Consolidated Financial Statements and Report of Independent Certified Public Accountants

The Population Council, Inc.

December 31, 2025 and 2024

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GRANT THORNTON LLP
757 Third Avenue, 9th Floor
New York, NY 10017

D +1 212 599 0100

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of
The Population Council

Report on the audit of the financial statements

Opinion

We have audited the consolidated financial statements of the Population Council (the "Council"), which comprise the consolidated balance sheets as of December 31, 2025 and 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Council as of December 31, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audit of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US 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 required to be independent of the Council and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of management for the financial statements

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

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

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Auditor's responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with US GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- 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 Council's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Council's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Grant Thornton LLP

New York, New York
September 30, 2026

The Population Council, Inc.

CONSOLIDATED BALANCE SHEETS

December 31,

	2025	2024
ASSETS		
Cash and cash equivalents	$ 22,435,665	$ 17,953,380
Grants and contributions receivable, net:		
U.S. government agencies	3,026,330	4,325,601
Other	16,245,305	9,164,338
Other receivables, net	1,153,082	1,336,639
Prepaid expenses and other assets	2,408,807	1,782,119
Investments	130,322,660	117,739,577
Inventory	1,601,893	3,187,896
Right-of-use assets, net	16,512,430	20,215,672
Fixed assets, net	5,623,061	6,200,798
Total assets	$ 199,329,233	$ 181,906,020
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable, accrued expenses, and other liabilities	$ 7,328,770	$ 9,168,834
Awards, contracts, and fellowships payable	15,584	738
Program advances	26,052,007	16,562,624
Lease liabilities	18,996,502	23,137,721
Postretirement medical benefits payable	2,255,629	2,794,381
Total liabilities	54,648,492	51,664,298
Commitments and contingencies		
Net assets		
Net assets without donor restrictions	118,520,766	106,819,644
Net assets with donor restrictions	26,159,975	23,422,078
Total net assets	144,680,741	130,241,722
Total liabilities and net assets	$ 199,329,233	$ 181,906,020

The accompanying notes are an integral part of these consolidated financial statements.

The Population Council, Inc.

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31, 2025

	Without Donor Restrictions	With Donor Restrictions	Total 2025
Operating revenue			
Grants and contributions	$ 43,189,986	$ 224,049	$ 43,414,035
Royalties	2,723,705	-	2,723,705
Investment return, net	14,239,630	3,257,118	17,496,748
Other revenues, gains, and (losses)	885,190	(229)	884,961
Net assets released from restrictions	88,255	(88,255)	-
Total operating revenue	61,126,766	3,392,683	64,519,449
Operating expenses			
Program services:			
Social and behavioral sciences	24,046,169	-	24,046,169
Biomedical research	11,666,455	-	11,666,455
Total program services	35,712,624	-	35,712,624
Supporting services:			
Management and general	13,999,910	-	13,999,910
Fund-raising	173,260	-	173,260
Total supporting services	14,173,170	-	14,173,170
Total operating expenses	49,885,794	-	49,885,794
Excess (deficiency) of operating expenses over operating revenue	11,240,972	3,392,683	14,633,655
Other changes in net assets			
Postretirement benefit changes other than net periodic benefit cost	(436,725)	-	(436,725)
Net periodic benefit costs other than service cost (gain)	422,600	-	422,600
Transfer from endowments	654,786	(654,786)	-
Foreign currency adjustment	28,408	-	28,408
Loss on lease obligation	(208,919)	-	(208,919)
CHANGE IN NET ASSETS	11,701,122	2,737,897	14,439,019
Net assets at beginning of year	106,819,644	23,422,078	130,241,722
Net assets at end of year	$ 118,520,766	$ 26,159,975	$ 144,680,741

The accompanying notes are an integral part of this consolidated financial statement.

The Population Council, Inc.

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31, 2024

	Without Donor Restrictions	With Donor Restrictions	Total 2024
Operating revenue			
Grants and contributions	$ 41,417,727	$ 386,187	$ 41,803,914
Royalties	3,405,172	-	3,405,172
Investment return, net	11,235,327	2,237,414	13,472,741
Sales	-	-	-
Cost of goods sold	-	-	-
Other revenues, gains, and (losses)	513,223	-	513,223
Net assets released from restrictions	727,902	(727,902)	-
Total operating revenue	57,299,351	1,895,699	59,195,050
Operating expenses			
Program services:			
Social and behavioral sciences	25,499,648	-	25,499,648
Biomedical research	24,165,742	-	24,165,742
Total program services	49,665,390	-	49,665,390
Supporting services:			
Management and general	12,192,479	-	12,192,479
Fund-raising	106,976	-	106,976
Total supporting services	12,299,455	-	12,299,455
Total operating expenses	61,964,845	-	61,964,845
Excess (deficiency) of operating expenses over operating revenue	(4,665,494)	1,895,699	(2,769,795)
Other changes in net assets			
Postretirement benefit changes other than net periodic benefit cost	(92,332)	-	(92,332)
Net periodic benefit costs other than service cost (gain)	338,687	-	338,687
Transfer from endowments	732,178	(732,178)	-
Inherit contribution (changes in net assets)	-	-	-
Foreign currency adjustment	259,183	-	259,183
Loss on lease obligation	(6,032)	-	(6,032)
CHANGE IN NET ASSETS	(3,433,810)	1,163,521	(2,270,289)
Net assets at beginning of year	110,253,454	22,258,557	132,512,011
Net assets at end of year	$ 106,819,644	$ 23,422,078	$ 130,241,722

The accompanying notes are an integral part of this consolidated financial statement.

