



**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Consolidated Financial Statements and Schedule

September 30, 2025

(With comparative financial information as of September 30, 2024)

(With Independent Auditors' Report Thereon)



KPMG LLP  
Two Manhattan West  
375 9th Avenue, 17th Floor  
New York, NY 10001

## **Independent Auditors' Report**

The Board of Directors  
International Rescue Committee, Inc.:

### *Opinion*

We have audited the consolidated financial statements of International Rescue Committee, Inc. and its subsidiaries (the Organization), which comprise the consolidated balance sheet as of September 30, 2025, and the related consolidated statements of activities, functional expenses, and cash flows for the year 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 financial position of the Organization as of September 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Organization and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. 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 Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, 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 Organization's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

### *Auditors' Responsibilities for the Audit of the Consolidated 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 auditors' 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 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 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 Organization'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 Organization'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.

#### *Report on Summarized Comparative Information*

We have previously audited the Organization's 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated March 13, 2025. In our opinion, the summarized comparative information presented herein as of and for the year ended September 30, 2024, is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived.

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The consolidating balance sheet (the Schedule) as of September 30, 2025 is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

**KPMG LLP**

New York, New York  
March 13, 2026

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Consolidated Balance Sheet

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

<b>Assets</b>	<b>2025</b>	<b>2024</b>
Cash and cash equivalents (notes 8, 9, and 11)	\$ 264,468	172,852
Short-term investments (notes 2 and 9)	15,074	158
Grants and contracts receivable, net (notes 8 and 9)	115,894	179,707
Inventory	10,386	9,967
Other assets	30,040	35,306
Contributions receivable, net (note 4)	18,432	26,509
Right-of-use operating lease assets (note 6)	109,291	122,243
Investments (notes 2 and 11):		
Endowment and emergency funds	149,808	139,047
Split-interest agreements	13,446	13,370
	<u>163,254</u>	<u>152,417</u>
Property and equipment, net (note 5)	<u>10,739</u>	<u>13,139</u>
Total assets	\$ <u>737,578</u>	<u>712,298</u>
<b>Liabilities and Net Assets</b>		
Liabilities:		
Accounts payable and accrued expenses	\$ 51,960	50,557
Other current liabilities	43,264	45,859
Program advances (notes 9 and 12)	175,337	186,066
Note payable	5,076	—
Deferred revenue and other liabilities	6,891	7,543
Annuity liabilities related to split-interest agreements	6,604	7,622
Right-of-use operating lease liabilities (note 6)	119,701	133,045
Total liabilities	<u>408,833</u>	<u>430,692</u>
Commitments and contingencies (notes 2, 7, 9, and 13)		
Net assets:		
Net assets without donor restrictions:		
Board-designated endowment (note 11)	63,312	60,059
Undesignated	38,677	14,994
Total net assets without donor restrictions	<u>101,989</u>	<u>75,053</u>
Net assets with donor restrictions (note 10):		
Donor contributions restricted for time and purpose	145,049	129,267
Reinvested return on endowment funds (note 11)	25,795	21,431
Split-interest agreements	369	312
Donor endowment and emergency funds (note 11)	55,543	55,543
Total net assets with donor restrictions	<u>226,756</u>	<u>206,553</u>
Total net assets	<u>328,745</u>	<u>281,606</u>
Total liabilities and net assets	\$ <u>737,578</u>	<u>712,298</u>

See accompanying notes to consolidated financial statements.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Consolidated Statement of Activities

Year ended September 30, 2025

(With summarized financial information for the year ended September 30, 2024)

(Amounts in thousands)

	2025			2024 Total
	Without donor restrictions	With donor restrictions	Total	
Operating activities:				
Operating revenues:				
Contributions (note 12)	\$ 226,318	105,260	331,578	293,922
Contributed goods and services	24,128	—	24,128	26,828
Grants and contracts (notes 8 and 12)	917,848	—	917,848	1,154,584
Foundation and private grants (note 8)	76,101	—	76,101	91,431
Investment return used for operations (note 3)	8,839	1,352	10,191	8,838
Loan administration fees and other income	3,247	2,959	6,206	4,396
Release from restrictions	95,027	(95,027)	—	—
Total operating revenues	<u>1,351,508</u>	<u>14,544</u>	<u>1,366,052</u>	<u>1,579,999</u>
Operating expenses:				
Program services:				
Crisis Response, Recovery and Development (CRRD)	753,979	—	753,979	906,404
Resettlement, Asylum and Integration (RAI)	387,441	—	387,441	495,606
Total program services	<u>1,141,420</u>	<u>—</u>	<u>1,141,420</u>	<u>1,402,010</u>
Supporting services:				
Management and general	107,213	—	107,213	116,683
Fund-raising	81,116	—	81,116	100,969
Total supporting services	<u>188,329</u>	<u>—</u>	<u>188,329</u>	<u>217,652</u>
Total operating expenses	<u>1,329,749</u>	<u>—</u>	<u>1,329,749</u>	<u>1,619,662</u>
Excess (deficiency) of operating revenues over operating expenses	<u>21,759</u>	<u>14,544</u>	<u>36,303</u>	<u>(39,663)</u>
Nonoperating activities:				
Contributions under split-interest agreements	307	—	307	131
Change in value of split-interest agreements	9	—	9	31
Investment return, net	4,822	5,659	10,481	19,306
Foreign exchange gain	39	—	39	3,399
Total nonoperating activities	<u>5,177</u>	<u>5,659</u>	<u>10,836</u>	<u>22,867</u>
Increase (decrease) in net assets	<u>26,936</u>	<u>20,203</u>	<u>47,139</u>	<u>(16,796)</u>
Net assets at beginning of year	<u>75,053</u>	<u>206,553</u>	<u>281,606</u>	<u>298,402</u>
Net assets at end of year	<u>\$ 101,989</u>	<u>226,756</u>	<u>328,745</u>	<u>281,606</u>

