



# International Institute for Environment and Development

Trustees' Annual Report and Accounts for the year  
ended 31 March 2025

Registered company number: 2188452 (England and Wales)

Registered charity number: 800066 (England and Wales)

Registered charity number: SC 039864 (Scotland)

# Contents

|   |           |
|---|-----------|
| <b>Acronyms and abbreviations .....</b>   | <b>3</b>  |
| <b>Chair's foreword.....</b>  | <b>4</b>  |
| <b>Introduction .....</b>   | <b>6</b>  |
| <b>About IIED.....</b>  | <b>6</b>  |
| <b>Our strategy and theory of change .....</b>                                    | <b>7</b>  |
| <b>Our operating context.....</b>   | <b>8</b>  |
| <b>Impact and performance.....</b>  | <b>8</b>  |
| <b>Communications and engagement.....</b>   | <b>13</b> |
| <b>Structure, governance and management.....</b>                                  | <b>13</b> |
| <b>Financial review .....</b>   | <b>15</b> |
| <b>Statement of trustees' responsibilities .....</b>                              | <b>20</b> |
| <b>Reference and administrative details .....</b>                                 | <b>21</b> |
| <b>Independent auditor's report to the members and the trustees of IIED .....</b> | <b>22</b> |
| <b>Statement of Financial Activities .....</b>                                    | <b>25</b> |
| <b>Balance sheet as at 31 March 2025.....</b>                                     | <b>26</b> |
| <b>Cash flow statement for the year ended 31 March 2025 .....</b>                 | <b>27</b> |
| <b>Notes to the Financial Statements for the year ended 31 March 2025.....</b>    | <b>28</b> |

## Acronyms and abbreviations

|                |  |
|----------------|--|
| <b>ALIGN</b>   | Advancing Land-Based Investment Governance   |
| <b>ASPIRE</b>  | Scaling Programme on Anticipatory Social Protection  |
| <b>CITES</b>   | The Convention on International Trade in Endangered Species of Wild Fauna and Flora - An International Agreement Between Governments |
| <b>COP</b>     | Conference of the Parties  |
| <b>DFID</b>    | Department for International Development (UK) (1997-2020)  |
| <b>EIJC</b>    | Equity, Inclusion and Justice Committee  |
| <b>EU</b>      | European Union   |
| <b>FARA</b>    | Finance, Audit, Risk Assessment Committee (sub-committee of the Board)   |
| <b>FCDO</b>    | Foreign, Commonwealth & Development Office (UK)  |
| <b>FRC</b>     | Financial Reporting Council  |
| <b>FRS</b>     | Financial Reporting Standard   |
| <b>FY</b>      | Financial Year   |
| <b>GEC</b>     | Green Economy Coalition  |
| <b>HSG</b>     | Human Settlements Group  |
| <b>IIED</b>    | International Institute for Environment and Development  |
| <b>IKI</b>     | International Climate Initiative (of the German Federal Government)  |
| <b>IPCC</b>    | Intergovernmental Panel on Climate Change  |
| <b>IUCN</b>    | International Union for Conservation of Nature and Natural Resources   |
| <b>LIFE-AR</b> | LDC Initiative for Effective Adaptation and Resilience   |
| <b>LDCs</b>    | Least Developed Countries  |
| <b>LLA</b>     | Locally Led Adaptation   |
| <b>MEL</b>     | Monitoring, Evaluation, and Learning   |
| <b>NGO</b>     | Non-Governmental Organisation  |
| <b>NSC</b>     | Nominations Sub-Committee (sub-committee of the Board)   |
| <b>PCR</b>     | People, Culture and Remuneration Sub-Committee (sub-committee of the Board)  |
| <b>REDAA</b>   | Reversing Environmental Degradation in Africa and Asia   |
| <b>SDGs</b>    | Sustainable Development Goals  |
| <b>Sida</b>    | Swedish International Development Cooperation Agency   |
| <b>SIDS</b>    | Small Island Developing States   |
| <b>SOFA</b>    | Statement of Financial Activities  |
| <b>UNFCCC</b>  | United Nations Framework Convention on Climate Change  |
| <b>UNDP</b>    | United Nations Development Programme   |

## Chair's foreword

For over fifty years, IIED has supported leaders from the Majority World as they project their voices on the global stage, and assert their agency in the local decisions that affect them most. Together with our partners, we build and sustain effective platforms and provide rigorous research to underpin evidence-based policy-making and programmes of action.

This has been a pivotal year in our history. Our work has never been more relevant or important.

In May 2024 we launched our new five year strategy, *Manifesto for a Thriving World*, after a year of intense discussions and internal debate. We did so against a context of increasing pressures on established systems of international cooperation and development, amid economic pressures and shifting geopolitics. These trends have since intensified, leaving us reflective but more confident than ever in our choices.

IIED is at its best when we work together, placing ourselves at the heart of collective efforts with our partners to understand and tackle systemic problems or barriers to justice and progress. For the future, we will make such highlights our standard way of working. To do that, we have committed ourselves to an internal process of change. However excellent, our research work has sometimes been fragmented, and long-established organisational structures have sometimes stood in the way of our people coming together to work fluidly in ways that create the greatest collective impact. Changing those structures and ways of working has at times been disruptive, and I thank all our people for their commitment and professionalism in maintaining their focus on our mission.

We have also moved to address the growing strains that the scale and ambition of our work places on our operational and administrative platforms; we have invested substantially in strengthening our internal functions.

This has been a challenging year financially. The overall scale of our activities increased substantially, but a significant reduction in unrestricted income, coupled with unexpected costs and a determination to maintain our funding of our partner organisations for as long as possible, drew down our reserves. We have worked hard to strengthen our financial position, and, like many of our peer organisations, we are undertaking a painful but necessary cost reduction process to adapt to the increased pressure on Official Development Assistance budgets; unfortunately, this will include some redundancies.

I am pleased to say that we have enjoyed generous support from our funding partners in our process of institutional strengthening, including a commitment since the year-end of five million dollars, making good our year-end deficit and replenishing our free reserves.

This has also been a year of change for our Board. After long and committed service, Sheela Patel, Maria Mahl and Silvia Charpentier retired from the Board, and I would like to thank them for their contributions to IIED over many years.

More recently, Dr. Tara Shine stepped down after an extraordinary record of service over two separate terms – serving eleven years in all. For the last five of those she has chaired our Board with wisdom, verve, and a set of personal values that embody the whole ethos of IIED. It is an honour for me to follow in her footsteps.

This report highlights many achievements, but I want to draw attention to one in particular. Though by no means our largest initiative, it means a lot to the IIED community, and in many ways sums up all that IIED is about.

Two years ago, we were all shocked and saddened by the loss of Saleemul Huq, who for so many years was a towering figure at the core of the IIED community. His passing was all the more poignant coming just weeks before his decades of work – championing compensation for Loss and Damage from climate change – was to bear fruit at COP28 through the operationalisation of the Loss and Damage Fund.

This year we have been proud to launch the Saleemul Huq Memorial Scholarship and Award for Loss and Damage Research, a programme that embodies his lifelong commitment to local leadership on climate change and support for early career researchers. Each year the programme will fund the work of 25 researchers, practitioners and local organisations from Least Developed Countries, Small Island Developing States and other developing nations in advancing practical locally grounded solutions to the effects of climate change.

IIED would be nothing without our extraordinary community of people, the generous support of our funders, our deep relationships with partner organisations – many stretching back decades – and most of all, the trust and partnership of the leaders and organisations we work to support.

As we move through another momentous year, I would like to open this report by thanking all our stakeholders for the contributions that do so much to sustain IIED's relevance and impact; and by asking for your continued support for our critical work in the years ahead.

A handwritten signature in black ink that reads "Paul George". The signature is written in a cursive, flowing style.

Paul George  
Chair, IIED Board

## Introduction

The trustees of the International Institute for Environment and Development (IIED) present the Annual Report, including the audited accounts for the year ended 31 March 2025. This report and the accounts have been prepared in accordance with the Companies Act 2006, IIED's Articles of Association, and Charities Statement of Recommended Practice, applicable to charities preparing accounts in accordance with FRS 102 (the Financial Reporting Standard applicable in the UK and Republic of Ireland).