The Population Council, Inc.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2025, with summarized comparative totals for the year ended December 31, 2024

	Program Services			Supporting Services			
	Social and Behavioral Sciences	Biomedical Research	Total	Management and General	Fund-raising	Total	Total Expenses
Awards, contracts, and fellowships	$ 2,125,519	$ 864,687	$ 2,990,206	$ -	$ -	$ -	$ 2,990,206
Salaries and allowances	9,630,037	7,378,380	17,008,417	8,418,461	98,473	8,516,934	25,525,351
Pensions and other employee benefits	2,656,032	2,366,254	5,022,286	1,587,897	33,136	1,621,033	6,643,319
Consultants and professional fees	3,342,213	1,355,711	4,697,924	1,790,068	29,868	1,819,936	6,517,860
Program fees and services	1,758,805	4,349,107	6,107,912	3,794	-	3,794	6,111,706
Program supplies and maintenance	56,396	1,462,196	1,518,592	-	-	-	1,518,592
Travel and meetings	3,895,822	314,948	4,210,770	453,968	8,656	462,624	4,673,394
Occupancy, net	51,103	4,239,391	4,290,494	10,064	52	10,116	4,300,610
Telecommunications, postage, and supplies	56,668	310,059	366,727	104,933	1,896	106,829	473,556
Office equipment and maintenance	256,186	145,980	402,166	1,043,586	-	1,043,586	1,445,752
Printing, publications, books, and journals	210,678	64,573	275,251	38,238	118	38,356	313,607
Insurance	1,812	55,133	56,945	176,894	-	176,894	233,839
Other fees	4,636	4,436	9,072	107,342	1,061	108,403	117,475
Other expenses	-	(11,982,752)	(11,982,752)	514	-	514	(11,982,238)
Total expenses before depreciation and amortization	24,045,907	10,928,103	34,974,010	13,735,759	173,260	13,909,019	48,883,029
Depreciation and amortization of leasehold improvements, equipment, and other	262	738,352	738,614	264,151	-	264,151	1,002,765
Net periodic benefit costs other than service cost (gain)	-	-	-	(422,600)	-	(422,600)	(422,600)
2025 Total	$ 24,046,169	$ 11,666,455	$ 35,712,624	$ 13,577,310	$ 173,260	$ 13,750,570	$ 49,463,194
2024 Total	$ 25,499,648	$ 24,165,742	$ 49,665,390	$ 11,853,792	$ 106,976	$ 11,960,768	$ 61,626,158

The accompanying notes are an integral part of this consolidated financial statement.

The Population Council, Inc.

CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES

Year ended December 31, 2024, with summarized comparative totals for the year ended December 31, 2023

	Program Services			Supporting Services			
	Social and Behavioral Sciences	Biomedical Research	Total	Management and General	Fund-raising	Total	Total Expenses
Awards, contracts, and fellowships	$ 1,708,618	$ 1,556,159	$ 3,264,777	$ -	$ -	$ -	$ 3,264,777
Salaries and allowances	11,230,547	7,643,135	18,873,682	6,361,713	33,739	6,395,452	25,269,134
Pensions and other employee benefits	3,126,322	2,488,959	5,615,281	2,058,825	11,557	2,070,382	7,685,663
Consultants and professional fees	2,444,481	1,609,579	4,054,060	1,212,799	33,937	1,246,736	5,300,796
Program fees and services	2,122,130	3,662,922	5,785,052	2,877	-	2,877	5,787,929
Program supplies and maintenance	139,544	800,952	940,496	-	-	-	940,496
Travel and meetings	4,200,238	459,274	4,659,512	520,950	18,834	539,784	5,199,296
Occupancy, net	32,666	4,413,794	4,446,460	6,089	-	6,089	4,452,549
Telecommunications, postage, and supplies	62,031	336,421	398,452	110,146	2,822	112,968	511,420
Office equipment and maintenance	188,287	171,486	359,773	1,159,647	-	1,159,647	1,519,420
Printing, publications, books, and journals	207,322	80,923	288,245	99,257	4,665	103,922	392,167
Insurance	1,285	135,918	137,203	180,023	-	180,023	317,226
Other fees	18,145	5,282	23,427	110,241	1,422	111,663	135,090
Other expenses	18,032	-	18,032	127,272	-	127,272	145,304
Total expenses before depreciation and amortization	25,499,648	23,364,804	48,864,452	11,949,839	106,976	12,056,815	60,921,267
Depreciation and amortization of leasehold improvements, equipment, and other	-	800,938	800,938	242,640	-	242,640	1,043,578
Net periodic benefit costs other than service cost (gain)	-	-	-	(338,687)	-	(338,687)	(338,687)
2024 Total	$ 25,499,648	$ 24,165,742	$ 49,665,390	$ 11,853,792	$ 106,976	$ 11,960,768	$ 61,626,158
2023 Total	$ 27,893,576	$ 34,845,079	$ 62,738,655	$ 16,004,633	$ 126,035	$ 16,130,668	$ 78,869,323

The accompanying notes are an integral part of this consolidated financial statement.

The Population Council, Inc.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Years ended December 31,

	2025	2024
Cash flows from operating activities:		
Increase (decrease) in net assets	$ 14,439,019	$ (2,270,289)
Adjustments to reconcile (decrease) increase in net assets to net cash used in operating activities:		
Depreciation and amortization	1,002,765	1,043,578
Net appreciation in fair value of investments	(14,046,122)	(10,386,539)
Other postretirement changes other than net periodic benefit cost	436,725	92,332
Net (gain) loss on sale of fixed assets	(10,996)	7,690
(Decrease) increase in allowance for uncollectible receivables	-	(1,391)
Changes in assets and liabilities:		
Grants and contributions receivable	(5,781,696)	(3,109,072)
Other receivables	183,557	56,316
Prepaid expenses and other assets	(626,688)	(135,788)
Inventory	1,586,003	(1,995,992)
Right-of-use assets	3,703,242	3,630,250
Accounts payable, accrued expenses, and other liabilities	(1,905,999)	670,039
Awards, contracts, and fellowships payable	14,846	(569)
Program advances	9,489,383	1,636,327
Lease liabilities	(4,141,219)	(3,821,063)
Postretirement medical benefits payable	(975,477)	(901,918)
Net cash provided by (used in) operating activities	3,367,343	(15,486,089)
Cash flows from investing activities:		
Purchase of investments	(91,966,121)	(65,989,729)
Proceeds from sale of investments	93,429,160	76,575,342
Purchases of fixed assets	(363,917)	(666,614)
Proceeds from sale of fixed assets	15,820	-
Net cash provided by investing activities	1,114,942	9,918,999
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	4,482,285	(5,567,090)
Cash and cash equivalents at beginning of year	17,953,380	23,520,470
Cash and cash equivalents at end of year	$ 22,435,665	$ 17,953,380
Supplemental disclosure of non-cash activities:		
Accounts payable for capital expenditures	$ 65,935	$ 332,048
Right-of-use assets obtained in exchange for lease obligations	$ -	$ 9,015,055

The accompanying notes are an integral part of these consolidated financial statements.