See accompanying notes to consolidated financial statements.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**  
Consolidated Statement of Functional Expenses  
Year ended September 30, 2025  
(With summarized financial information for the year ended September 30, 2024)  
(Amounts in thousands)

	Program services										Supporting services			Total	
	Africa	Asia	Middle East and Ukraine	Latin America	Emergency preparedness, technical units, and other	Total CRRD programs	U.S. RAI programs	Europe RAI programs	Total RAI programs	Total program services	Management and general	Fund-raising	Total supporting services	2025	2024
Personnel	\$ 133,161	30,628	56,334	13,357	57,010	290,490	192,480	11,714	204,194	494,684	79,744	34,898	114,642	609,326	709,141
Professional services	2,046	353	1,542	1,018	4,757	9,716	4,250	615	4,865	14,581	4,957	6,676	11,633	26,214	32,329
Travel, conferences, and events	6,898	1,470	1,938	1,254	3,408	14,878	3,291	403	3,694	18,572	912	1,396	2,308	20,880	35,060
Occupancy	8,879	1,952	3,665	1,333	4,056	19,885	10,394	1,054	11,448	31,333	860	492	1,352	32,685	34,603
Communications	3,640	431	397	238	292	4,998	1,770	111	1,881	6,879	281	33,700	33,981	40,860	56,582
Vehicles, equipment, and supplies	15,311	3,086	5,996	963	2,216	27,572	6,297	348	6,645	34,217	6,187	576	6,763	40,980	51,633
Subgrants	66,857	40,453	38,731	6,938	40,403	193,382	55,000	6,926	61,926	255,308	31	—	31	255,339	322,490
Program materials and direct assistance	111,474	21,424	31,695	3,776	3,275	171,644	76,748	1,594	78,342	249,986	99	27	126	250,112	321,398
Contributed goods and services	10,748	1,326	394	—	598	13,066	7,027	3	7,030	20,096	2,738	70	2,808	22,904	26,053
Other	3,573	733	1,583	347	2,112	8,348	6,849	567	7,416	15,764	11,404	3,281	14,685	30,449	30,373
Total operating expenses reported by function in the statement of activities	\$ 362,497	101,856	142,275	29,224	118,127	753,979	364,106	23,335	387,441	1,141,420	107,213	81,116	188,329	1,329,749	1,619,662
2024 total	\$ 391,929	145,572	149,433	39,886	171,285	898,105	466,210	37,697	503,907	1,402,010	116,683	100,969	217,652		1,619,662

See accompanying notes to consolidated financial statements.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Consolidated Statement of Cash Flows

Year ended September 30, 2025

(With comparative financial information for the year ended September 30, 2024)

(Amounts in thousands)

	<u>2025</u>	<u>2024</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	\$ 47,139	(16,796)
Adjustments to reconcile increase (decrease) in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	2,803	2,210
Net realized and unrealized gains on investments	(9,180)	(24,104)
Loss on disposal of property and equipment	—	47
Change in value of annuity liabilities related to split-interest agreements	(1,414)	1,647
Provision for bad debts, net of write-offs	686	2,908
Reduction in carrying amount of right-of-use operating lease assets	28,662	19,156
Changes in operating assets and liabilities:		
Grants and contracts receivable	63,127	(21,380)
Inventory	(419)	6,278
Contributions receivable	8,120	(626)
Other assets	5,266	24,085
Accounts payable and accrued expenses	1,403	(15,727)
Other current liabilities	(2,595)	14,720
Program advances	(10,729)	(31,130)
Deferred revenue and other liabilities	(652)	1,255
Right-of-use operating lease liabilities	(29,054)	(19,646)
Net cash provided by (used in) operating activities	<u>103,163</u>	<u>(57,103)</u>
Cash flows from investing activities:		
Purchases of property and equipment	(403)	(2,355)
Proceeds from sale or redemption of investments	43,708	10,968
Purchases of investments	(31,905)	(7,001)
Sales from short-term investments, net	(14,916)	2,617
Net cash (used in) provided by investing activities	<u>(3,516)</u>	<u>4,229</u>
Cash flows from financing activities:		
Proceeds from contributions under split-interest agreements	307	131
Payments to beneficiaries	(634)	(663)
Draws on credit facility	15,000	—
Payments on the draws from credit facility	(15,000)	—
Proceeds from note payable	5,076	—
Net cash provided by (used in) financing activities	<u>4,749</u>	<u>(532)</u>
Net increase (decrease) in cash and cash equivalents	104,396	(53,406)
Cash and cash equivalents at beginning of year	<u>175,111</u>	<u>226,258</u>
Cash and cash equivalents at end of year	\$ <u>279,507</u>	\$ <u>172,852</u>
Reconciliation of cash, cash equivalents, and restricted cash reported within the balance sheets that sum to the amounts above:		
Cash and cash equivalents	\$ 264,468	172,852
Cash included in investments	15,039	—
Total cash, cash equivalents, and restricted cash shown above	\$ <u>279,507</u>	\$ <u>172,852</u>
Supplemental information:		
Noncash contributed goods and services	\$ 24,128	26,828
Right-of-use assets obtained in exchange for operating lease liabilities	15,710	10,802

See accompanying notes to consolidated financial statements.

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

### (1) Organization and Summary of Significant Accounting Policies

#### (a) Organization

International Rescue Committee, Inc. and its subsidiaries (IRC) is a private, not-for-profit organization that serves refugees and communities victimized by oppression or violent conflict worldwide. IRC helps people whose lives and livelihoods are shattered by conflict and disaster to survive, recover, and gain control of their future. IRC leads the humanitarian field by implementing high-impact, cost-effective programs for people affected by crisis and by using its learning and experience to shape policy and practice.

