-employment and termination benefits	222	234
	<u>1 833</u>	<u>2 004</u>

## 17- Financial instruments and related risks

### Accounting policy

The Centre's financial instruments consist of cash, investments, accounts receivable, accounts payable and accrued liabilities that are incurred in the normal course of business. Financial instruments are initially recognized at fair value, which is usually considered to be the transaction price (consideration given). Subsequent to initial recognition, they are measured based on their classification.

The classifications are as follows:

<b>Financial instruments</b>	<b>Classification and measurement</b>
Cash	Financial assets at fair value through profit and loss
Investments	Financial assets at amortized cost
Accounts receivable	Financial assets at amortized cost
Accounts payable and accrued liabilities	Financial liabilities at amortized cost

### Impairment of financial assets

An assessment is made at each reporting date as to whether a financial asset or group of financial assets is impaired using a single forward-looking expected credit loss model. Any adjustment to the carrying value of the financial asset is recorded in the Statement of Comprehensive Income. As at 31 March 2025, the Centre had no impairment of financial assets.

### Financial instruments risks

The principal risks to which the Centre is exposed as a result of holding financial instruments are credit risk, market risk and liquidity risk. The Centre has various financial instruments such as cash, investments, accounts receivable, accounts payable and accrued liabilities that arise from operations.

#### Credit risk

Credit risk is the risk that the counterparty to a financial instrument will default on its obligations to the Centre, resulting in financial losses. The Centre is exposed to credit risk since it has investments and extends credit to its recipients and donors in the normal course of business. The maximum exposure is represented by cash, investments and accounts receivable amounts disclosed on the Centre's statement of financial position. The Centre does not use credit derivatives or similar instruments to mitigate risk and, as such, the maximum exposure is the full carrying value or face value of the financial asset. The Centre minimizes credit risk on cash by depositing the cash only with a reputable and high-quality financial institution. Credit risk associated with accounts receivable is considered by management to be minimal since most receivables are due from Canadian government entities. Credit risk associated with donor receivables is considered low by management since most receivables are due from Canadian or foreign government entities that have contracted with the Centre. The Centre's

investment policy sets out guidelines that define the minimally acceptable counterparty credit ratings pertaining to investments. Investments in financial institutions and corporations must have a minimum rating from an external rating agency that is equivalent to DBRS ratings for short-term instruments of R1L. DBRS ratings for medium/long-term instruments must hold a minimum rating of A (Low) for governments, corporations and Schedule I banks. Schedule II banks must hold a minimum rating of AA (Low). The Centre regularly reviews the credit ratings of issuers with whom the Centre holds investments and confers with the vice-president, Resources and Chief Financial Officer, when the issuer's credit rating declines below the policy guidelines. The investment policy is reviewed and approved as required by the Finance and Audit Committee of the Board of Governors. These policies and procedures are designed to manage and limit the credit risk associated with these financial instruments.

### Concentrations of credit risk

The Centre's exposure to credit risk is summarized as follows:

	DBRS rating	31 March 2025	31 March 2024
Federal	AAA	3 034	3 021
Provincial	R1M/A+ to AA+	30 222	30 972
Corporate	A- to AA+	3 928	3 939
Municipal	A+	884	891
Canadian Schedule I Banks	R1H/BBB to AA+	14 900	16 800
Canadian Schedule II Banks	A-1 to AA+	—	200
		<b>52 968</b>	<b>55 823</b>

### Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: currency risk, interest rate risk and other price risk. The Centre is exposed to potential losses as a result of movements in interest and foreign exchange rates.

### Currency risk

Currency risk is the potential adverse impact of foreign exchange rate movements on the fair value or future cash flows of financial instruments. The Centre has exposure to currency risk in part from the local operating costs of five regional offices throughout the world. The Centre does not hedge its regional office expenses against fluctuations in foreign exchange rates and accepts the operational and financial risks associated with any such fluctuations that are not considered to be significant.

The Centre has multi-year contribution agreements with non-Canadian donors that are denominated in currencies other than the Canadian dollar. When progress payments are received from those donors, they are translated as described in Note 18. In turn, the Centre incurs expenses and issues multi-year grant agreements mainly denominated in Canadian dollars. The Centre manages its currency risk on these activities by setting aside a portion of the donor contribution agreement funding to absorb exchange gains and losses. The magnitude of the funding set aside is gauged against actual currency fluctuations on a yearly basis, with additions made only when needed and releases made only toward the end of the agreement, when no longer required. The Centre does not hedge its foreign currency revenues against fluctuations in foreign exchange rates and accepts the operational and financial risks associated with any such fluctuations that, on a financial year basis, are not considered to be significant.

### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Centre is exposed to fluctuations in interest rates on its investments as this would affect the fair value of the instruments. Management intends to hold these instruments until maturity, collecting contractual cash flows over the term of the investment and mitigating exposure to fair value changes. The Centre's interest rate risk is not considered significant.

### Liquidity risk

Liquidity risk is the risk that the Centre will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk can arise from mismatched cash flows related to assets and liabilities. The corporate treasury function is responsible for the Centre's liquidity management. This risk is managed by monitoring forecasted and actual cash flows and matching the maturity profiles of financial assets and liabilities. The Centre may also hold investments in marketable securities readily convertible to cash to ensure that sufficient liquidity can be made available to meet forecasted cash requirements. Given the timing of receipts and payments, the Centre's exposure to liquidity risk is not significant.

## 18- Foreign currency translation

### Accounting policy

Transactions in currencies other than the Centre's functional currency are recognized at rates in effect at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated to Canadian dollars using the exchange rate at that date. Exchange gains and losses are recognized in other income in the period in which they arise. Non-monetary items are measured at historical cost and are not revalued. The Centre does not actively hedge against foreign currency fluctuations.

## 19- Supplemental cash flow information

	<u>31 March 2025</u>	<u>31 March 2024</u>
Interest charges on lease obligations	1 441	1 458
Interest received from bank deposits	1 071	1 866
Interest received from investments	<u>1 832</u>	<u>1 163</u>

The change in accounts receivables and prepaid expenses excludes an amount of \$-2.9 million (31 March 2024: \$-3.5 million), as the amount relates to deferred revenue.

The change in accounts payable and accrued liabilities excludes an amount of \$0.1 million (31 March 2024: \$0.1 million), as the amount relates to acquisition of property and equipment, within investing activities.

## How to reach us

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