NOTE 1 - DESCRIPTION OF ORGANIZATION AND ITS PROGRAMS

The Population Council, Inc. (the Council) confronts critical health and development issues. Through biomedical, social science, and public health research in more than 50 countries, the Council works with partners to deliver solutions that lead to more effective policies, programs, and technologies that improve lives around the world.

Established in 1952 and headquartered in New York, the Council is a nongovernmental, nonprofit organization governed by an international Board of Trustees. The Council takes a multi-disciplinary, life-course research approach to focus on four research areas: sexual and reproductive health, adolescents and young people, gender equality and equity, and climate change.

The Council's mission is to generate ideas, produce evidence, and design solutions to improve the lives of populations around the world.

The Council works to improve sexual and reproductive health - especially for populations systematically discriminated against in low- and middle-income countries. In partnership with other nongovernmental organizations, government policymakers, program managers, and communities, the Council studies and improves reproductive health services, supports the introduction of new contraceptives worldwide, and assists policymakers in formulating, launching, and expanding evidence-informed programs and policies.

The Council's biomedical laboratories at the Center for Biomedical Research (CBR) develop innovative products that help protect the health and well-being of millions of people worldwide. CBR's researchers pioneered the field of long acting, reversible contraception, including intrauterine devices and implants. Today, more than 170 million people worldwide are using contraceptive technologies developed at CBR or based on CBR's technologies. CBR scientists are investigating new approaches to prevent HIV and other sexually transmitted infections, including multi-purpose prevention technologies. CBR is developing next generation contraceptives and delivery systems, including rings, gels, tablets, and fast dissolving inserts, which are designed to be safer, lower cost, and easier to use.

The Council seeks to understand the social dimensions of poverty and social inequity, the causes and consequences of gender inequality, the disparities in opportunity that arise during adolescence, and the critical elements of reaching a successful, productive adulthood in low- and middle-income countries. The Council conducts policy-oriented research and programs that improve the lives of vulnerable populations, especially disadvantaged girls. The Council conducts rigorous impact evaluations on interventions to improve the lives of adolescent girls, evaluating what works, for which girls, under what circumstances, and at what cost. The Council studies the best ways to build the assets of adolescent girls to give them social, educational, and economic opportunities to break the cycle of poverty. The Council also seeks to reduce the impact of HIV related disability, death, stigma and discrimination, and orphanhood on individuals' lives and on the lives of people in their families, communities, and societies.

The Council investigates the complex interactions and dynamics between people and their environment and helps to ensure that climate programs and policies are progressive, inclusive, and rooted in the principles of equity. The Council harnesses evidence to build resilient, sustainable, and equitable communities, able to adapt to and mitigate the climate crisis. Climate change research includes a focus on gender equality and adolescent health and well-being, harmonized demographic and climate modeling, and sustainable livelihoods for economic empowerment.

The Council derives its support and revenue from governments, foundations and other not for profit organizations, multilateral organizations, corporations, individuals, and internal such as investment return, publications, and royalty income. The Council's headquarters and the CBR are located in New York City as well as 17 offices across 13 countries. Of these, four offices were closed in 2025.

Included among these offices are three locally registered organizations in India, Kenya, and Pakistan which do not have income tax filing obligations and a for-profit affiliate in India that is subject to Indian taxation. No provision for income taxes was required for 2025 or 2024. All four affiliates have elected to be disregarded for U.S. income tax purposes.

On October 4, 2022, the Council executed an asset acquisition agreement to acquire the assets of the International Partnership for Microbicides (IPM), a nonprofit organization that develops HIV prevention technologies, and assumed agreed upon liabilities of IPM. IPM has transferred ownership of its intellectual property, grant agreements, and other assets. The Council took on product development and clinical activities as well as introduction and access activities. As a result of the asset acquisition, the Council added three IPM technologies to its product line. Additionally, as a result of the transaction, two independent affiliates, IPM's South Africa office and IPM Belgium, became Council affiliates.

The Council has been classified by the Internal Revenue Service as exempt from federal income taxes under Section 501(a) as an organization described in Section 501(c)(3) of the Internal Revenue Code. Accordingly, it is not subject to income taxes except to the extent that it has taxable income from activities that are not related to its exempt purpose. The Council recognizes the effects of income tax positions only if those positions are more likely than not of being sustained.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis in accordance with accounting principles generally accepted in the United States of America. The preparation of financial statements in conformity with U.S. generally accepted accounting principles (GAAP) requires management to make estimates and judgments that affect the reported amount of assets and liabilities and disclosures of contingencies at the date of the consolidated financial statements, and revenues and expenses recognized during the reporting period. Actual results could differ from those estimates. Significant estimates and assumptions include the actuarial determination of postretirement benefit cost and the related liability, the functional allocation of expenses, the allowance for uncollectible receivables, and the useful lives of fixed assets.

These consolidated financial statements include all locally registered affiliates included in Note 1 as the Population Council, Inc. controls these affiliates. All intercompany accounts and transactions are eliminated in consolidation.