IRC operates via an incorporated civil not-for-profit company according to article 741 Civil Code of Greece under the name of IRC Hellas. IRC owns 99% of IRC Hellas. IRC also operates through a separate incorporated and registered not-for-profit company in Germany as IRC Deutschland gGmbH, where IRC is the 100% shareholder of this entity under German law. In 2019, IRC incorporated a subsidiary office in Sweden for the purpose of private fund-raising, which IRC owns 100%. In 2022, IRC incorporated separate offices in Poland to implement a program that supports Ukrainian refugees in Poland and South Korea for purpose of fund-raising, which IRC owns 100%. In 2023, IRC started operations in Guatemala as Comité Internacional De Rescate, which IRC owns 100%. In 2024, IRC incorporated an office in Italy as IRC Italy Foundation, which IRC owns 100%. In 2024, IRC incorporated an office in Italy as IRC Italy Foundation. Finally, in 2025, Airbel Venture was incorporated as an US-based LLC which IRC owns 100%.

IRC is affiliated with two separately incorporated and non-consolidated entities: International Rescue Committee, U.K. (IRC-UK) and International Rescue Committee, Belgium ASBL.

#### (b) Basis of Accounting

The accompanying consolidated financial statements have been prepared using the accrual basis of accounting in accordance with U.S. generally accepted accounting principles. Net assets are classified based on the existence or absence of donor-imposed restrictions. Accordingly, IRC's net assets and changes therein are classified and reported as follows:

- *Without donor restrictions* – Net assets that are not subject to donor-imposed restrictions or the donor-imposed restrictions have expired. As reflected in the accompanying consolidated financial statements and discussed below, IRC's board of directors has designated a portion of IRC's net assets without donor restrictions for specific purposes.
- *With donor restrictions* – Net assets subject to donor-imposed restrictions that permit IRC to use or expend the assets as specified. The restrictions are satisfied either by the passage of time or by actions of IRC. Also included in this category are net assets subject to donor-imposed restrictions that they be maintained in perpetuity by IRC and only income be used as specified by the donor. Certain emergency funds allow temporary use of principal.

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

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

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(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by donors or by law.

When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported as release from restrictions in the consolidated statement of activities.

### **(c) Fair Value Measurements**

IRC follows the provisions of Accounting Standards Codification (ASC) Topic 820, *Fair Value Measurement*. Fair value is defined as the exchange price that would be received to sell 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 three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted or published market prices (unadjusted) in active markets for identical assets or liabilities that a reporting entity has the ability to access at the measurement date. Level 1 assets and liabilities include debt and equity securities that are traded in an active exchange market.
- 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 2 assets and liabilities include debt securities with quoted market prices that are traded less frequently than exchange-traded instruments.
- Level 3 inputs are unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in estimating the fair value of each investment's underlying assets and liabilities.

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.

### **(d) Grants, Contracts, and Contributions**

IRC receives grants, contracts, and contributions from a number of sources, including federal, foreign, and local governments, private foundations, corporations, individuals, and others. Grants and government contracts are considered nonexchange transactions and are reported as revenue when expenses are incurred in accordance with the specific terms and conditions of the agreement and are classified as grants and contracts or foundation and private grants in the consolidated statement of activities. Accordingly, amounts received but not recognized as revenue are classified in the consolidated balance sheet as program advances, and amounts expended but not yet received are classified as grants and contracts receivable.

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

Amounts passed through by IRC to sub awardees are classified in the consolidated balance sheet as other assets when paid in advance to the sub awardee. A sub awardee advance is recorded when a grant containing conditions along with a right of return is made to a sub awardee before the conditions are met. Once the sub awardee has reported that it has met the conditions of the sub award, the advance is then liquidated and it is recorded as an expense. These advances amount to \$3,703 and \$896 at September 30, 2025 and 2024, respectively,

When IRC provides grants to sub awardees on the reimbursement basis, the corresponding payable to the sub awardee for amounts owed are recorded as other current liabilities. These liabilities amount to \$22,673 and \$21,950 at September 30, 2025 and 2024, respectively.

Contributions, including unconditional promises to give (pledges), are recognized initially at fair value as revenue in the period received or pledged and when all conditions have been met. Contributions are considered to be without donor restriction unless they are received with donor stipulations that limit their use either through purpose or time restrictions. Contributions to be received after one year are discounted using a risk-adjusted rate. Bequest income is recorded when the will has passed through the probate court and amounts can be reasonably determined.

Revenues from nonexchange transactions are conditional if the agreement includes both a barrier that must be overcome for the recipient to be entitled to the assets transferred and a right of return for the transferred assets or a right of release of the promisor's obligation to transfer assets. Conditional promises to give are recognized only when the barriers on which they depend are met and the promises become unconditional. IRC has elected the simultaneous release option for conditional grants and government contracts that are also subject to purpose restrictions. Under this option, net assets without donor restrictions will include the donor-restricted revenue for which the conditions are met in the same reporting period.

Conditional contributions, grants, and contracts are related to funding for the establishment of new programs or continuation of current programs within IRC's overall mission, subject to the terms of each funding agreement. At September 30, 2025, IRC has \$902,616 of conditional donor promises to give in the form of measurable performance related or other barriers and right of return that have not been reflected in the accompanying consolidated financial statements.

#### **(e) Endowment Funds**

IRC's endowment is subject to the provisions of the New York Prudent Management of Institutional Funds Act (NYPMIFA). IRC classifies as donor-restricted endowment funds (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

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(Amounts in thousands)

donor-restricted endowment fund that is not held in perpetuity is classified as net assets with donor restrictions until appropriated for expenditure.