## About IIED

IIED is a globally recognised independent policy and action research organisation. Our mission is to build a fairer, more sustainable world using evidence, action and influence in partnership with others. Established in 1973, IIED has made important contributions to many milestones of sustainable development for over 50 years. These include the Brundtland Commission of 1987, the 2002 World Summit on Sustainable Development in Johannesburg, the Rio+20 summit in 2012, the Paris Agreement on Climate Change and the Sustainable Development Goals (SDGs) in 2015, and the annual meetings of the United Nations Framework Convention on Climate Change (UNFCCC).

The charitable objectives of IIED, as set out in our Memorandum of Association, are to advance the education of the public by all charitable means and to promote sustainable development for the benefit of the public through:

- The preservation, conservation and protection of the environment and the prudent use of natural resources
- The relief of poverty and the improvement of conditions of life in socially and economically disadvantaged communities, and
- The promotion of sustainable means for achieving economic growth and regeneration.

In this context, 'sustainable development' means development which meets the needs of the present generation without compromising the ability of future generations to meet their needs.

Our extensive and broad-based network of partners includes Civil Society Organisations (CSOs), academia, government bodies, and private sector companies based in more than 60 countries, particularly in the Majority World. IIED works directly with established and new partners, for the greatest possible impact. We deliver original, rigorous research that helps to drive progress, support sustainable development and protect the environment. We work to identify local solutions that can work at scale and introduce these to global forums. Partnership working is at the heart of everything we do. Our projects make a tangible positive difference in the policies and practice that shape the everyday lives of marginalised people. Our ways of working have been tried and tested over decades.

Together, with our partners, we aim to shape a future where people and the planet can thrive.

### Delivering public benefit

In setting our programme of work each year, we take account of the Charity Commission's general guidance on public benefit. Our trustees ensure that the programmes we undertake are in line with our charitable objectives and aims, promoting sustainable and equitable development for the public benefit.

Our work combines research, advice and advocacy. We often publish in high-ranking peer-reviewed journals and apply a peer review policy for our own publications. We value our independence and our high standards of research. Almost all of our reports are available for free on our website. Like a consultancy company, we often provide national governments and international development agencies with advice on specific projects, policies or issues. Like an advocacy organisation, we often focus on particular issues and promote them in the public policy arena. In all we do, we focus on equitable and enduring solutions, built in collaboration with partners at the grassroots. We aim to serve the public benefit in a number of ways - including working in partnership, researching and analysing evidence on which decisions for the public good can be taken, communicating what we do and the information we produce as widely as possible, and building bridges between groups and organisations that might not otherwise come together.

## Our strategy and theory of change

Launched in May 2024, our new organisational strategy, *Manifesto for a Thriving World* [Manifesto] sets an ambitious course. It responds to the growing urgency of environmental, social and climate challenges by shifting our focus from targeted influence to transforming the systems that shape people's lives. Our new strategy puts justice and resilience at the heart of our work and reinforces the importance of local knowledge, global solidarity and long-term alliances. It signals a step change in the way we contribute to change, not only responding to the world as it is, but helping shape the world as it could be.

As detailed in the Manifesto, we focus our efforts on achieving six ambitious propositions:

1. Help migrants, including displaced people, to have brighter futures
2. Shift trade, finance and investment to benefit people and planet
3. Evolve cities as places of inspiration and justice
4. Promote forest, farm and fisheries systems that feed and nourish people and planet
5. Transform climate action and governance so people and nature can thrive
6. Champion community-led nature governance and stewardship

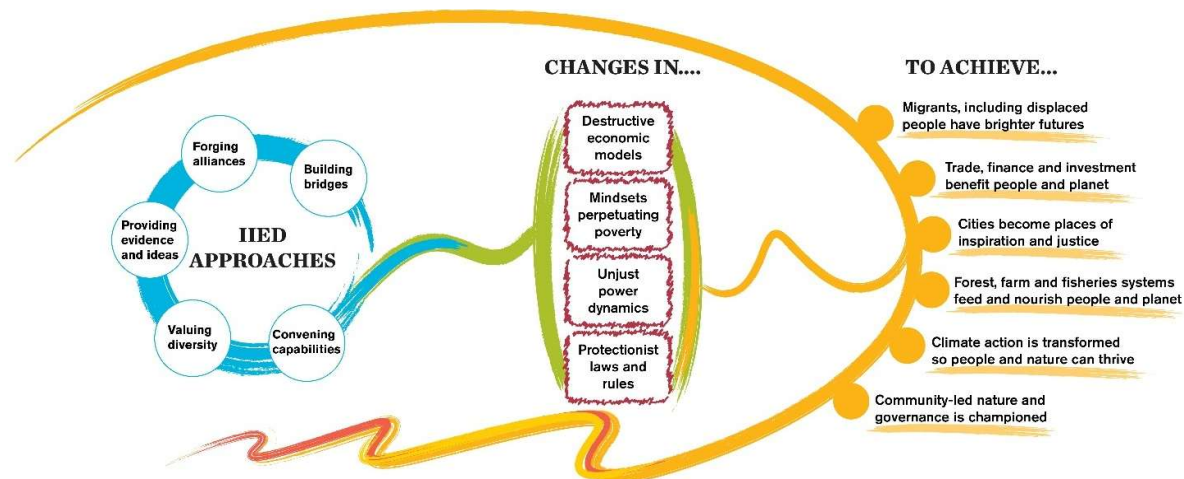
We make progress towards these propositions by combining IIED's strengths in (1) providing evidence and ideas, (2) forging alliances, (3) building bridges, (4) being inclusive and cherishing diversity and (5) strengthening capabilities. We target these strengths towards changing the destructive economic models, unjust power dynamics, outdated mindsets and protectionist laws and policies that inhibit progress. We deliver interventions through a set of multi-skilled task teams and major initiatives that forge a portfolio of complementary actions around each proposition.

Aligned with our Manifesto, our updated theory of change (figure 1) maintains the core values of inclusivity, justice and collaboration, while introducing a shift in scale, speed and strategic framing. It adopts a systems-change lens, recognising that achieving transformational outcomes requires tackling entrenched blockers to progress. Our theory of change places a greater emphasis on enabling conditions for change: strong and diverse alliances, adaptive learning and local leadership backed by global solidarity.

Rather than acting primarily as a knowledge generator or policy adviser, we increasingly work as a convener of diverse actors, supporting collective action and the co-creation of solutions. The theory assumes that transformational change is possible when agents of change (including decision makers, researchers, local communities, communicators and civil society actors) are connected, equipped and supported to challenge systemic barriers together.

Our six interconnected propositions aim to address critical leverage points in the system: trade and finance, climate governance, food and natural resource systems, urban justice, migration and community-led stewardship of nature. These are areas where we believe real progress is possible, but only if institutions, coalitions and communities work in alignment. Learning remains central to both theories of change. Our evolving approach is grounded in a commitment to probe, reflect and adapt, drawing insight from outcomes, feedback and collaboration.

**Figure 1: IIED's institutional theory of change**



## Our operating context

FY25 has been marked by intensifying instability, profound human suffering and increasing challenges to international cooperation. The ongoing wars in Ukraine, Syria, Sudan, and in the Democratic Republic of Congo; the devastating violence in Palestine and mounting tensions in Yemen and between India and Pakistan have not only resulted in widespread loss of life, but also undermined confidence in international law and the multilateral systems designed to uphold it. At the same time, support for international development is under pressure, accelerated by dramatic actions in the US and translated in major cuts to Official Development Assistance, while new geopolitical flashpoints emerge with worrying frequency.

In this difficult context, IIED remains committed to promoting inclusive, sustainable, equitable and rules-based responses to global challenges. We recognise that historic and ongoing injustices – economic, social and environmental – continue to shape who holds power and who is heard. In a climate where collective responsibility appears increasingly fragile, our mission to support locally-led, just and sustainable development is more vital than ever.

