
Financial statements of Farm Radio International

March 31, 2025

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Independent Auditor's Report

To the Members of
Farm Radio International

Opinion

We have audited the financial statements of Farm Radio International (the "Organization"), which comprise the balance sheet as at March 31, 2025, and the statements of revenue and expenses, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Organization as at March 31, 2025, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). 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 Organization 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.

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 Canadian accounting standards for not-for-profit organizations, 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 Organization'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 Organization or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Organization'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 GAAS 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 GAAS, 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 Organization'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 Organization'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 Organization 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.

The logo for Deloitte LLP, featuring the word "Deloitte" in a cursive script followed by "LLP" in a clean, sans-serif font.

Chartered Professional Accountants
Licensed Public Accountants
July 7, 2025

Farm Radio International

Balance sheet

As at March 31, 2025

	Notes	2025 \$	2024 \$
Assets			
Current assets			
Cash and cash equivalents		2,628,761	1,890,733
Accounts receivable		134,579	126,987
Project receivables from funders	3	980,272	950,804
Prepaid expenses		16,944	18,596
		3,760,554	2,987,120
Capital assets			
	4	13,212	22,951
		3,773,766	3,010,071
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities		235,111	195,405
Deferred contributions	6	2,557,157	1,908,881
		2,792,268	2,104,286
Net assets			
Unrestricted		839,661	754,209
Invested in capital assets		13,212	22,951
Internally restricted		128,625	128,625
		981,498	905,785
		3,773,766	3,010,071

The accompanying notes are an integral part of the financial statements.

Approved by the Board

Ravi gupta Director

Myra Elliott Director

Farm Radio International
Statement of revenue and expenses
Year ended March 31, 2025

	Notes	2025 \$	2024 \$
Revenue			
Program grants/contracts			
Global Affairs Canada (GAC)		2,978,943	4,575,177
CODE		1,243,144	-
MSI		947,364	1,220,605
CRS		796,066	70,480
IKEA FOUNDATION		709,130	754,861
ALMA PRODUCTION		145,558	-
ALINEA		83,576	356,570
Other project grants	7	2,521,436	2,120,206
		9,425,217	9,097,899
Donations			
Individuals		914,418	889,235
Foundations		125,327	140,848
		1,039,745	1,030,083
Other revenues			
Miscellaneous		140,124	53,088
		1,179,869	1,083,171
		10,605,086	10,181,070
Expenses			
Program	8		
Impact Programming & Action Research		4,549,205	3,340,568
Direct Program Personnel		2,473,014	3,426,298
Radio programs and resources		1,155,547	1,318,904
Training and Capacity Development		329,103	223,682
Program Development		300,007	212,938
Program Management		284,431	284,842
		9,091,307	8,807,232
Fundraising and Public Engagement			
Fundraising	11	394,529	370,411
Public Engagement		208,648	207,823
		603,177	578,234
Administration			
Rent and other administrative expenses		765,987	681,861
Governance		59,163	77,139
Amortization of capital assets		9,739	22,716
		834,889	781,716
		10,529,373	10,167,182
Excess of revenue over expenses		75,713	13,888

The accompanying notes are an integral part of the financial statements.

Farm Radio International
Statement of changes in net assets
Year ended March 31, 2025

	Unrestricted \$	Invested in capital assets \$	Internally restricted \$	2025 \$	2024 \$
Balance, beginning of year	754,209	22,951	128,625	905,785	891,897
Excess of revenue over expenses	75,713	-	-	75,713	13,888
Amortization of capital assets	9,739	(9,739)	-	-	-
Balance, end of year	839,661	13,212	128,625	981,498	905,785

The accompanying notes are an integral part of the financial statements.