(i) *Board-Designated Endowment*

The board of directors has established a fund to provide for the long-term financial stability of IRC enhancing overall liquidity and ability to respond to extraordinary emergency needs. The purpose of this fund is to provide a mechanism for the board of directors to set aside and invest certain funds. Accordingly, the board of directors has designated the Leo Cherne Emergency Fund, certain bequests without donor restrictions, extraordinary gifts (as determined by the board of directors), and portions of surpluses in operating funds for this purpose.

(ii) *Donor-Restricted Endowment*

In further support of the long-term financial stability of the organization, IRC receives donations for which the principal must be maintained in perpetuity. Included in this category are endowment donations and emergency funds that allow IRC to use principal on a temporary basis for emergency response situations and to preposition itself with commonly used emergency response inventory. Principal used by IRC must be subsequently returned to the emergency fund.

(f) *Contributed Goods and Services*

Contributed goods and services consist of the following for the years ended September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Contributed goods and services:		
House hold supplies and facilities	\$ 8,652	12,174
Fuel and parts	323	80
Health and nutrition	12,342	10,969
Professional services	<u>2,811</u>	<u>3,605</u>
Total contributed goods and services	<u>\$ 24,128</u>	<u>26,828</u>

Contributed goods are recognized as revenue and as an asset at their estimated fair value at the date of receipt and expensed when used. Fair value reflects estimated wholesale values that would be received for selling similar products in the United States.

Contributed services are recognized as revenue and an expense if the services create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and typically need to be purchased if not provided by donation. Contributed services are recorded at the fair value of the services provided and estimated fair value is based on the current rates for similar services. Contributed services that do not meet the above criteria are not recognized in the consolidated financial statements.

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(Amounts in thousands)

### **(g) Split-Interest Agreements**

IRC is the beneficiary of a number of split-interest agreements with donors. These split-interest agreements are primarily charitable gift annuities where IRC is the trustee. IRC controls these donated assets and shares with the donor or the donor's designee income generated from those assets until such time as stated in the agreement, at which time the remaining assets are for IRC's general use.

IRC records the assets at fair value. IRC records nonoperating revenue at the date the agreement is established after recording a liability for the present value of the estimated future payments expected to be made to the beneficiaries. The carrying amount approximates fair value. Adjustments to the annuity liabilities to reflect the amortization of the discount and revaluation of expected future payments to beneficiaries based on changes in actuarial assumptions are made annually and recognized as a nonoperating activity in the consolidated statement of activities in the line item change in value of split-interest agreements.

In other situations where assets are controlled and invested by an independent third party, IRC records a receivable and nonoperating revenue at the date of the agreement based on the present value of the estimated future distributions expected to be received by IRC over the expected term of the agreement.

The discount rate used in valuing split-interest agreement liabilities as of September 30, 2025 and 2024 ranged from 0.40% to 9.40%.

### **(h) Functional Expense Allocations**

The majority of the expenses can generally be directly identified with the program or supporting service to which they relate (management and general or fund-raising) and are charged accordingly.

Other expenses are allocated to the functional categories based on allocation factors determined by management, such as square footage for occupancy costs and time and effort reporting for personnel costs. For functions where roles or activities can change during the year, IRC sets an allocation percentage annually and updates the percentages during the fiscal year if roles or activities change.

### **(i) Operations**

IRC excludes from operating activities contributions that are restricted for endowment; new contributions, changes in value and investment return related to split-interest agreements; investment return of the Freedom Fund less than or in excess of the spending rate (note 3); foreign exchange gains and losses; and other nonrecurring items. All other revenue and expenses are included in operating activities.

### **(j) Cash and Cash Equivalents**

For the purposes of the consolidated statement of cash flows, IRC considers all highly liquid debt instruments purchased with original maturities of three months or less, other than those held as part of the investment portfolio, to be cash equivalents.

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

### **(k) Short-Term Investments**

Short-term investments consist of money market funds, certificates of deposit, and commercial paper with original maturities less than 12 months.

### **(l) Investments**

Investments are stated at fair value based on quoted or published market prices except for the fair values of alternative investments that include hedge funds, direct lending funds, and private equity funds, which are stated at net asset value (NAV) as provided by the general partners and fund managers, respectively, based upon the underlying net assets of the funds. These estimated values are reviewed and evaluated by management for reasonableness. Alternative investments are generally less liquid than other investments, and the reported fair value may differ significantly from the values that would have been reported had a ready market for these securities existed. Included in the investments of the alternative investments are certain types of financial instruments, including, among others, futures and forward contracts, options, and securities sold not yet purchased, intended to hedge against changes in the market value of investments. These financial instruments, which involve varying degrees of off-balance-sheet risk, may result in loss due to changes in the market. Losses from investments in alternative investments are limited to its investment.

### **(m) Inventory**

Inventory consists of program materials and emergency response supplies not used as of September 30. Inventory is recorded at cost upon purchase, while contributed inventory is recorded at fair value. Inventory is deducted and expensed when used or distributed by IRC.

### **(n) Property and Equipment**

Property and equipment are recorded at cost, if purchased, or at fair value at the date of the gift, if donated, less accumulated depreciation and amortization. Depreciation is provided on the straight-line method over the estimated useful lives of the assets, generally three to seven years. Amortization of leasehold improvements is provided on the straight-line method over the lesser of their useful lives or the terms of the related lease. Property and equipment acquired with funds received from grants in which the grantor retains a reversionary interest in the assets at the end of the grant period are expensed in the year of acquisition.