On climate action, the 29<sup>th</sup> Conference of the Parties to the United Nations Framework Convention on Climate Change served as a sobering reminder of how far international ambition still falls short of what is needed. Despite the growing consensus around the importance of locally led adaptation (LLA) and more inclusive climate finance, the conference delivered little in terms of practical progress. Commitments on climate finance were inadequate, advances on loss and damage were minimal, and the mechanisms to ensure resources reach those most affected remain largely undeveloped. For many climate-vulnerable countries and communities, the outcome was both disappointing and disheartening.

In light of these realities, our work continues to focus on fostering systemic change that places justice at its core, supports community leadership, and strengthens the accountability of institutions. As this report illustrates, the path to a thriving world calls for more than technical solutions. It requires inclusive partnerships, grounded evidence, and policies that reflect the lived experience of those on the frontline of intersecting crises. IIED plays an important role in providing evidence and analysis across a range of interconnected global challenges. The launch of our *Manifesto for a Thriving World* acknowledges that incremental progress is no longer enough. The tools and methods the world has relied on remain too fragmented to tackle the complex and overlapping crises of climate change, nature loss and inequality.

In FY25, we have reviewed and updated our model for impact. Staff across the organisation have worked hard to transition to a portfolio approach, while continuing to deliver existing projects and bring the *Make Change Happen* strategy to a close. This shift requires fundamental changes to our organisational structure, moving away from static and sometimes siloed ways of working. While our journey of change continues, it is evident that our research, co-creation and influencing efforts are already contributing to transformational change across our six strategic propositions.

## Impact and performance

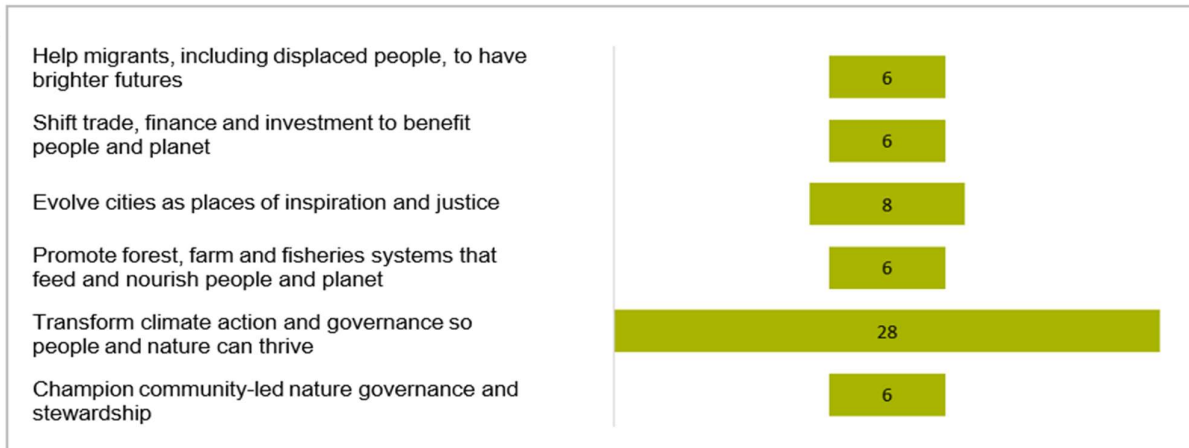
IIED's emphasis on effective Monitoring, Evaluation, and Learning (MEL) reflects our Manifesto commitment to achieving impact at scale. Our Learning and Impact Framework (LIF) evaluates our performance against IIED's strategy and provides the structure for setting targets and tracking progress. Our annual LIF process enables us to assess our contributions towards major changes in sustainable development, generating lessons about the effectiveness and impact of our ways of working through focused inquiry, monitoring and evaluation. It is a principles-based model that requires all IIED research teams to reflect on what they want to change and how; and to gather evidence about what is or is not working against our institutional theory of change. This enables us to map and gather evidence on our main spheres of influence by focusing on outcome pathways, key stakeholders, major breakthroughs and tipping points. Systematically mapping intermediate and longer-term outcomes in this way helps us understand whether clearly defined change is taking place.

### Outcomes this year

In FY25, we recorded 60 outcomes across all areas of work, classifying 22 of these as longer-term changes. We identified 14 as having transformational potential, as they met more than one of the following criteria: political ownership, sustainability, innovation, replicability and the ability to shift systems or reach critical mass. When we mapped outcomes against IIED's six strategic propositions, they revealed strong alignment

with the intended systemic changes. We found the most robust results in areas related to inclusive urban development, climate action and financial reform, where we supported a wide range of systemic interventions. In terms of causes of positive outcomes, recurring themes include community leadership, inclusive partnerships, integration of justice into policy frameworks and the co-creation of evidence and solutions. These patterns suggest that transformational change is most likely when actors collaborate across scales and sectors, and when solutions are rooted in local realities and knowledge.

**Figure 2: Outcomes mapped against IIED’s six propositions**



There has been significant progress documented across the six propositions of our new strategy, as outlined below.

**Proposition 1: Evolve cities as places of inspiration and justice**

Outcomes demonstrate growing efforts to embed justice and climate resilience into urban development. From Dhaka to Rosario, community-led initiatives and municipal innovation are reshaping how cities serve their most vulnerable residents. Housing justice and participatory planning are recurring themes, but scaling informal innovations through formal systems remains a challenge.

**Embedding climate action into informal settlement upgrading: pilot success paves the way**

Informal urban settlements are structurally vulnerable to flooding, drought and extreme heat – all impacts of climate change - but people living in these places are rarely included in climate policies and plans, and informal settlements receive miniscule amounts of climate funding and investment. IIED is working with our network of partners to show what taking climate action could mean: community-driven upgrading of housing, infrastructure and basic services.

Under the Transformative Urban Coalitions (TUC) programme, IIED worked with the Buenos Aires Housing Institute (IVC) and other stakeholders to retrofit a nature-based solutions intervention, co-produced with resident associations, and to mainstream climate adaptation and mitigation into informal settlements’ planning and policies.

*“In the past, there was almost no consideration of climate change; we worked with standardised design assumptions, and the issue of climate change was not the focus. Today I believe that the TUC project provides us with a space where we can advise each other, exchange ideas and create new teams, better able to tackle the climate change issue in the neighbourhoods.”* Cristian Lara, urban planner, IVC.

For IVC’s city planners, the programme shifted mindsets around embedding climate action. Residents reported tangible benefits: more green spaces, cooler and shadier streets, less direct sun exposure and fresher air. Facilitated exchanges with other cities in Argentina resulted in the municipality of Rosario integrating climate mitigation and adaptation into the city’s informal settlement upgrading plans. In late 2024, the city began embedding nature-based solutions and climate resilient development into upgrading plans for specific settlements.

**Proposition 2: Champion community-led nature governance and stewardship**

There has been strong progress in embedding local leadership into conservation. Whether through the Rabai clans' cultural revival in Kenya or the uptake of our Site-level Assessment of Governance and Equity (SAGE) tool in Madagascar's protected areas, these examples show community stewardship gaining institutional legitimacy. The creation of an International Union for Conservation of Nature task force to advance Indigenous and community-led conservation marks a broader commitment to Indigenous leadership.

**Ensuring equitable and inclusive governance of protected areas – using the SAGE tool in Madagascar**

There are different ways to conserve a landscape for the long term. One way might be to shut out all local people and create, in effect, a fortress-style protected zone. A far more effective way is to engage the same local people in assessing how the natural resources in that protected area are managed, what is working well and what might be weaknesses in the system that they and others could address.

In March 2025, Madagasikara Voakajy, a Malagasy biodiversity organisation, conducted an in-depth assessment of the Mangabe landscape – a protected area in Madagascar rich in biodiversity and home to one of the rarest frogs on Earth - the golden mantella. Madagasikara Voakajy used methods as set out in the Site Level Assessment of Governance and Equity (SAGE) tool created by IIED, engaging everyone involved in Mangabe's management and drawing information from field surveys carried out by local communities.

The SAGE tool played a crucial role in brokering an equitable conversation, with stakeholders, local authorities and community representatives discussing the results and defining priority actions for the next two years. The process makes sure that everyone, including local communities, participates in decision making around natural resource governance and benefits fairly from the outcomes. The SAGE tool has been used to structure similar conversations and processes at around 100 protected areas across 25 countries since 2019. Using this tool and following an inclusive approach has set the foundations for a fairer and more sustainable way to manage the Mangabe Protected Area.