Farm Radio International
Statement of cash flows
Year ended March 31, 2025

	Notes	2025 \$	2024 \$
Operating activities			
Excess of revenue over expenses		75,713	13,888
Items not affecting cash			
Amortization of capital assets		9,739	22,716
Donated shares		(297,012)	(272,146)
Proceeds from disposal of donated shares		305,959	267,055
Gain (loss) on disposal of donated shares		(8,945)	5,091
Changes in deferred contributions		648,276	762,191
		733,730	798,795
Net Change in non-cash operating working capital items	9	4,298	89,253
		738,028	888,048
Investing activity			
Purchase of capital assets		-	(7,770)
Net change in cash and cash equivalents		738,028	880,278
Cash and cash equivalents, beginning of year		1,890,733	1,010,455
Cash and cash equivalents, end of year		2,628,761	1,890,733
Consisting of			
Cash on deposit			
In Canada		2,553,466	1,467,315
Other countries		75,295	423,418
Cash and cash equivalents, end of year		2,628,761	1,890,733

The accompanying notes are an integral part of the financial statements.

1. Description of activities and status

Farm Radio International (the "Organization"), formerly known as Developing Countries Farm Radio Network, was founded in 1979 as an information exchange network which promotes sensible, sustainable development for small scale farmers. It gathers ideas about farming, nutrition and health and produces radio scripts and provides these and other resources to radio broadcasters in 38 countries in Sub-Saharan Africa. It also implements action research on best practices in farm radio.

The Organization was incorporated by letters patent as a corporation without share capital on February 11, 1986 under the Canada Corporations Act and continued on November 14, 2012 under the Canada Not-for-Profit Corporations Act. The Organization is a registered charitable organization under the Income Tax Act and as such is exempt from income taxes.

2. Significant accounting policies

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and include the following significant accounting policies:

Financial instruments

Initial measurement

Financial assets and financial liabilities originated or exchanged in arm's length transactions are initially recognized at fair value when the Organization becomes a party to the contractual provisions of the financial instrument. Financial assets and financial liabilities originated or exchanged in related party transactions, except for those that involve parties whose sole relationship with the Organization is in the capacity of management, are initially recognized at cost.

The cost of a financial instrument in a related party transaction depends on whether the instrument has repayment terms. The cost of financial instruments with repayment terms is determined using its undiscounted cash flows, excluding interest and dividend payments, less any impairment losses previously recognized by the transferor. The cost of financial instruments without repayment terms is determined using the consideration transferred or received by the Organization in the transaction.

Subsequent measurement

All financial instruments are subsequently measured at amortized cost.

Revenue recognition

The Organization follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Contributions and donations relating to specific projects extending beyond the end of the year are deferred to the extent that matching expenses have not been incurred. A loss is recognized on projects when total expenses are expected to exceed total contributions.

Project revenues are subject to conditions regarding the expenditure of the funds. The Organization's accounting records are subject to audit by certain funders to identify instances, if any, in which the amounts charged to projects have not complied with the agreed terms and conditions, and which, therefore, would be refundable to the funding agency. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

A substantial number of volunteers have made significant contributions of their time to the Organization's programs. Since these services are not normally purchased by the Organization, their value cannot be readily estimated. Consequently, donated services are not recognized in the financial statements.

2. Significant accounting policies (continued)

Program advances

Advances made to fund program expenses, which have not yet been reported as an expense, are reported as an asset.

Fair value

The fair value of cash equivalents, accounts receivables, project receivables from donors and accounts payable and accrued liabilities approximate their carrying value due to their short-term maturity. It is management's opinion that the Organization is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair value and the related risks of cash deposits held by host field offices are disclosed in Note 3.

Related party transactions

Related party transactions in the normal course of operations are recorded at exchange amounts.

Translation of foreign currencies

Transactions conducted in a foreign currency are translated into Canadian dollars at the average rates of exchange in effect for the period. Assets and liabilities denominated in foreign currencies are adjusted at the balance sheet date to reflect the exchange rates in effect at that date. Exchange gains and losses are recorded in the statement of revenue and expenses.