### **(o) Leases**

IRC leases several facilities and equipment for its programs and operation across its operating locations. A contract is determined to be or contain a lease if the contract conveys the right to control the use of identified property, plant, or equipment (an identified asset) in exchange for consideration. IRC determines these assets are leased because IRC has the right to obtain substantially all the economic benefit from and the right to direct the use of the identified asset. Assets in which the supplier or lessor has the practical ability and right to substitute alternative assets for the identified asset and would benefit economically from the exercise of its right to substitute the asset are not considered to be or contain a lease because IRC determines it does not have the right to control and direct the use of the identified asset. IRC's lease agreement does not contain any material residual value guarantees or

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

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(With comparative financial information as of September 30, 2024)

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material restrictive covenants. Leases with an original term of twelve months or less are not recorded on the consolidated balance sheet.

Leases result in the recognition of right-of-use (ROU) asset and lease liability on the consolidated balance sheet. ROU assets represent the right to use an underlying asset for the lease term and are recognized in an amount equal to the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. Lease liabilities represent the present value of the future lease payments over the expected lease term, which includes options to extend or terminate the lease when it is reasonably certain those options will be exercised. The present value of the lease liability is determined using the risk-free discount rate at lease inception for operating leases. IRC uses the first day of month US treasury risk free discount rate for leases during the month. IRC determines lease classification as operating or finance at the lease commencement date. IRC has no finance leases.

#### **(p) Foreign Currency Translation**

IRC applies the current rate method of translation when including the accounts of its foreign offices. All foreign-denominated assets and liabilities are translated into U.S. dollars using the current exchange rates in effect at the consolidated balance sheet date. Revenue and expenses are translated at the average rate in effect during the year. The resulting translation gain for 2025 and 2024 of \$39 and \$3,399, respectively, are reflected in the consolidated statement of activities.

#### **(q) Tax Status**

The Internal Revenue Service has ruled that, pursuant to Section 501(c)(3) of the Internal Revenue Code (the Code), IRC is exempt from federal income taxes and is a publicly supported organization, as defined in Section 509(a)(1) of the Code. As a not-for-profit organization, IRC is also generally exempt from state and local income taxes. Accordingly, IRC is not subject to income taxes except to the extent it has taxable income from activities that are not related to its exempt purposes. IRC utilizes a threshold of more likely than not for recognition and derecognition of tax positions taken or expected to be taken in a tax return. No provision for income taxes was required for fiscal year 2025 or 2024.

#### **(r) Use of Estimates**

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Actual results could differ from those estimates. Estimates and assumptions include the valuation of alternative investments and the allocation of expenses to functional classifications.

#### **(s) Comparative Financial Information**

The consolidated statements of activities and functional expenses are presented with prior year summarized comparative totals. Such information does not include sufficient detail to constitute a presentation in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with IRC's 2024 consolidated financial statements, from which the comparative totals were derived.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

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(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

**(f) Reclassifications**

Certain amounts in the 2024 consolidated financial statements have been reclassified to conform to the 2025 presentation.

**(2) Investments**

**(a) Fair Value Hierarchy**

The following tables present IRC's investments (including short-term investments) at fair value, the only financial instruments measured at fair value as of September 30, 2025, and 2024:

	<b>2025</b>		
	<b>Level 1</b>	<b>NAV</b>	<b>Total</b>
Cash	\$ 15,238	—	15,238
Short-term investments (endowment)	19	—	19
Endowment receivable from operations	796	—	796
Equities:			
Mutual funds:			
United States	52,861	—	52,861
International	22,052	—	22,052
Commingled funds	8,640	—	8,640
Total equities	83,553	—	83,553
Fixed income:			
Direct ownership:			
U.S. government/agency	370	—	370
Mutual funds:			
U.S. corporate and other	18,537	—	18,537
Commingled funds	4,237	—	4,237
Total fixed income	23,144	—	23,144
Direct lending funds	—	8,900	8,900
Hedge funds	—	21,301	21,301
Private equity funds	—	10,303	10,303
Total investments	\$ 122,750	40,504	163,254
Short-term investments (operating)	\$ 15,074	—	15,074

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

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(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

		<b>2024</b>	
	<b>Level 1</b>	<b>NAV</b>	<b>Total</b>
Cash	\$ 2,459	—	2,459
Short-term investments (endowment)	13	—	13
Endowment receivable from operations	99	—	99
Equities:			
Mutual funds:			
United States	47,002	—	47,002
International	27,611	—	27,611
Commingled funds	8,590	—	8,590
Total equities	83,203	—	83,203
Fixed income:			
Direct ownership:			
U.S. government/agency	368	—	368
Mutual funds:			
U.S. corporate and other	22,447	—	22,447
Commingled funds	4,212	—	4,212
Total fixed income	27,027	—	27,027
Direct lending funds	—	8,900	8,900
Hedge funds	—	22,643	22,643
Private equity funds	—	8,073	8,073
Total investments	\$ 112,801	39,616	152,417
Short-term investments (operating)	\$ 158	—	158

Investments at September 30, 2025 and 2024 include \$149,808 and \$139,047, respectively, relating to IRC's Freedom Fund (note 11) and \$13,446 and \$13,370, respectively, relating to split-interest agreements.

IRC has an investment committee comprising members of the board of directors and overseers, which is charged with the responsibility of providing fiduciary oversight over IRC's investments. The investment committee meets with executive management and external advisers on a regular basis to review investment performance, asset allocation, and investment manager performance.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

**(b) Strategies of Hedge, Direct Lending, and Private Equity Funds**

The following table lists the investment strategies, redemption terms, and assets for hedge, direct lending, and private equity funds measured at fair value as of September 30, 2025:

	<u>Total fair value</u>	<u>Redemption dates per year</u>	<u>Redemption notice period</u>
Direct lending funds	\$ 8,900 (a)	N/A	N/A
Hedge funds:			
Distressed debt	6,184	Quarterly	65 Days
Multistrategy	13,201	Annually/Quarterly	90 Days
Long-short equity	<u>1,916</u>	Monthly	60 Days
Total hedge funds	21,301 (b)		
Private equity funds	<u>10,303 (c)</u>	N/A	N/A
Total	\$ <u>40,504</u>		

The following provides details for the investment strategies listed above:

*(i) Direct Lending Funds*

These consist of three investments in direct lending funds that provide debt financing for mid-market companies. These investments have commitments of six and ten years remaining.