Basis of Presentation

The Council classifies its net assets and revenues, gains, and losses based on the existence or absence of donor-imposed restrictions as follows:

Net assets without donor restrictions are not subject to any donor-imposed stipulations. However, the Board of Trustees may choose to designate amounts for particular uses. *The John D. Rockefeller 3rd Memorial Fund* has been designated by the Board and established to function as an endowment.

Net assets with donor restrictions:

a) *Net assets with purpose or time restrictions* are subject to donor-imposed stipulations that will be met by either actions of the Council and/or the passage of time.

b) *Net assets with perpetual restrictions* are subject to donor-imposed stipulations that they be maintained permanently by the Council. Generally, the donors of these assets permit the Council to use all or part of the return earned on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on assets or liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets with donor restrictions (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as net assets released from restrictions.

The Council excludes from the excess/(deficiency) of operating revenue over operating expenses transfers to/from endowment, net postretirement benefit cost other than service cost, postretirement benefit changes other than net periodic benefit cost and unusual or nonrecurring activities.

Fair Value Measurements

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

Level 1 - Inputs are quoted or published prices (unadjusted) in active markets for identical assets or liabilities that the Council has the ability to access at the measurement date.

Level 2 - Inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 - Inputs are unobservable inputs for the asset or liability.

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

The Council measures the fair value of its limited partnership investments, which do not have readily determinable fair values, using net asset value (NAV) per share or its equivalent as the practical expedient, as provided by the investment managers. The Council reviews and evaluates the value provided by the general partner, as well as the valuation methods and assumptions used in determining the NAV of the limited partnership investments. The estimated fair value may differ significantly from the value that would have been used had a ready market for this investment existed.

Cash Equivalents

Cash equivalents include short-term investments with original maturities of 90 days or less, except for those short-term investments managed by external investment managers as part of a long-term investment strategy.

Grants and Contributions

The Council receives grants and contributions from a number of sources, including the U.S. government, foreign governments, private foundations, and other donors.

Grants and contributions, which include unconditional promises to give (pledges), are recognized as revenues in the period received. Conditional promises to give are recognized as support without restrictions to the extent that the related expenses are incurred or services are rendered (i.e., the barriers to the entitlement are satisfied) in accordance with the terms of the relevant grant or contract agreement. Any unexpended funds received in advance are reported as program advances on the consolidated balance sheets.

As of December 31, 2025 and 2024, the Council had conditional grants from funding agencies of approximately $83.9 million and $73.8 million, respectively, in the form of measurable performance related or other barriers that have not been reflected in the accompanying consolidated financial statements because the conditions on which they depend have not been met. Amounts received prior to meeting the related conditions are classified as program advances on the consolidated balance sheets.

Investments

Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair value based on quoted market prices. Fair values of the limited partnership investments are based on NAV and are provided by the general partner based on the underlying net assets of the investment vehicle.

Leases

Right-of-use (ROU) assets are recognized at the lease commencement date and represent the Council's right to use an underlying asset for the lease term, and lease liabilities represent the Council's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments over the remaining lease term. The present value of lease payments is discounted based the risk-free rate selected based on the term of the lease.

The Council’s ROU assets are initially measured based on the corresponding lease liability adjusted for (i) payments made to the lessor at or before the commencement date, (ii) initial direct costs incurred and (iii) lease incentives under the lease. Options to renew or terminate the lease are recognized as part of our ROU assets and lease liabilities when it is reasonably certain the options will be exercised. ROU assets are also assessed for impairments consistent with the long-lived asset guidance.

The Council allocates consideration between lease and non-lease components, such as operating costs, for any leases within its existing classes of assets. Operating lease expense for fixed lease payments is recognized on a straight-line basis over the lease term. Variable lease payments for usage-based fees are not included in the measurement of the ROU assets or lease liabilities and are expensed as incurred.

Fixed Assets

Fixed assets include furniture, fixtures, equipment, computer software, and leasehold improvements that have unit costs in excess of $5,000 and that are recorded at cost. Leasehold improvements are amortized using the straight-line method over the life of the lease or useful life of the asset, whichever is shorter. All other fixed assets are depreciated using the straight-line method over the estimated useful lives of the assets, ranging from four to 20 years.

Awards, Contracts, and Fellowships Payable

The Council recognizes awards, contracts, and fellowships authorized during the year in operating expenses. A liability for unpaid amounts is included in the consolidated balance sheets within awards, contracts, and fellowships payable.

Foreign Currency Translation

The Council has determined that the reporting currency of its foreign offices is the U.S. dollar. Accordingly, assets and liabilities are translated using the current exchange rates in effect on the consolidated balance sheet date. Revenue and expense accounts are translated at the average rate in effect during the year. There are exchange rate gains (losses) of ($208,919) and $259,183 for the years ended December 31, 2025 and 2024, respectively, that are shown on the consolidated statement of activities as Foreign Currency Adjustment. Grants and contributions revenue is shown net of foreign exchange losses of approximately Nil and $43,000 in 2025 and 2024, respectively.

Royalties

Royalties are received from commercial partners in return for the rights to use the Council's intellectual property rights or ownership of research for their products. For royalty agreements, which include variable consideration, revenue is recognized after products are sold based on the percentage of net sales reported to the Council quarterly. For royalty agreements which include milestones, revenue is recognized when all obligations under the milestone are satisfied. For royalty agreements which relate to the transfer of functional intellectual property, revenue is recognized at the point in time when the customer can use and benefit from the license. Sales-based royalty revenues recognized for the years ended December 31, 2025 and 2024 approximated $2.7 million and $3.4 million, respectively.

Management has elected the practical expedient permitted under Accounting Standards Codification (ASC) 606 not to disclose information about remaining performance obligations as these contracts have original terms that are one year or less.

During the year ended December 31, 2025, the Council recovered approximately $13M related to a receivable that had been fully reserved through an allowance for credit losses in the prior fiscal year. As the receivable was previously deemed uncollectible and fully provided for, the recovery has been recognized in the accompanying statement of activities as a reduction of bad debt expense (Biomedical Research) in the current year.