**Proposition 3: Shift trade, finance and investment to benefit people and planet**

Outcomes signal a pivot towards more inclusive economic systems. The Small Island Developing States-led Debt Sustainability Support Service is a landmark shift in global financial governance. In Nigeria's Ekiti State, government reforms supported by the Advancing Land-Based Investment Governance (ALIGN) project overhauled the land investment approval process to align with international responsible investment standards. In Zambia's North-Western province, an informed village negotiated with a mining company for better compensation for land and crops lost to mining, raising the rates the company paid. At the same time, coordinated public advocacy halted a proposed land deal across three provinces where questions about legality and transparency had been raised. These outcomes illustrate how reform and empowerment are driving fairer, more accountable and sustainable investment practices.

### Small Island Developing States (SIDS) Debt Sustainability Support Service – a symbol of hope and a call to action

*“This service is a clarion call to action, uniting SIDS around a common strategy for prosperity and resilience in the face of adversity,”* Gaston Alphonso Browne, Prime Minister of Antigua and Barbuda.

Imagine a world where SIDS could borrow from markets at better, fairer rates than they can now and put that money towards resilience initiatives - education, better health and housing - rather than needing it to clear up and rebuild after the latest climate related hurricane or flood. This is the world a global SIDS Debt Sustainability Support Service is aiming to create.

The design process for the service began in late 2023 at UNFCCC COP 28. Proposed by IIED and informed by our research, we co-convoked a strategic advisory group to steer and guide the process. Prominent leaders and experts, SIDS government ministers and representatives of multilateral banks and the United Nations Economic Commission, joined representatives of local organisations, research institutions, sustainable investment firms, finance experts, credit institutions, insurance and risk management to discuss the shape of the service.

In May 2024, the Support Service was launched at the fourth International Conference on Small Island Developing States. *“The service must be SIDS-led and SIDS-owned. It must serve as a symbol of hope for sustainable development and economic growth”* said Maldives President Muizzu at the launch.

With ongoing support and engagement of all involved, the support service is expected to catalyse transformative change, ultimately driving progress towards reduced debt costs and a more resilient and prosperous future for Small Island Developing States.

### Proposition 4: Transform climate action and governance so people and nature can thrive

From the Green Climate Fund's endorsement of Locally-led Adaptation (LLA) Principles to Uganda's Least Developed Countries Initiative for Effective Adaptation and Resilience programme and to Slum Dwellers International's Climate Champions, we are witnessing new models of decentralised, just climate governance. Progress remains fragile in the face of bureaucratic inertia and access barriers, but the direction of travel is promising.

### Emerging Least Developed Countries (LDC) climate negotiators shape international positions

Thirteen early-career LDC negotiators contributed to national and LDC Group climate negotiations at the UNFCCC sessions in 2024. They stepped into formal leadership roles on topics such as technology and carbon markets and were representatives on UNFCCC official bodies. Most of them reported to their national delegations and a couple drafted ministerial statements for their country or briefed their ministers at COP29.

The growing influence of these people reflects both the increasing institutional integration of new negotiators and the strengthening of LDC capacity to engage on complex climate issues. The LDC Group is the moral voice for the most vulnerable countries and demands that all countries commit to ambitious climate action.

IIED provides mentorship and targeted regional training designed to equip the next generation of LDC negotiators with the knowledge, support and real-time experience needed to lead in climate diplomacy. Women are a particular focus as they are less represented in the climate space - in 2024, for example, they made up only 32% of LDC delegates.

The contribution made by the thirteen early-career negotiators shows the value of sustained support. As one of the female participants on an IIED training course said - *“I think I have a better understanding now of how to go to negotiations and I know how to prepare. For example, it takes a certain type of language: clear, consistent and coherent.”*

**Proposition 5: Help migrants, including displaced people, to have brighter futures**

Our work is reshaping narratives and practices around displacement. Refugees and migrants are increasingly recognised as agents of change, not just recipients of aid. From refugee-led research in Jordan to the Nairobi Refugee Integration Strategy, our work is helping to build the foundations for more inclusive and durable policy responses.

**Nairobi City County Government leads the way with new refugee-informed strategy**

In April 2025, Nairobi City County Government (NCCG) launched a pioneering Refugee Integration Strategy, underpinned by the Refugee Act 2021. The strategy built on a progressively deepening engagement with IIED and Slum Dwellers International (SDI) Kenya's research with displaced communities over the previous five years. The strategy recognises Nairobi as a place of sanctuary for refugees displaced by conflict, persecution and violence, and describes the city's commitment to inclusivity, diversity and respect for human life as the "*bedrock of [its] social fabric*".

In February 2025, in the lead up to the launch, Susan Kimani - Assistant Director at NCCG and part of the team leading the development of the strategy - participated in a screening of the documentary film 'Far Away from Home', a collaboration between urban refugees, Nairobi-based community filmmakers *Koch films* and researchers at IIED. A moderated discussion on the challenges refugees face and the contributions they make to Nairobi city followed the film screening. Susan Kimani said that the Refugee Act 2021 and the process of creating the strategy had given the city council the space and opportunity to work directly with urban refugees for the first time.

The strategy, shaped by IIED and SDI Kenya's work throughout 2024/2025 and in the years before, shows how Nairobi has shifted to take the lead on refugee inclusion - an area typically handled by humanitarian agencies - to arrive at a locally led, refugee-informed strategy.

**Proposition 6: Promote forest, farm and fisheries systems that feed and nourish people and planet**

Outcomes reflect growing alignment between sustainable resource use and local livelihoods. Initiatives in Belize, Kenya and Viet Nam show how smallholders and fishers are gaining visibility in policy and practice. Our influence on global platforms, such as the World Bank's Blue Social Protection initiative, reinforces the potential for system-wide change.

**Cutting edge work puts local people at the heart of policy and practice**

IIED's co-leadership of the World Bank's Blue Social Protection Initiative has spurred five country teams to integrate social protection into fisheries projects, breaking internal silos and potentially reshaping the way the Bank funds coastal programmes.

A consistent change is the elevation of overlooked people – small scale farmers and fishers, women, and local producers – into the heart of policy and practice.

At a June 2024 World Bank internal review meeting of the handbook coming out of the project, the Global Director of the Climate Change Group said: "*This is one of the most important pieces of work that we will do on fisheries...but let's not leave it at this paper. It needs to be used – it's the first arrow in our quiver not the last one. We need to take this to clients and show them what they can do to provide formal safety nets to those losing the ability to fish due to international agreements.*"