*(ii) Hedge Funds*

These consist of \$21,301 invested in three hedge funds at September 30, 2025. All three funds are fully redeemable. These hedge funds invest in equity, fixed income, and derivatives and vary their investment strategies in response to changing market opportunities. As of September 30, 2025, the IRC's combined investments in these funds included 29% credit strategies, 9% long short strategies, and 62% multi strategies.

*(iii) Private Equity Funds*

These consist of \$10,303 invested in three private equity funds at September 30, 2025. The private equity funds undertake investment strategies that invest principally in privately issued equity-related securities. Private credit category includes strategies that participate in venture capital, leveraged buyouts, and control-oriented distressed situations.

At September 30, 2025, IRC had unfunded commitments to limited partnerships amounting to \$9,096.

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

### (3) Investment Return

IRC maintains a spending rate policy on the Freedom Fund (note 11) invested assets. The spending rate policy was designed to preserve the value of the investment portfolio in real terms and to reduce the impact of market fluctuations on operations. The spending rate used for operations is set at 4.5% of the previous three-year rolling average fair value. In addition to the return on the Freedom Fund invested assets, investment return used for operations includes investment income on working capital cash and short-term investments. Return on investment is shown net of investment manager fees at September 30, 2025 and 2024.

### (4) Contributions Receivable

Contributions receivables are expected to be collected at September 30, 2025 and 2024 as follows:

	<u>2025</u>	<u>2024</u>
Amounts expected to be collected:		
In one year or less	\$ 10,949	15,996
In one year to five years	<u>8,510</u>	<u>11,621</u>
	19,459	27,617
Less:		
Discount to present value (rates from 0.13% to 5.46%)	<u>(1,159)</u>	<u>(1,197)</u>
Total	18,300	26,420
Split-interest agreements – contributions receivable	<u>132</u>	<u>89</u>
Total contributions receivable, net	<u>\$ 18,432</u>	<u>26,509</u>

The amounts receivable from four donors represent approximately 73% and 75% of the gross receivable as of September 30, 2025 and 2024, respectively.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

**(5) Property and Equipment**

Property and equipment consisted of the following as of September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
Furniture and equipment	\$ 6,547	6,529
Cars, vans, and mobile units	5,399	5,847
Leasehold improvements	19,572	19,509
Donated art portfolios	<u>74</u>	<u>74</u>
	31,592	31,959
Less accumulated depreciation and amortization	<u>(20,853)</u>	<u>(18,820)</u>
	<u>\$ 10,739</u>	<u>13,139</u>

**(6) Leases**

IRC's leases expire at various dates through 2035. Certain leases have either rent abatement, lease incentives or an escalating fee schedule, which range from a stated percentage or dollar increase each year in accordance with the contracted annual rental amounts for the respective lease agreement. Termination of the leases is generally prohibited unless there is a violation under the lease agreement. Lease expense for the years ended September 30, 2025 and 2024 was \$23,822 and \$24,287, respectively.

Operating lease installments are due in future years as follows:

	<u>Amount</u>
Years(s) ending September 30:	
2026	\$ 20,284
2027	12,826
2028	10,939
2029	10,489
2030	10,205
Thereafter	<u>89,000</u>
	153,743
Less discount to present value	<u>(34,042)</u>
Total operating lease liabilities	<u>\$ 119,701</u>

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

Other related information for the years ended September 30, 2025, and 2024 is as follows:

	<u>2025</u>	<u>2024</u>
Weighted average remaining lease term	\$ 12.68	12.97
Weighted average discount rate	3.73 %	3.96 %

#### (7) Defined-Contribution Retirement Plan

IRC's 403(b) Retirement Savings Plan covers all U.S.-based and expatriate personnel subject to plan eligibility requirements. IRC makes contributions based on a prescribed matching schedule of employee contributions. Basic employee contributions up to 6% of compensation are eligible for a matching contribution by IRC. Matching contributions are deposited in the plan each payroll period based on the following formula:

- 100% of the basic employee contribution up to the first 3% of compensation plus
- 50% of the basic employee contribution up to the next 3% of compensation.

IRC provides base contributions, in addition to the existing matching contributions program, which allows for immediate eligibility with a three-year vesting requirement for the base contributions.

IRC's International Retirement Plan (IRP) began effective April 1, 2019 and covers all non-U.S. based expatriate personnel subject to plan eligibility requirements. IRC makes contributions based on a prescribed matching schedule of employee contributions. Employee contributions up to 5% of compensation are eligible for a matching contribution by IRC. Matching contributions are deposited in the plan each payroll period based on 100% of the basic employee contribution up to the first 5% of compensation. IRC provides 5% of compensation for base contributions, in addition to the existing matching contributions program, which allows for immediate eligibility and vesting for the base contributions.

Pension expense relating to the defined-contribution plan for 2025 and 2024 was \$18,135 and \$22,535, respectively.

IRC's 457(b) Plan covers highly compensated employees and enables eligible employees to enhance their retirement security by permitting them to defer a portion of their compensation once limits on the 403(b) plan have been reached during the calendar year.

IRC's 457(f) Plan is a nonqualified deferred compensation plan and is intended to constitute an unfunded plan for a select group of management or highly compensated employees and be exempt from Parts 2, 3, and 4 of Subtitle B of Title I of the Employee Retirement Income Security Act of 1974, as amended, and is intended to constitute a deferred compensation plan, as defined in Section 457(f) of the Internal Revenue Code of 1986, as amended.