Concentration of Support

During 2025, approximately $7.5 million of the Council's grants were funded by the Foreign, Commonwealth & Development Office (FCDO), $3.9 million by KfW Entwicklungsbank, and $3.6 million by the National Institutes of Health (NIH). During 2024, approximately $4.2 million of the Council's grants were funded by the National Institutes of Health (NIH). As of December 31, 2024, approximately $1.2 million of the Council's grants receivable were also from NIHAs.

The three largest funding sources, one U.S. government agency, two foreign government agency constitute 34.62% of the revenue in 2025. The three largest funding sources, two U.S. government agencies and one private foundation, constitute 22% of the revenue in 2024.

Expense Allocation

The consolidated financial statements include certain categories of expenses that are attributable to more than one program or supporting function. Therefore, these expenses require allocation on a reasonable basis that is consistently applied. Facilities-related expenses (like occupancy, depreciation, office costs) are allocated based on the time and effort of the staff at each location. Staff benefits are allocated based on time and effort recorded in the time sheets.

Risks and Uncertainties

The Council invests in various investment securities. Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of the investment securities will occur in the near term and such changes could materially affect the amounts reported in the consolidated balance sheets.

Inventory

Inventories related to the production of dapivirine rings are stated at the lower of cost or net realizable value. Cost is determined by the first-in, first-out method. The Council's Inventory consists of raw materials, work-in-progress (WIP), and finished goods. As of December 31, 2025, the Council held approximately $1,101,000 of finished goods and $154,000 and $347,000 of raw materials and WIP, respectively. As of December 31, 2024, the Council held approximately $2,109,000 of finished goods and $732,000 and $347,000 of raw materials and WIP, respectively.

NOTE 3 - INVESTMENTS

The following tables present the Council's fair value hierarchy for its investments as of December 31, 2025 and 2024. The alternative investments are measured at fair value using the NAV per share (or its equivalent) practical expedient and have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation to the amounts presented in the consolidated balance sheets:

	2025		2024	
	Fair Value	Level 1	Fair Value	Level 1
Money market	$ 1,230,105	$ 1,230,105	$ 4,352,513	$ 4,352,513
Fixed income:				
US governments and agencies	5,250,151	5,250,151	3,864,003	3,864,003
Domestic corporate bonds	9,627,941	9,627,941	8,486,293	8,486,293
Mortgage-backed securities	6,314,519	6,314,519	6,957,334	6,957,334
Equities:				
Mutual funds - fixed inc.	16,890,959	16,890,959	10,846,249	10,846,249
Common stock - domestic	61,082,496	61,082,496	58,715,016	58,715,016
Common stock - foreign	5,573,721	5,573,720	5,462,618	5,462,618
Mutual funds - equities	7,825,747	7,825,746	6,961,449	6,961,449
Exchange traded funds - equity	11,394,370	11,394,371	8,302,079	8,302,079
Sub total	125,190,009	$125,190,009	113,947,554	$113,947,554
Alternative investments measured at NAV:				
Limited partnership	5,132,651		3,792,023	
Total investments	$130,322,660		$117,739,577	

The following tables present the strategies and related redemption information with respect to the Council's investments measured at NAV:

	2025			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Secondary private equity	$ 4,526,132	$ 5,000,000	No Redemptions	Not applicable
Diversified private equity fund-of-funds	-	360,976	No Redemptions	Not applicable
Distressed/restructuring index	16,694	-	Annually	90 days
Event-driven (total) index	294,783	-	Semi-annual	60 days
Global long/short credit and event driven	295,042	-	Quarterly	65 days
Total	$ 5,132,651	$ 5,360,976		

	2024			
	Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Secondary private equity	$ 2,936,553	$ 8,288,328	No Redemptions	Not applicable
Diversified private equity fund-of-funds	2,686	360,976	No Redemptions	Not applicable
Distressed/restructuring index	54,578	-	Annually	90 days
Event-driven (total) index	461,494	-	Semi-annual	60 days
Global long/short credit and event driven	336,712	-	Quarterly	65 days
Total	$ 3,792,023	$ 8,649,304		

Under the terms of limited partnership agreements, the Council is obligated to periodically advance additional funding for its limited partnership investments. The unfunded commitments have not been recorded as a liability in the accompanying consolidated balance sheets. Such commitments generally have fixed expiration dates or other termination clauses. The Council maintains sufficient liquidity in its investment portfolio to cover such calls.

NOTE 4 - GRANTS AND CONTRIBUTIONS RECEIVABLE

At December 31, 2025 and 2024, grants and contributions receivable are expected to be collected as follows:

	2025	2024
Less than one year	$ 19,387,881	$ 13,606,185
Less allowance for uncollectible amounts	(116,246)	(116,246)
Total grants and contributions receivable, net	$ 19,271,635	$ 13,489,939

NOTE 5 - FIXED ASSETS

Fixed assets at December 31, 2025 and 2024 consist of the following:

	2025	2024
Leasehold improvements	$ 21,346,147	$ 20,282,279
Furniture and equipment	10,107118	9,976,872
Computer equipment	3,565,173	3,585,715
Automobiles	457,798	483,386
Office condominium	497,755	506,896
WIP	83,022	893,525
	36,057,013	35,728,673
Less: accumulated depreciation and amortization	(30,433,952)	(29,527,875)
	$ 5,623,061	$ 6,200,798

WIP is primarily attributable to leasehold improvements of the New York office undertaken during the year.

NOTE 6 - NET ASSETS WITH DONOR RESTRICTIONS

At December 31, 2025 and 2024, net assets with purpose or time restrictions are to be used for the following purposes:

	2025	2024
Social and behavioral science research	$ 9,543,424	$ 8,552,355
Biomedical research	6,278,087	5,537,213
Future periods	4,852,687	3,846,734
	$ 20,674,198	$ 17,936,302

Included in net assets with donor restrictions, subject to purpose or time restrictions, are endowment funds (Note 7) in the amount of $15.9 million and $13.3 million consisting of remaining original principal balances, as well as unspent appreciation on these balances and on net assets with perpetual donor restrictions as of December 31, 2025 and 2024, respectively.