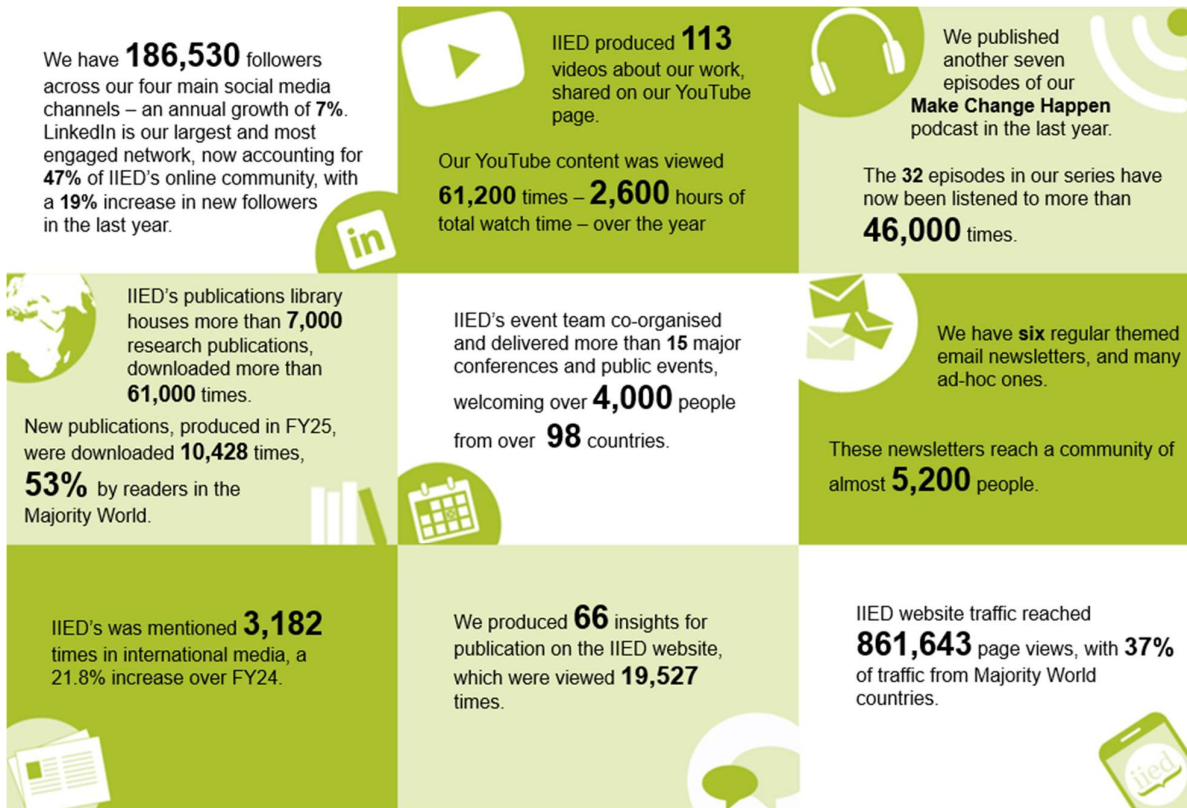
This is cutting edge work and scaling these five pilots remains a challenge. Belize's promising approach needs more political and financial support to reach national scale, for example. Concepts like social protection in fisheries also face institutional resistance.

Nevertheless, IIED's role in producing evidence, piloting models and fostering communities of practice has been vital to shifting narratives and catalysing uptake, laying a strong foundation for broader, systemic change and sustainable food systems.

## Communications and engagement

Our ability to generate outcomes is closely tied to how we communicate them. Through strategic engagement and targeted communications, IIED strengthens pathways to systems change, ensuring that local lessons inform global debates and that our influence extends beyond immediate project partners. Results from our communications and engagement work reinforce the broader reach and influence of our work. This year saw record levels of visibility, as illustrated in Figure 3, which presents our most notable communications metrics.

**Figure 3: IIED communications in numbers (FY25)**



## Structure, governance and management

IIED is registered in England and Wales as a company limited by guarantee (registered no 2188452) and its activities are governed by the Memorandum and Articles of Association (dated 14 May 2024). It is also a registered charity in England and Wales (registered charity no 800066) and in Scotland (registration number SC 039864). In the US we are registered under s501 (c) (3) of the Internal Revenue Code as a publicly supported organisation exempt from federal income tax.

The Memorandum of Association allows the company to invest funds not immediately required while complying with the laws and restrictions governing the investment powers of charities. In the event of winding up the company, each member undertakes to contribute up to a maximum of £1.

### Organisational structure

IIED's research and impact work is delivered through a set of multi-skilled task teams and major initiatives that deliver a portfolio of complementary actions around each proposition.

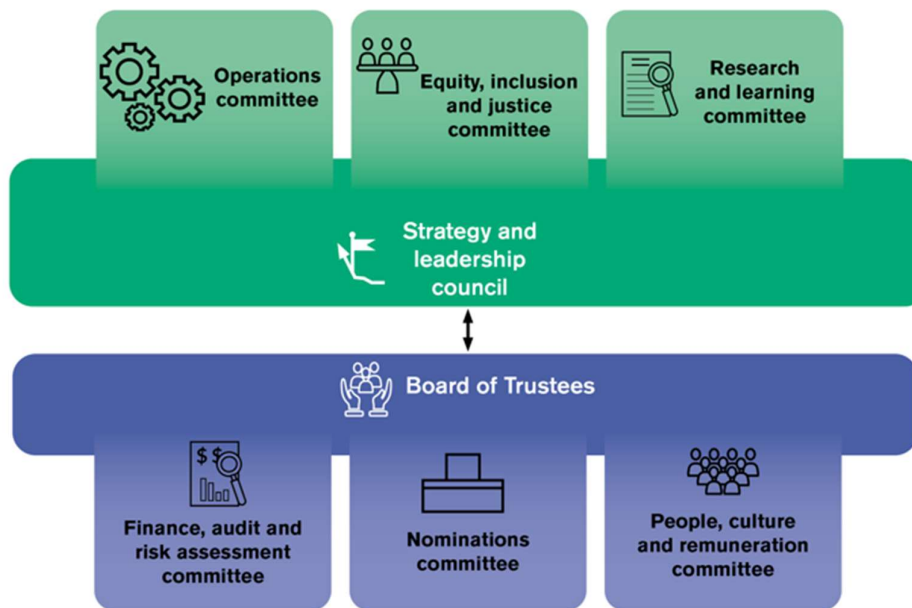
Business development, monitoring, evaluation and learning (MEL), and communications functions ensure IIED's research and policy insights are impactful, accessible and engaging for external audiences. Alongside these, IIED's core operating functions – finance, people, compliance, governance, IT and facilities – provide the foundations for effective delivery.

## Governance

A new internal governance structure was introduced in April 2024, establishing the Strategy and Leadership Council and supporting committees with clear Terms of Reference, operating principles, and membership arrangements. The Strategy and Leadership Council (SLC) acts under delegated authority from the Executive Director, who in turn reports to the Board of Trustees. Council members are skilled leaders from across the organisation, who meet the defined criteria for appointment. SLC delegates authority to the Operations Committee, the Research and Learning Committee and the Equity, Inclusion and Justice Committee. SLC makes regular reports to the organisation on its activities including through the release of minutes.

These internal arrangements operate alongside IIED's Board governance. The Board remains ultimately accountable for the strategy, finances, and risk management of the charity, supported by its own sub-committees. This layered structure ensures alignment between internal decision-making and trustee oversight, with appropriate pathways of delegation and accountability.

**Figure 4: Overview of IIED's governance structure**



IIED has a formally recognised Union, affiliated to Unite, which it engages under a recognition agreement. IIED and the Union acknowledge their common interest and joint purpose in furthering IIED's mission and strategy. Both parties have a responsibility to engage constructively and reasonably in addressing organisational change, policy development, and employment-related matters. Staff wellbeing, inclusion, and professional development remain shared priorities. Trustees welcome the continued partnership between management and the Union and emphasise the importance of effective collaboration in the year ahead.

## Board of Trustees

IIED's Board of Trustees oversees the business of the charity and holds all the powers of the charity in accordance with the Articles of Association. The Board strives at all times to ensure that all activities are within the law and agreed charitable objects. The work of the Board includes agreeing and overseeing IIED's strategy, risk management and financial plans in line with its vision, mission, and values.

During FY25, the Board met on a quarterly basis, through a combination of online and in-person meetings, with additional meetings convened as required

The Finance, Audit, Risk Assessment Sub-Committee (FARA) oversees financial performance, assurance, and risk management at IIED. At 31 March 2025, membership of FARA comprised six trustees and one co-opted member. FARA reports to the Board and typically meets four times a year, aligned with the Board meeting schedule. FARA formally met six times in FY25.

The People, Culture and Remuneration Sub-Committee (PCR) supports the Board by overseeing IIED's people strategy and agenda, managing people-related risks, and advising on organisational development and strategic people policies. The committee comprises three trustees and a co-opted member who joined in June 2024. The committee reports directly to the Board, typically meeting four times a year, aligned with the Board meeting schedule.

Members of IIED's leadership team generally attend Board (and committee) meetings. The Board engages with the internal Equity, Inclusion and Justice Committee (EIJC) with a trustee included in its membership.

The Board delegates the charity's daily running to the Executive Director, supported by four leadership bodies: Strategy and Leadership Council, Operations Committee, Research & Learning Committee (RLC) and Equity, Inclusion and Justice Committee (EIJC).

In FY25, aligned with the launch of our new manifesto, our research delivery teams began transitioning from the previous group structure, organised around climate change, human settlements, natural resources and shaping sustainable markets, into Task Teams aligned with the proposition areas set out in our strategy. This transition will be completed in FY26.