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

### (8) Significant Funders and Concentrations of Credit Risk

Grants and contracts revenues were from the following for the years ended September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
U.S. federal and local government agencies	\$ 513,124	744,806
European agencies	287,853	282,001
United Nations agencies	62,558	84,606
Other agencies	54,313	43,171
	<u>\$ 917,848</u>	<u>1,154,584</u>

During the year ended September 30, 2025, 10% and 13% (13% and 17% during fiscal year 2024) of revenues from grants and contracts were received from the U.S. Department of State – Bureau of Population, Refugees, and Migration and the U.S. Agency for International Development, including the Bureau for Humanitarian Assistance, respectively. The operation of IRC's programs at present levels is dependent upon continued funding from these organizations and from United Nations and European agencies.

During the year ended September 30, 2025, approximately 63% of the \$76,101 revenues from foundation and private donors comprised grants from seven donors (73% from seven donors during fiscal year 2024).

Financial instruments that potentially subject IRC to concentrations of credit risk consist principally of cash and cash equivalents and grants and contracts receivable. Cash and cash equivalents include program advances and, as of September 30, 2025 and 2024, 23% and 43%, respectively, are deposited in banks in foreign locations. At September 30, 2025 and 2024, 35% and 28%, respectively, of grants and contracts receivable are due from the European Union agencies, including EuropeAid, the European Commission Humanitarian Aid Office, and the United Kingdom's Foreign, Commonwealth, & Development Office (FCDO), through IRC's subsidiaries and foreign affiliates (note 12).

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

**(9) Grants and Contracts Receivable and Program Advances**

Grants and contracts receivable were from the following sources as of September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
U.S. federal and local government agencies	\$ 60,859	104,576
United Nations agencies	11,521	18,666
European agencies	42,431	51,418
Foundation and private donors	2,578	4,781
Other agencies	<u>2,099</u>	<u>3,174</u>
	119,488	182,615
Less:		
Allowance for uncollectible grants and contracts receivable	<u>(3,594)</u>	<u>(2,908)</u>
	\$ <u>115,894</u>	<u>179,707</u>

Program advances, included in cash and cash equivalents and short-term investments, were received from the following sources as of September 30, 2025 and 2024:

	<u>2025</u>	<u>2024</u>
U.S. federal and local government agencies	\$ 16,489	22,345
United Nations agencies	7,763	10,196
European agencies	87,088	97,340
Foundation and private donors	43,491	37,552
Other agencies	<u>20,506</u>	<u>18,633</u>
	\$ <u>175,337</u>	<u>186,066</u>

In accordance with the terms of certain government contracts, the records of IRC are subject to audit for varying periods after the date of final payment of the contracts. IRC is liable for any disallowed costs. In the opinion of management, adjustments that might result from such audits would not have a significant effect on IRC's consolidated balance sheet or consolidated statement of activities.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

**(10) Net Assets with Donor Restrictions**

Net assets with donor restrictions as of September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Time restrictions:		
Split-interest agreements	\$ 369	312
General purpose	25,795	21,431
Purpose restrictions:		
Latin America	510	449
Middle East programs	4,063	5,158
Asian programs	6,773	3,154
Emergency preparedness, technical units, and other	99,251	87,948
African programs	<u>10,513</u>	<u>10,404</u>
Total Crisis Response, Recovery & Development (CRRD)	121,110	107,113
Resettlement, Asylum and Integration (RAI) (U.S and Europe)	23,541	19,469
Supporting services	398	2,685
Donor endowment and emergency funds	<u>55,543</u>	<u>55,543</u>
	<u>\$ 226,756</u>	<u>206,553</u>

The income earned on donor endowment and emergency funds as of September 30, 2025 and 2024 is available for the following purposes:

	<u>2025</u>	<u>2024</u>
Reproductive health	\$ 9,870	9,870
Emergency response	9,414	9,414
Resettlement, Asylum and Integration (RAI) (U.S. and Europe)	1,203	1,203
President's office	1,000	1,000
Children's programs	294	294
International programs	99	99
General purposes	<u>33,663</u>	<u>33,663</u>
	<u>\$ 55,543</u>	<u>55,543</u>

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

**(11) Freedom Fund**

IRC's Freedom Fund comprises the board-designated endowment and donor endowment funds. As of September 30, 2025, and 2024, the Freedom Fund is categorized on the consolidated balance sheet as follows:

	<b>2025</b>	<b>2024</b>
Assets:		
Cash and cash equivalents (due to operating)	\$ (5,158)	(2,014)
Investments	149,808	139,047
Total	\$ 144,650	137,033
Net assets:		
Board-designated endowment	\$ 63,312	60,059
With donor restrictions – reinvested return	25,795	21,431
With donor restrictions – endowment fund corpus	55,543	55,543
Total	\$ 144,650	137,033

The IRC endowment consists of 24 individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the IRC to function as endowments (board-designated).

Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Endowment net assets, which exclude contributions receivable, consist of the following at September 30, 2025 and 2024:

	<b>2025</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Donor-restricted	\$ —	81,338	81,338
Board-designated	63,312	—	63,312
Total	\$ 63,312	81,338	144,650

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

	<b>2024</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Donor-restricted	\$ —	76,974	76,974
Board-designated	60,059	—	60,059
Total	\$ 60,059	76,974	137,033

Changes in endowment net assets, which exclude contributions receivable, for the fiscal years ended September 30, 2025 and 2024 were as follows:

	<b>2025</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Net assets, September 30, 2024	\$ 60,059	76,974	137,033
Investment gains, net	7,783	5,640	13,423
Distributions	(4,530)	(1,276)	(5,806)
Net assets, September 30, 2025	\$ 63,312	81,338	144,650

	<b>2024</b>		
	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Net assets, September 30, 2023	\$ 52,571	67,112	119,683
Investment gains, net	11,960	11,121	23,081
Distributions	(4,472)	(1,259)	(5,731)
Net assets, September 30, 2024	\$ 60,059	76,974	137,033

On September 30, 2025, the Board of Directors approved the use of investments held in the board-designated endowment fund, in an amount not to exceed at any one time \$30,000, to support cash liquidity needs of IRC.