Net assets with donor restrictions, subject to perpetual donor restriction, support operations as follows:

Funds	2025	2024
DeWitt Wallace Fellowship Fund	$ 450,000	$ 450,000
Policy Research Endowment Fund	2,035,776	2,035,776
General Fund	3,000,000	3,000,000
	$ 5,485,776	$ 5,485,776

NOTE 7 - ENDOWMENT FUNDS

The Council's endowment consists of several individual funds established for a variety of purposes and includes both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The Council follows the New York Prudent Management of Institutional Funds Act (NYPMIFA). Based on the interpretation of NYPMIFA by the Council's Board of Trustees, GAAP, and absent explicit donor stipulations to the contrary, the Council classifies as net assets restricted in perpetuity (a) the original value of gifts donated to the permanent endowment and (b) the original value of subsequent gifts to the permanent endowment. The remaining portion of the donor-restricted endowment fund that is not classified as net assets restricted in perpetuity is classified as net assets restricted by purpose or time until those amounts are appropriated for expenditure by the Council in a manner consistent with the standard of prudence prescribed by NYPMIFA and in accordance with the disclosure provisions set forth by ASC 958-205, *Not-For-Profit Entities - Presentation of Financial Statements*.

In accordance with NYPMIFA, the Council considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1) The duration and preservation of the fund
2) The purposes of the Council and the donor-restricted endowment fund
3) General economic conditions
4) The possible effect of inflation and deflation
5) The expected total return from income and the appreciation of investments
6) Other resources of the Council
7) The investment policies of the Council

The annual 2025 and 2024 spending authorizations were calculated at $6.0 million and $6.0 million, respectively. Both amounts represent approximately 5% of the average market value of the endowment over the previous eight quarters ended September 30 unless an endowment fund's spending rate is specifically designated otherwise by a donor. The calculation is performed during the budgeting process, and the withdrawal request is proposed to the Board of Trustees for utilization in support of the subsequent year's budget. In addition, the Board of Trustees approved the use of an additional draw of up to $6 million to support ongoing activities in 2025 and up to $3.5 million in 2024. The use of these funds was interchangeable with the annual spending authorization. In addition to the spending authorizations, the

Board of Trustees approved special appropriations of approximately $2 million and $1.7 million for 2025 and 2024, respectively, to fund the strategic investments. These investments include the development of Nestorone®/Ethinyl Estradiol Contraceptive Vaginal Ring, which has now gone to market under the brand name Annovera®, and initiatives to address population environmental risks and climate change, as well as research impact. The authorized withdrawal is drawn down as funds are needed during, or immediately subsequent to, the budget year for which funds were authorized.

The authorized withdrawal is drawn down as funds are needed during, or immediately after the budget year for which funds were authorized.

Actual spending may be less than the authorized amount. When less is spent, the unused amount is carried forward for appropriation by the Board of Trustees in future budget periods.

The goal of the Council's endowment investment policy is to maximize long-term total return through a combination of income and capital appreciation, in a prudent manner consistent with sound investment practice, to achieve a return at least equal to the spending rate, net of fees over rolling five-year periods. To achieve the goals of growth and income, the endowment portfolio is divided into growth and fixed-income components.

The following tables present the changes in the Council's endowment funds with donor restrictions and funds designated by the Board of Trustees to function as endowments for the years ended December 31, 2025 and 2024:

	2025			
		With Donor Restrictions		
	Without Donor Restrictions	Purpose or Time	Perpetual	Total
Endowment net assets, beginning of year	$108,530,952	$ 13,337,946	$ 5,485,776	$127,354,674
Investment return, net	13,457,113	3,257,118	-	16,714,231
Endowment spends	(13,835,784)	(649,346)	-	(14,485,130)
Endowment net assets, end of year	$108,152,281	$ 15,945,718	$ 5,485,776	$129,583,775
Endowment funds with donor restrictions	$ -	$ 15,945,718	$ 5,485,776	$ 21,431,494
Board-designated endowment funds	108,152,281	-	-	108,152,281
Total endowment	$108,152,281	$ 15,945,718	$ 5,485,776	$129,583,775

	2024			
		With Donor Restrictions		
	Without Donor Restrictions	Purpose or Time	Perpetual	Total
Endowment net assets, beginning of year	$109,128,903	$ 11,832,710	$ 5,485,776	$126,447,389
Investment return, net	10,940,019	2,237,414	-	13,177,433
Endowment spends	(11,537,970)	(732,178)	-	(12,270,148)
Endowment net assets, end of year	$108,530,952	$ 13,337,946	$ 5,485,776	$127,354,674
Endowment funds with donor restrictions	$ -	$ 13,337,946	$ 5,485,776	$ 18,823,722
Board-designated endowment funds	108,530,952	-	-	108,530,952
Total endowment	$108,530,952	$ 13,337,946	$ 5,485,776	$127,354,674

NOTE 8 - LEASES

The Council assesses contracts at inception to determine whether an arrangement includes a lease, which convey the Council's right to control the use of an identified asset for a period in exchange for consideration. The Council has several non-cancelable operating leases for building space and equipment, for which a ROU asset and a lease liability are recorded in the accompanying consolidated balance sheets. In the US, the Council has two offices in New York and one in Washington, DC. The New York headquarters office operates under a 16-year noncancelable operating lease for two floors expiring on December 31, 2030. The Council has subleased a portion of its headquarters office space. The Council's CBR office occupies space in the office at Rockefeller University (the University) under a 60-month noncancelable operating lease commencing on July 1, 2024 and expiring on June 30, 2029.