## Trustee appointments

The Board of Trustees consisted of 14 trustees as of 31 March 2025, drawn from diverse geographical regions that correspond with the international focus of IIED's work. Full details are provided in the reference and administrative details section of this report.

The Nominations Sub-Committee (NSC) supports the Board in executing its responsibility to establish a formal and transparent procedure for appointing new trustees and undertaking an annual review of the Board's composition to ensure it has the necessary skills, knowledge, and experience to best support IIED's mission. This review also prioritises achieving a balanced representation in terms of gender, ethnicity, age, and geographic diversity, seeking high-caliber candidates with a diverse and complementary mix of skills and experience for Board selection. Trustee vacancies are advertised on the IIED website, relevant online platforms and through IIED's networks. NSC membership is drawn from the Board and currently comprises three trustees. Trustees retire by rotation, with a maximum term of six years (two consecutive three-year terms), unless an exceptional extension is approved by the Board.

In FY25, with the aim of further diversifying the Board, NSC's recruitment campaign specifically sought candidates for two young trustee positions (aged 21–35) alongside one general trustee role. The campaign generated significant international interest, with over 300 applications received and reviewed by the NSC. Following a rigorous selection process, Ineza Grace and Nafisa Gudal were appointed as young trustees, and Carol Tan as general trustee, in March 2025. In addition, Chris Austin, who had first joined as a co-opted member of FARA, was subsequently appointed to the Board through an internal recruitment process.

Trustees attend an induction programme to familiarise themselves with IIED's operational activities and day-to-day management, as well as legal and regulatory requirements relevant to the trustees' roles and responsibilities.

## Financial review

The statement of financial activities and balance sheets prepared by the Trustees are set out towards the end of this report. During the preparation of the financial statements for the year ended 31 March 2025, certain adjustments relating to prior years were identified. As a result, the comparative figures for the year ended 31 March 2024 have been restated.

IIED's income is higher than the previous year, £32.6m against £25.4m in FY24, whilst our expenditure increased to £34.3m (£26.3m: FY24) due to an overall increase in the scale of IIED's activities, especially in sub-granting to partners. The FY25 deficit of £1.8m, compared with the FY24 deficit of £0.8m, was primarily driven by higher than budgeted pass-through expenditure, adverse currency exchange movements and revaluation losses, together with increased contractor costs to cover core functional gaps.

In an increasingly competitive funding environment, IIED continues to adapt to changes in government and non-government policies relating to environmental and climate-related causes. These shifts in funding priorities have required us to remain agile in our approach to securing and delivering projects.

In FY25, we incurred additional costs as we addressed core functional and structural gaps across the organisation. Looking ahead, we are adopting streamlined processes designed to improve efficiency and

reduce overheads. However, as we progress with our internal change initiatives and strategic priorities, we have maintained a higher reliance on interim and temporary contract staff to provide the necessary skills and flexibility during this period of transition.

The number of employees in IIED increased to 164 at the end of FY25 (2024:152). This increase is a result of our efforts to build capacity and capabilities across the organisation.

IIED makes payments to collaborating organisations in various countries across the world. Details of payments to these collaborating organisations are disclosed in Note 14 to the financial statements.

In the previous year, accounting rules required us to treat IIED Europe as if it were part of IIED's accounts. Following changes in circumstances during FY25, IIED Europe is no longer consolidated and instead is treated as an associate organisation. As its financial results are not material to IIED, they are not included in these financial statements.

## Investment policy

We invested our surplus cash in fixed-term deposits during FY25. This policy produces an acceptable rate of return while giving us flexibility to access funds. We will be reviewing this policy in FY26.

## Key management remuneration

The remuneration for the Executive Director is set by the Trustees. Otherwise IIED's key management personnel are paid according to pay scales agreed with the Union.

## Related parties

Some IIED trustees are also trustees of other charities, or Directors or senior officers in other organisations IIED works with as a normal part of its research activities. Where such work involves payment, they enter into 'arm's length contracts' and any payments related to these contracts are detailed in Note 11 to these accounts. The Board operates a conflicts of interest policy.

## Risk management

IIED's trustees are accountable for risk management and the effectiveness of our internal control systems. Regular review of risk management is delegated to FARA, who also oversee our assurance programme. The People Culture and Remuneration Committee also supports with oversight of people-related risks.

## Key risks

The following are key strategic risks affecting IIED and mitigations being taken to reduce their likelihood and/or impact.

| Risk description  | Inherent likelihood/ impact | Mitigating actions  | Residual likelihood/ impact |
|---|-----------------------------|---|-----------------------------|
| <p><b>Funding volatility and resilience</b></p> <p>Reductions in ODA and political shifts in philanthropy create a volatile funding environment. IIED's reliance on unrestricted income has historically enabled flexibility, but this has largely depended on a small number of bilateral donors. Declines in such income, alongside reduced overhead recovery and inflationary pressures, pose risks to funding central operations and meeting project costs. Short-term deficits and reserve drawdowns further highlight financial vulnerability if income diversification and cost controls do not keep pace.</p>   | High/High                   | <p>IIED is restructuring its operating model for a reduced ODA environment from FY27 while strengthening its unrestricted and flexible funding base. New multi-year agreements with the Quadrature Climate Foundation, the Danish Ministry of Foreign Affairs, Sweden, Ireland and the UBS Optimus Foundation complement efforts to diversify income from multilateral development banks and wider philanthropic partners. Reserves targets have been raised, supported by tighter cost control, improved forecasting and better alignment between income recognition and project management, while the appointment of a permanent Director of Finance and Operations in January 2025 and a finance team restructure have strengthened oversight and capacity, providing a stronger foundation to manage volatility and sustain IIED's mission.</p> | Medium/High                 |
| <p><b>Geopolitical risks</b></p> <p>Shifting donor agendas, particularly from USAID and FCDO, have reduced ODA and redirected resources to humanitarian crises, threatening IIED's long-term climate and development commitments. Escalating geopolitical tensions, including sanctions, tariffs and conflict, create uncertainty and risk IIED or its partners being perceived as partisan, while wars and national breakdowns can exacerbate displacement, food insecurity and human rights violations, undermining delivery and staff safety. Growing political pressure in the US and elsewhere also risks reshaping philanthropic priorities, particularly around diversity, equity, inclusion and climate action.</p> | High/High                   | <p>IIED monitors donor agendas and engages proactively with funders to co-design programmes aligned to emerging priorities. Political economy analysis and country-level assessments are embedded in programme risk registers, while partnerships, messaging and security protocols are regularly reviewed to reinforce neutrality and protect staff.</p>   | Medium/High                 |

| Risk description  | Inherent likelihood/ impact | Mitigating actions   | Residual likelihood/ impact |
|---|-----------------------------|--|-----------------------------|
| <p><b>Safeguarding</b></p> <p>IIED works with vulnerable groups in contexts where there are notable power differentials, and our staff can also be at risk. Failure to safeguard could cause harm to individuals and expose IIED to serious reputational damage and loss of donor confidence. Where we fund or partner with others, we also carry indirect safeguarding responsibilities, and failures at partner level also pose risks.</p>  | High/High                   | <p>Managing these risks is complex given the number of partners, their varying safeguarding maturity, and the challenges of monitoring external activities. IIED has strengthened its safeguarding framework through a Board-monitored workplan. Safe programming approaches and improved partner reporting mechanisms are being implemented, and IIED has subscribed to the Misconduct Disclosure Scheme. Pre-employment screening is now in place, and key policies, including Safeguarding and Whistleblowing, have been updated.</p> | Medium/Medium               |
| <p><b>Management of grant funds and prevention of fraud</b></p> <p>Failure to manage grants in line with donor requirements or prevent fraud could lead to financial loss, claw-back of funds, reputational damage, and reduced donor confidence. As a recipient of substantial publicly funded grants, IIED carries significant fiduciary responsibilities. These risks are heightened by the complexity of donor compliance rules, varied partner capacity, and the need to manage multiple funding streams across different geographies.</p> | Medium/High                 | <p>IIED maintains a robust internal control framework, including clear financial policies, partner due diligence, and multiple levels of oversight. We work closely with donors and partners to ensure compliance, and we are strengthening staff and partner training, grant management systems, and policy frameworks to reduce fraud risk. Regular external audits and internal reviews provide additional assurance.</p>   | Medium/Medium               |

## Reserves policy

At the end of FY25, IIED reported negative free reserves of £0.7m, compared with positive free reserves of £1.1m at the close of FY24. The adverse movement reflects expenditure exceeding income by £1.8m during the year, driven by the factors outlined earlier in this report. IIED defines free reserves as unrestricted funds less the net book value of fixed assets less any designated funds.