**(12) Foreign Affiliates**

IRC is currently affiliated with two separately incorporated organizations: International Rescue Committee, U.K. (IRC-UK) and International Rescue Committee, Belgium ASBL. Revenue provided by IRC-UK, primarily funded by the Foreign, Commonwealth, & Development Office (FCDO), was \$106,755 and \$96,741 for fiscal years 2025 and 2024, respectively, and is included in grants and contracts and contributions in the consolidated statement of activities. Program advances from the IRC-UK were \$12,760 and \$13,204 as of September 30, 2025 and 2024, respectively.

## INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES

### Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

#### (13) Contingencies

IRC is contingently liable under certain claims and lawsuits, many of which are covered in whole or in part by insurance. In management's opinion, none of these claims and lawsuits will have a material adverse effect on the consolidated balance sheet or consolidated statement of activities of IRC.

#### (14) Liquidity and Availability of Resources

Financial assets and other liquidity resources available for general expenditure within one year from September 30, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Financial assets:		
Cash and cash equivalents	\$ 264,468	172,852
Short-term investments	15,074	158
Grants and contracts receivable	115,894	179,707
Contributions receivable	<u>10,949</u>	<u>15,996</u>
Total financial assets available	406,385	368,713
Other liquidity resources:		
Board-designated	63,312	60,059
Endowment spending	5,808	5,701
Line of Credit	<u>30,000</u>	<u>—</u>
Total financial assets and other liquidity resources	<u>\$ 505,505</u>	<u>434,473</u>

General expenditures include program and operational expenses. IRC is able to draw down and receive funds on a monthly basis in advance from certain donors to implement its programs. IRC Treasury units manage the cash flow and liquidity of its assets in order to meet the cash needs for the organization.

#### (15) Note Payable and Credit Facility

Effective October 1, 2024, IRC secured a \$30,000 line of credit from a financial institution to strengthen its short-term liquidity, which expires on September 30, 2026. As of September 30, 2025, there were no outstanding draws on the line of credit, and the full amount remained available. As per the credit facility agreement IRC has the option to borrow at either the Commercial Bank (CB) floating rate plus the applicable margin or the adjusted term Secured Overnight Financing Rate (SOFR) rate for the interest period in effect for such borrowing plus the applicable margin. IRC has selected to use the adjusted term SOFR rate which is 5.2% at September 30, 2025. The commitment fee rate for credit line is 0.20% per annum.

IRC has \$5,000 payable from a third party organization with 3% interest rate. Note payable and related interest balance as of September 30, 2025 was \$5,076. The note payable is due on March 31, 2030.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Notes to Consolidated Financial Statements

September 30, 2025

(With comparative financial information as of September 30, 2024)

(Amounts in thousands)

**(16) Subsequent Events**

In connection with the preparation of the consolidated financial statements, IRC evaluated subsequent events from September 30, 2025, through March 13, 2026, which was the date the consolidated financial statements were available to be issued.

**INTERNATIONAL RESCUE COMMITTEE, INC. AND SUBSIDIARIES**

Consolidating Balance Sheet

September 30, 2025

(Amounts in thousands)

<b>Assets</b>	<b>International Rescue Committee Inc.</b>	<b>Subsidiaries</b>	<b>Consolidated</b>
Cash and cash equivalents	\$ 233,920	30,548	264,468
Short-term investments	15,074	—	15,074
Grants and contracts receivable, net	108,779	7,115	115,894
Inventory	10,386	—	10,386
Other assets	27,345	2,695	30,040
Contributions receivable, net	18,423	17	18,440
Right-of-use operating lease assets	109,291	—	109,291
Investments:			
Endowment and emergency funds	149,808	—	149,808
Split-interest agreements	13,438	—	13,438
	<u>163,246</u>	<u>—</u>	<u>163,246</u>
Property and equipment, net	<u>10,504</u>	<u>235</u>	<u>10,739</u>
Total assets	<u>\$ 696,968</u>	<u>40,610</u>	<u>737,578</u>
<b>Liabilities and Net Assets</b>			
Liabilities:			
Accounts payable and accrued expenses	\$ 49,777	2,183	51,960
Other current liabilities	38,661	4,603	43,264
Program advances	149,523	25,814	175,337
Note payable	5,076	—	5,076
Deferred revenue and other liabilities	31,649	(24,758)	6,891
Annuity liabilities related to split-interest agreements	6,604	—	6,604
Right-of-use operating lease liabilities	119,701	—	119,701
Total liabilities	<u>400,991</u>	<u>7,842</u>	<u>408,833</u>
Commitments and contingencies			
Net assets:			
Net assets without donor restrictions:			
Board-designated endowment	63,312	—	63,312
Undesignated	9,957	28,720	38,677
Total net assets without donor restrictions	<u>73,269</u>	<u>28,720</u>	<u>101,989</u>
Net assets with donor restrictions:			
Donor contributions restricted for time and purpose	141,001	4,048	145,049
Reinvested return on endowment funds	25,795	—	25,795
Split-interest agreements	369	—	369
Donor endowment and emergency funds	55,543	—	55,543
Total net assets with donor restrictions	<u>222,708</u>	<u>4,048</u>	<u>226,756</u>
Total net assets	<u>295,977</u>	<u>32,768</u>	<u>328,745</u>
Total liabilities and net assets	<u>\$ 696,968</u>	<u>40,610</u>	<u>737,578</u>

See accompanying independent auditor's report.