Capital assets

Capital assets are recorded at cost and are amortized over their estimated useful lives on a declining-basis using the following annual rates:

Vehicles	30%
Equipment	20%
Furniture	20%

The following category of capital assets is amortized over their estimated useful lives on a straight-line basis using the following annual rate:

Leasehold Improvement	25%
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Use of estimates

The preparation of financial statements in conformity with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant areas requiring the use of management's estimates include the collectible amounts of receivables and the amount of accrued liabilities. Actual results could differ from these estimates.

Internally restricted net assets

The Organization has internally restricted net assets for the future purchase of vehicles for overseas operations and for future contingencies including severance costs.

2. Significant accounting policies (continued)

Adoption of Accounting Guideline 20 ("AcG-20"), Customer's Accounting for Cloud Computing Arrangements

Effective the year ended March 31, 2025, the Organization has adopted AcG-20. The guideline provides guidance on determining whether a software element is a software intangible asset or a software service, and how to account for expenditures in a cloud computing arrangement.

The Organization has elected to apply the simplification approach and has treated all expenditures on cloud computing arrangements as an expense as incurred.

The Organization has applied the guideline in accordance with the transition provisions of AcG-20. An entity that applies the simplification approach is required to apply the guideline retrospectively in accordance with Section 1506, Accounting Changes. The adoption of AcG-20 did not have an impact on the Organization's financial statements.

3. Project receivables from funders

	2025	2024
	\$	\$
AGRA	288,284	37,327
CRS	168,768	70,480
WUSC	112,575	155,155
WFP	93,331	—
IDRC	85,959	—
BIOVISION	76,636	—
CECI	57,377	—
ALINEA	32,041	449,236
Greenleaf	24,184	—
CABI	19,321	—
CODE	12,038	—
IITA	6,608	—
OIT	3,150	—
GIZ	—	154,080
ACDI-VOCA	—	81,525
Others	—	3,001
	980,272	950,804

4. Capital assets

	Cost	Accumulated amortization	2025 Net book value	2024 Net book value
	\$	\$	\$	\$
Vehicles	71,041	71,041	—	—
Equipment	15,134	15,134	—	2,705
Computers	31,191	18,195	12,996	19,977
Furniture and fixtures	10,211	9,995	216	269
Leasehold improvements	23,749	23,749	—	—
	151,326	138,114	13,212	22,951

Farm Radio International
Notes to the financial statements
 March 31, 2025

5. Line of credit

The Organization has a demand operating facility agreement with a Canadian bank, which allows it to borrow up to \$600,000 (\$600,000 in 2024) at an interest rate of prime plus 0.75% per annum, with a general security agreement. As at March 31, 2025 and 2024, the outstanding balance was \$nil.

6. Deferred contributions

Deferred contributions represent externally restricted contributions to fund program and related expenses of future periods.

	2025	2024
	\$	\$
Balance, beginning of year	1,908,881	1,146,690
Additions to deferred contributions	10,044,026	10,093,544
Change in accounts receivable	29,467	(233,453)
Revenue recognized in the period	(9,425,217)	(9,097,899)
Balance, end of the year	2,557,157	1,908,881

The deferred contribution balance is comprised of the following:

	2025	2024
	\$	\$
IKEA	1,134,208	154,265
GAC	1,080,473	901,899
MSI	121,575	35,434
ENABLE	117,757	—
NUTRITIONAL INTERNATIONAL	86,925	—
GAIN	10,732	—
IFAD	5,487	33,535
CODE	—	531,909
BIOVISION	—	119,717
IDRC	—	60,390
AGRA	—	10,995
Others	—	60,737
	2,557,157	1,908,881

7. Other project grants

	2025	2024
	\$	\$
BIOVISION	308,864	190,995
WUSC	303,633	430,134
AGRA	260,489	222,198
WFP	254,425	-
ACDI-VOCA	160,645	338,436
ENABLE	86,969	-
IFAD	43,874	24,899
Lively Minds	40,896	-
Other project grants	1,061,641	913,544
	2,521,436	2,120,206