As part of the new strategy cycle, trustees have reviewed the reserves policy and agreed a revised target range of £4m to £5m in free reserves, reflecting both the organisation's ambitions and the external operating environment. Achieving this level of reserves is recognised as a key organisational challenge.

Since the year end, IIED has secured a significant step towards rebuilding reserves through a flexible grant from Quadrature Climate Foundation (QCF), with funds received in September 2025. We have allocated £2.2m of this funding to strengthen free reserves, providing an important foundation on which to progress towards the new target over the coming years.

## Statement of going concern

The trustees have assessed whether the use of the going concern basis is appropriate when preparing these financial statements. The trustees have reviewed the 2026 budget forecast together with a review of an updated financial projection to 31 March 2027, a period of 17 months after the signing of accounts. This has included a consideration of the free reserves position and cash flow. Scenario stress testing has been undertaken considering the key risks the Charity faces, including the changing external environment and the mitigating actions the Charity can deploy to reduce the negative impact caused by these risks. With planned cost reduction measures, prudent cost management and anticipated income from committed funders and ongoing fundraising activities, the charity is expected to meet its obligations as they fall due.

In reaching this conclusion, the trustees acknowledge that the FY25 accounts indicate a negative free reserves position. Since the FY25 year end, the Charity has secured additional unrestricted funds of £3.8m allocated to measures for institutional strengthening, of which £2.2m has been directed to bolstering free reserves. At the time of signing the FY25 accounts, IIED is forecasting free reserves of £1.5m at the end of both FY26 and FY27. During this period, IIED aims to secure additional unrestricted funds to make progress towards the Trustees' reserves policy target of £4m - £5m. IIED is projected to maintain a positive cash position through the period of review.

The forecast position for FY26 prepared in September 2025 shows that IIED has secured grants that, subject to full delivery, should generate over 96% of income needed to cover its cost. The pipeline of specific opportunities for the remainder of FY26 gives the Trustees confidence in IIED's ability to secure the additional income. During the second half of FY26, IIED is taking steps to reduce its cost base through a combination of voluntary and compulsory redundancies and non-staff cost reductions, with a target of achieving a FY27 operating position of £14m. These actions are in large part a response to significant reductions in Official Development Assistance (ODA), an income source that has been the majority of IIED's income. This has led to a more competitive landscape for international research funding and significant potential impact on IIED. Consequently, we are pivoting our fundraising strategy further towards philanthropies, while continuing to retain major elements of our ODA-linked institutional funding wherever possible.

Looking ahead, against the target £14m IIED operating base, the level of already secured income, the income pipeline and level of prospecting gives confidence of a breakeven position for FY27, with the opportunity to attract additional income in the remaining 17 months before the end of FY27. IIED is also supporting the spin-out of LIFE-AR, a major programme it has been hosting and incubating over the last five years, with preparation work being conducted over the next 12-18 months. This is not expected to have significant negative financial impacts on IIED during the assessment period, but the Trustees will continue to monitor the situation closely.

After considering these factors the trustees have concluded that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements and have not identified any material uncertainties relating to events or conditions that, individually or collectively, cast significant doubt on the charity's ability to continue as a going concern.

## Statement of trustees' responsibilities

The trustees (who are also Directors of IIED for purposes of Company Law) are responsible for preparing the trustees' report, which includes the strategic report and the financial statements for the relevant year, in accordance with applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires trustees to prepare financial statements for each financial year, which give a true and fair view of the charitable company's affairs, including its income and expenditure for that period. In preparing these financial statements, the Trustees are required to:

- Select suitable accounting policies and apply them consistently
- Observe the methods and principles in the Charities' Statement of Recommended Practice
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company, hence taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware, and
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

### Auditors

Crowe U.K. LLP has indicated its willingness to continue in office and in accordance with the provisions of the Companies Act. We propose that they be re-appointed auditors for the ensuing year.

This Annual Report of the Trustees, under the Charities Act 2011 and Companies Act 2006, was approved by the Board of Trustees on 28 October 2025 including approving in their capacity as company directors the strategic report contained therein, and is signed as authorised on its behalf by:



Paul George  
Chair, IIED Board  
Date: 28 October 2025

## Reference and administrative details

### Trustees

Tara Shine <sup>FARA</sup> (retired as Chair 15 August 2025, retired as Trustee 3 October 2025)

Paul George (Chair) <sup>FARA</sup> (transitioned from Vice Chair to Chair, effective 15 August 2025)

Paul Stevenson (Treasurer) <sup>FARA (Chair)</sup>

Alicia Perez-Porro <sup>PCR (Co-Chair)</sup>

Bara Gueye <sup>NSC (Chair)</sup>

Carol Tan <sup>PCR</sup> (joined 20 March 2025)

Chris Austin <sup>FARA</sup> (joined 22 July 2025)

Gabriel Quijandria <sup>NSC</sup> (retired 28 April 2025)

Harj Narulla <sup>FARA</sup>

Ineza Umuhoza Grace (joined 20 March 2025)

John Taylor <sup>PCR (Co-Chair)</sup>

Maarten van Aalst <sup>NSC</sup>

Maria Mähl (retired 20 March 2025)

Melizsa Mugyenyi <sup>FARA</sup>

Nafisa Gudal <sup>FARA</sup> (joined 20 March 2025)

Revathi Sharma Kollegala <sup>FARA, NSC</sup>

Sheela Patel (retired 6 December 2024)

Silvia Charpentier (retired 17 July 2024)

<sup>FARA</sup> Member of Finance, Audit, Risk Assessment Sub-Committee

<sup>NSC</sup> Member of the Nominations Sub-Committee

<sup>PCR</sup> Member of People, Culture and Remuneration Sub-Committee

IIED's Trustees are Directors of the company under the Companies Act 2006.

### Executive Director

Tom Mitchell

### Company Secretary

Nicole Walsh

### Registered Office

44 Southampton Buildings, London, WC2A 1AP, United Kingdom

Registered company number: 2188452

Registered charity number: 800066

Registered OSCR number: SC 039864

#### Auditor

Crowe U.K. LLP  
55 Ludgate Hill  
London  
EC4M 7JW

#### Solicitors

Bates Wells LLP  
10 Queen Street Place  
London  
EC4R 1BE

#### Bankers

Barclays Bank plc  
1 Churchill Place  
London  
E14 5HP

# Independent auditor's report to the members and the trustees of IIED

## Opinion

We have audited the financial statements of International Institute for Environment and Development ('the charitable company') for the year ended 31 March 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2025 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities and Trustee Investment (Scotland) Act 2005 and Regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (amended).