Total operating lease cost for the year ended December 31, 2025, totaled $4,504,000 and $32,000 for building leases and equipment leases, respectively, not including sublease income of $1,049,000. Total operating lease cost for the year ended December 31, 2024, totaled $4,499,000 and $32,000 for building leases and equipment leases, respectively, not including sublease income of $864,000.

Supplemental balance sheet and quantitative information related to operating leases for the years ended December 31, is as follows:

	2025	2024
ROU assets	$ 32,029,191	$ 31,895,646
Accumulated amortization	(15,516,761)	(11,679,915)
	$ 16,512,430	$ 20,215,672

	2025	2024
Cash paid for amounts included in the measurement of lease obligations	$ 5,049,532	$ 4,526,000
Weighted-average remaining lease term (expressed in years)	0.15	5.32
Weighted-average discount rate	2.58%	2.6%

Future undiscounted lease payments for the Council's operating lease liabilities approximate as follows as of December 31, 2025:

2026	$ 4,794,589
2027	4,691,796
2028	4,663,002
2029	3,439,712
Thereafter	2,374,039
Total minimum lease payments	19,963,138
Less: imputed interest	966,636
Present value of future minimum lease payments	$ 18,996,502

NOTE 9 - PENSION

The Council has a noncontributory defined contribution pension plan, covering substantially all of its U.S. employees with at least one year of service and who work at least 20 hours per week. Contributions of 12% of the U.S. paid employees' base salaries are funded annually up to a maximum of $24,000 per employee. Total pension expenses for 2025 and 2024 was approximately $1,739,000 and $1,866,000, respectively.

NOTE 10 - POSTRETIREMENT BENEFITS

For retired employees who meet certain minimum age and length of service requirements, the Council sponsors a defined benefit postretirement healthcare plan that provides medical and dental benefits. During 1998, the Council established a trust to fund a portion of its postretirement medical benefit plan. Assets of the trust primarily consisting of short-term investments, domestic equity and fixed-income securities (60%) and international equity and fixed-income securities (40%) are considered Level 1 under the Council's fair value hierarchy. The plan is contributory, with retiree contributions adjusted periodically.

The following table presents the information regarding the postretirement medical benefits plan at December 31, 2025 and 2024:

	2025	2024
Benefit obligation at December 31	$ 6,070,674	$ 6,169,271
Fair value of plan assets at December 31	3,815,045	3,374,890
Funded status	$ (2,255,629)	$ (2,794,381)
Postretirement medical benefits payable	$ 6,070,674	$ 6,169,271
Benefit (cost)/gain	(409,460)	(320,903)
Employer contribution	566,017	581,015
Plan participants' contributions	517,200	479,537
Benefits paid	(1,083,216)	(1,044,752)
Return on assets (loss)	440,154	326,309
Benefits obligation weighted average discount rate at December 31	5.30%	5.60%
Benefits cost weighted average discount rate for the year ended December 31	5.60%	5.05%

A change in the Plan's cost-sharing arrangement was adopted by the Council in 2020. The Council's subsidy was capped based on the 2020 cost levels for all current and future retirees. The impact of this amendment was reflected as a negative prior service cost as of December 31, 2020, which is being amortized as a component of the net periodic postretirement benefit cost over 6.91 years. As of December 31, 2025, the remaining service costs to be amortized are as follows:

Year	Unrecognized at January 1	Account to be Recognized During the Year
2026	$ (1,213,774)	$ (635,484)
2027	(578,290)	(578,290)

For measurement purposes, the rate of increases in the per capita costs of healthcare benefits for 2026 and 2025 were assumed to be 9.25% and 8.75%, respectively. The cost increases are assumed to decrease annually to 4.50% in 2038 and remain at that level thereafter.

The net period postretirement benefit expenses include the following components:

	2025	2024
Net periodic benefit cost:		
Service cost	$ 13,140	$ 17,784
Interest cost	330,254	320,850
Expected return on plan assets	(185,061)	(137,290)
Recognized prior service cost (credit)	(635,484)	(635,484)
Recognized actuarial loss	67,691	113,237
Total net periodic postretirement cost (gain)	$ (409,460)	$ (320,903)

All other components of net benefit cost other than the service cost component were presented as nonoperating activities.

The asset allocations of postretirement plan assets at December 31, 2025 and 2024 are summarized as follows:

	2025	2024
Short-term investments	7%	3%
Fixed-income securities:		
Domestic	10	9
International	24	26
Equity securities:		
Domestic	40	44
International	13	13
Other assets:		
Domestic	6	5
	100%	100%

Projected benefit payments, net of participant contributions for each of the next five years and thereafter, are as follows:

Year(s) Ending December 31:	Amount
2026	$ 577,685
2027	558,524
2028	557,480
2029	534,600
2030	534,563
2031-2035	2,401,439
As of December 31, 2025	$ 5,164,291

The net actuarial loss, not yet recognized as a component of net periodic postretirement benefit cost decreased from $1,283,551 in 2024 to $1,084,792 in 2025, primarily due to the change in certain actuarial assumptions. Amortization of the net actuarial loss in 2025 was $67,691.

NOTE 11 - LIQUIDITY AND AVAILABILITY OF RESOURCES

The Council regularly monitors liquidity required to meet its operating needs and other contractual commitments, while also striving to maximize the investment of its available funds. For purposes of analyzing resources available to meet operating expenditures over a 12-month period, the Council considers all expenditures related to its ongoing mission-related activities, as well as the conduct of services undertaken to support those activities, to be operating expenditures.

In addition to financial assets available to meet operating expenditures over the next 12 months, the Council operates with a balanced budget and anticipates receiving sufficient revenue to cover general expenditures not covered by donor-restricted resources.