8. Program expenses

In 2007, the Organization began implementing program activities in select countries of Africa, either through its own field offices or in partnership with other organizations located in those countries. As a result, a portion of program expenses are incurred and paid directly in several African countries, particularly for impact radio campaigns, action research and training programs. The following are program expenses incurred in the field by geographic location of spending during the year:

	2025	2024
	\$	\$
Africa program expenses		
Mali	839,940	1,022,888
Uganda	631,715	652,048
Burkina Faso	612,008	574,597
Ghana	443,106	540,893
Ethiopia	394,321	239,878
Cote D'Ivoire	360,229	377,892
DRC	347,186	7,346
Malawi	303,421	221,958
Tanzania	225,428	188,576
Zambia	184,239	172,498
Nigeria	102,658	321,113
Mozambique	876	51,447
Senegal	-	2,945
Total Africa program expenses	4,445,127	4,374,079
Canada program expenses	4,646,180	4,433,300
Total program expenses	9,091,307	8,807,379

Total program expenses incurred in Africa (field) represent approximately 49% (50% in 2024) of the total program expenses. Program expenses in Canada are paid directly by the Canadian office.

9. Changes in non-cash operating working capital items

	2025	2024
	\$	\$
Accounts receivable	(7,592)	(33,293)
Project receivables from funders	(29,468)	233,454
Prepaid expenses	1,652	23,322
Accounts payable and accrued liabilities	39,706	(134,230)
	4,298	89,253

10. Shared costs

WUSC provides the Organization with office infrastructure, project management and administrative services. Per the new agreement between FRI and WUSC, the management fee charged for these services for the year ended March 31, 2025 was \$91,053 (\$133,540 in 2024). WUSC also incurs expenses on behalf of the Organization such as payroll, telephone, and courier, which are reimbursed on a dollar-for-dollar basis with no mark up.

11. Allocation of fundraising costs

The Fundraising costs contains personnel cost, non-personnel cost, and shared cost.

Personnel costs

Personnel costs are allocated based on the time and effort of staff. Costs for staff that provide general support to all projects are treated as shared costs and are allocated as noted below.

Non-personnel costs

Non-personnel costs that are specifically identifiable with a particular cost center are directly charged to those cost centers. Those costs that are not specifically identifiable are treated as shared costs and are allocated as noted below.

Shared costs

Shared costs are allocated based on the annual approved budget.

	2025		2024	
	\$	%	\$	%
Bank charges admin	14,332	3.63	15,160	4.09
Consultant/honorarium	60,668	15.38	48,232	13.02
Other fundraising cost	1,090	0.28	1,462	0.39
Personnel cost	228,621	57.95	223,231	60.27
Postage	27,702	7.02	27,105	7.32
Printing and photocopy	44,915	11.38	42,846	11.57
Support fee	17,201	4.36	12,375	3.34
	394,529	100.00	370,411	100.00

12. Interfund transfer

No transfers were made in the current year. In 2024, \$61,787 was transferred from unrestricted net assets to internally restricted net assets for future contingencies related to potential severances when projects terminate. No transfers were made in the current year.

13. Contingent liabilities

The Organization's accounting records are subject to audit by certain funders to identify instances, if any, in which the amounts charged to projects have not complied with the agreed terms and conditions, and which, therefore, would be refundable to the funding agency. Adjustments to the financial statements as a result of these audits will be recorded in the period in which they become known.

14. Capital management

The Organization defines its capital as its net assets. The Organization's objectives, when managing capital, are to safeguard its ability to continue operations as a going concern so that it can continue to provide long-term benefits to its stakeholders.

The Organization's Board of Directors is responsible for overseeing the effective management of capital. The Board of Directors reviews and approves the Organization's financial budget annually.

The Organization is not subject to any externally imposed capital restrictions.

15. Comparative figures

Certain comparative figures have been reclassified to conform to the current year's presentation.