The Population Council financial assets comprised the following at December 31, 2025 and 2024:

	2025	2024
Financial assets at year-end:		
Cash and cash equivalents	$ 22,435,665	$ 17,953,380
Grants and contributions receivable, net	19,271,635	13,489,939
Other receivables, net	1,153,082	1,336,639
Investments	130,322,660	117,739,577
Total financial assets at year-end	$ 173,183,042	$ 150,519,535

As of December 31, 2025 and 2024, the following financial assets could readily be made available within one year of the consolidated balance sheet date to meet the general expenditure:

	2025	2024
Financial assets at year-end:		
Cash and cash equivalents	$ 22,435,665	$ 17,953,380
Less board designated cash endowment*	(1,550,688)	(1,500,895)
Grants and contributions receivable, net	19,271,635	13,489,939
Other receivables, net	1,153,082	1,336,639
Investments**	10,956,626	12,970,648
Total financial assets at year-end	$ 52,266,320	$ 44,249,711

* In 2020, $10.0 million of Board designated endowment cash has been transferred from investments to be available if needed. Total cash and cash equivalents include a balance of $1.5 million and $1.5 million for 2025 and 2024, respectively.

** Investments include approximately $11.0 million approved for use in 2025 from Board designated net assets.

The Council excludes funds that are Board designated as quasi endowment, which totaled approximately $120 million at December 31, 2025 and 2024 from assets available to meet general expenditures. These funds are invested for long-term appreciation.

NOTE 12 - UK FOREIGN, COMMONWEALTH AND DEVELOPMENT OFFICE

The Council incurred expenses and received remittances from the UK Foreign, Commonwealth and Development Office during 2025 and 2024 against purchase order numbers listed below:

Total remittances received during 2025 are as follows:

Purchase order number 300435-401	$ 586,498
Purchase order number 10046	610,944
Purchase order number 300849-104	110,155

Total expenditures incurred during 2025 are as follows:

Purchase order number 300435-401	$ 1,581,864
Purchase order number 10046	471,213
Purchase order number 400499-406	3,064,995

Total remittances received during 2024 are as follows:

Purchase order number 300435-401	$ -
Purchase order number 10046	810,259
Purchase order number 300849-104	88,314

Total expenditures incurred during 2024 are as follows:

Purchase order number 300435-401	$ 590,774
Purchase order number 10046	931,792
Purchase order number 300849-104	97,120

NOTE 13 - NETHERLANDS MINISTRY OF FOREIGN AFFAIRS (MOFA)

The Council incurred expenses and received remittances from Netherlands MOFA during 2025 and during 2024 against three programs; (1) Adolescent Girls Program, (2) Family Planning Services in Factory Settings in upper Egypt, and (3) Young People in Egypt: Current Situation and Life Changes:

	Family Planning Services in Factory Settings	Young People in Egypt: Current Situation and Life Changes
Program advance balance at December 31, 2024	$ 74,041	$ (1,016,867)
Receipt of funds	-	-
Expenditures incurred	-	911,927
Foreign exchange adjustment	-	-
Grants receivable (program advance) balance at December 31, 2025	$ 74,041	$ (104,940)

	Family Planning Services in Factory Settings	Young People in Egypt: Current Situation and Life Changes
Program advance balance at December 31, 2023	$ (374,013)	$ (704,930)
Receipt of funds	-	(740,685)
Expenditures incurred	448,054	428,748
Foreign exchange adjustment	-	-
Grants' receivable (program advance) balance at December 31, 2024	$ 74,041	$ (1,016,867)

NOTE 14 - DANISH INTERNATIONAL DEVELOPMENT AGENCY (DANIDA)

Program advance balance at December 31, 2024	$ (440,363)
Receipt of funds	(1,478,060)
Total expenditures incurred	1,668,942
Foreign exchange adjustment	-
Program advance balance at December 31, 2025	$ (249,481)

The Council incurred expenses and received remittances from DANIDA for Achieving the Sustainable Development Goals by Investing in Adolescent Girls and Young Women.

Program advance balance at December 31, 2023	$ -
Receipt of funds	(1,440,507)
Total expenditures incurred	1,000,144
Foreign exchange adjustment	-
Program advance balance at December 31, 2024	$ (440,363)

NOTE 15 - IRISH AID

The Council received remittances from Irish Aid during 2025 and 2024 against the agreement listed below.

Total remittances received during 2025 are as follows:

Core Funds for 2024	545,685
Core Funds for 2025	627,864

NOTE 16 - COMMITMENTS AND CONTINGENCIES

IPM entered into a Post Approval Manufacturing Agreement in 2015 with QPharma AB (“QPharma”), a manufacturer for the production of dapivirine rings. The Council assumed IPM’s commitments under this agreement upon the execution of the asset acquisition agreement (Note 1).

In July 2020, IPM and QPharma agreed to begin manufacturing Rings under a Post Approval Agreement. under this Post agreement, IPM committed to purchase a minimum of 1,000,000 Rings from QPharma in the period beginning on September 1, 2020 (the “Launch Manufacturing Commencement Date”) and ending December 31, 2024. Whilst the agreement expired December 31, 2024, the minimum ring manufacturing commitment was not satisfied by that date. An extension/re-negotiation is in process between the Council and QPharma. IPM has also entered into multiple agreements for supplies and other support. The manufacturing of the Rings has been initiated, and the first batch of manufactured Rings were released for secondary packaging in the first quarter of calendar year 2021. The Council assumed IPM’s commitments under this agreement upon the execution of the asset acquisition

The total future purchase obligation by the Council is as follows (Ring prices are subject to annual adjustments for inflation based on the Arbets Kraft Index):

Year(s) Ending December 31:	Amount
2026	$ 2,839,707
Total	$ 2,839,707

The Council may be involved in various legal actions from time to time arising in the normal course of business. In the opinion of management, there is no matter outstanding that would have a material adverse effect on the consolidated financial statements of the Council.

NOTE 17 - SUBSEQUENT EVENTS

Management has evaluated subsequent events through September 30, 2026, the date on which the financial statements were available to be issued. Based on this evaluation, management is not aware of any subsequent events or transactions that require recognition or disclosure in the accompanying financial statements.