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustee's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

## Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

In our opinion based on the work undertaken in the course of our audit:

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

## Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within the trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 19, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

## Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

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

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, including financial reporting legislation and the Charity SORP (FRS 102), and local tax regulations. We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be necessary to the charitable company's/group's ability to operate or to avoid a material penalty. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

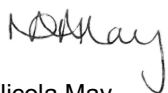
We also considered the opportunities and incentives that may exist within the charitable company for fraud. We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of grant and contract income and management override of controls. Our audit procedures to respond to these risks included enquiries of management and the Finance, Audit & Risk Assessment Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing regulatory correspondence with the Charity Commission, sample testing on the recognition of grant and contract income, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

### **Use of our report**

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



Nicola May  
Senior Statutory Auditor  
For and on behalf of  
Crowe U.K. LLP  
Statutory Auditor

London

Date: 29 October 2025

# Statement of Financial Activities

(incorporating an income and expenditure account) for the year ended 31 March 2025

## INCOME AND EXPENDITURE

|   | Note | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2025<br>£'000 | Unrestricted<br>funds<br>£'000 | Restricted<br>funds<br>£'000 | Total<br>2024<br>£'000 |
|---|------|--------------------------------|------------------------------|------------------------|--------------------------------|------------------------------|------------------------|
| <b>Income from</b>                            |      |                                |                              |                        |                                |                              |                        |
| Bank interest                                 |      | 75                             | 31                           | 106                    | 160                            | -                            | 160                    |
| <b>Charitable activities</b>                  |      |                                |                              |                        |                                |                              |                        |
| Climate change                                |      | 1,406                          | 9,967                        | 11,373                 | 1,383                          | 8,586                        | 9,969                  |
| Natural resources                             |      | 654                            | 11,273                       | 11,927                 | 953                            | 5,635                        | 6,588                  |
| Sustainable markets                           |      | 160                            | 1,272                        | 1,432                  | 660                            | 543                          | 1,203                  |
| Human settlements                             |      | 748                            | 2,016                        | 2,764                  | 696                            | 1,597                        | 2,293                  |
| Green Economy Coalition                       |      | (3)                            | 628                          | 625                    | 33                             | 681                          | 714                    |
| Partnerships and development                  |      | 2,565                          | 817                          | 3,382                  | 3,386                          | 131                          | 3,517                  |
| Communications and publications               |      | 167                            | 301                          | 468                    | 3                              | 395                          | 398                    |
| Other   |      | 466                            | 7                            | 473                    | 552                            | 30                           | 582                    |
| <b>Total incoming resources</b>               | 13   | <b>6,238</b>                   | <b>26,312</b>                | <b>32,550</b>          | <b>7,826</b>                   | <b>17,598</b>                | <b>25,424</b>          |
| <b>Expenditure on</b>                         |      |                                |                              |                        |                                |                              |                        |
| <b>Charitable activities</b>                  |      |                                |                              |                        |                                |                              |                        |
| Commissioned studies and research             | 2    | 7,982                          | 26,364                       | 34,346                 | 8,664                          | 17,598                       | 26,262                 |
| <b>Total resources expended</b>               |      | <b>7,982</b>                   | <b>26,364</b>                | <b>34,346</b>          | <b>8,664</b>                   | <b>17,598</b>                | <b>26,262</b>          |
| <b>Net expenditure</b>                        |      | <b>(1,744)</b>                 | <b>(52)</b>                  | <b>(1,796)</b>         | <b>(838)</b>                   | <b>-</b>                     | <b>(838)</b>           |
| Transfers between funds                       |      | (52)                           | 52                           | -                      | -                              | -                            | -                      |
| <b>Net movements in funds</b>                 |      | <b>(1,796)</b>                 | <b>-</b>                     | <b>(1,796)</b>         | <b>(838)</b>                   | <b>-</b>                     | <b>(838)</b>           |
| Funds brought forward at 1 April 2024         |      | 1,301                          | -                            | 1,301                  | 2,139                          | -                            | 2,139                  |
| <b>Funds carried forward as 31 March 2025</b> |      | <b>(495)</b>                   | <b>-</b>                     | <b>(495)</b>           | <b>1,301</b>                   | <b>-</b>                     | <b>1,301</b>           |

All amounts relate to continuing operations. There are no other recognised gains and losses other than those shown above.

## Balance sheet as at 31 March 2025

|  | Note     | 2025<br>£'000   | 2024<br>£'000   |
|--|----------|-----------------|-----------------|
| <b>Fixed assets</b>                          |          |                 |                 |
| Tangible fixed assets                        | 4        | 177             | 195             |
| Intangible fixed assets                      | 5        | 10              | 16              |
|  |          | <b>187</b>      | <b>211</b>      |
| <b>Current assets</b>                        |          |                 |                 |
| Debtors                                      | 6        | 5,595           | 4,887           |
| Cash at bank and in hand                     |          | 5,181           | 7,598           |
|  |          | <b>10,776</b>   | <b>12,485</b>   |
| <b>Liabilities</b>                           |          |                 |                 |
| Amounts falling due within one year          | 7        | (6,111)         | (6,271)         |
| Deferred revenue                             | 7        | (5,347)         | (5,124)         |
|  |          | <b>(11,458)</b> | <b>(11,395)</b> |
| <b>Net current (liabilities)/assets</b>      |          | <b>(682)</b>    | <b>1,090</b>    |
| Amounts falling due after more than one year |          | -               | -               |
| <b>Net (liabilities)/assets</b>              |          | <b>(495)</b>    | <b>1,301</b>    |
| <b>Funds</b>                                 |          |                 |                 |
| Unrestricted                                 | 9        | (495)           | 1,301           |
| Restricted                                   | 15       | -               | -               |
| <b>Total funds</b>                           | <b>8</b> | <b>(495)</b>    | <b>1,301</b>    |

Approved by the Board of Trustees on 28 October 2025 and signed on its behalf by:



Paul George  
Chair, IIED Board



Paul Stevenson  
Treasurer, IIED Board

Registered company number: 2188452

## Cash flow statement for the year ended 31 March 2025

|   | 2025<br>£'000  | 2024<br>£'000 |
|---|----------------|---------------|
| Net (outgoing) resources                                    | (1,795)        | (838)         |
| Interest received   | (75)           | (160)         |
| Foreign exchange  | 225            | (113)         |
| Depreciation  | 85             | 72            |
| Increase in deferred revenue                                | 223            | 733           |
| (Increase) in debtors                                       | (708)          | (750)         |
| (Decrease) / increase in creditors                          | (161)          | 3,543         |
| <b>Net cash (used in) /provided by operating activities</b> | <b>(2,206)</b> | <b>2,487</b>  |
| <b>Cash flows from investing activities</b>                 |                |               |
| Purchase of tangible fixed assets                           | (61)           | (96)          |
| Interest received   | 75             | 160           |
| Foreign exchange  | (225)          | 113           |
| <b>Net cash provided by (used in) investing activities</b>  | <b>(211)</b>   | <b>177</b>    |
| <b>(Decrease) / Increase in cash during the year</b>        | <b>(2,417)</b> | <b>2,664</b>  |

### Analysis of changes in cash during the year

|                          | 2024<br>£'000 | Change in year<br>£'000 | 2025<br>£'000 |
|--------------------------|---------------|-------------------------|---------------|
| Cash at bank and in hand | 7,598         | (2,417)                 | 5,181         |
|                          | <b>7,598</b>  | <b>(2,417)</b>          | <b>5,181</b>  |

# Notes to the Financial Statements for the year ended 31 March 2025

## 1. Accounting policies

### 1.1. Basis of preparation

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Charities SORP (FRS 102), applicable to charities preparing their accounts in accordance with FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland, and the Charities Act 2011 and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 and UK Generally Accepted Practice as it applies from 1 January 2015.

IIED meets the definition of a public benefit entity under FRS 102.

Up to 2024, the consolidated accounts of the Group incorporated the accounts of the charity and its subsidiary undertaking, IIED Europe. Following changes in governance and shareholding, IIED now holds only 33.3% of IIED Europe and no longer exercises control. IIED Europe is therefore accounted for as an associate in line with FRS 102. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The financial statements are prepared on a historical cost basis with the exception of investments that are stated at fair value.

### 1.2. Going Concern

The trustees have assessed whether the use of the going concern basis is appropriate when preparing these financial statements. The trustees have reviewed the 2026 budget forecast together with a review of an updated financial projection to 31 March 2027, a period of 17 months after the signing of accounts. This has included a consideration of the free reserves position and cash flow. Scenario stress testing has been undertaken considering the key risks the Charity faces, including the changing external environment and the mitigating actions the Charity can deploy to reduce the negative impact caused by these risks. With planned cost reduction measures, prudent cost management and anticipated income from committed funders and ongoing fundraising activities, the charity is expected to meet its obligations as they fall due.

In reaching this conclusion, the trustees acknowledge that the FY25 accounts indicate a negative free reserves position. Since the FY25 year end, the Charity has secured additional unrestricted funds of £3.8m allocated to measures for institutional strengthening, of which £2.2m has been directed to bolstering free reserves. At the time of signing the FY25 accounts, IIED is forecasting free reserves of £1.5m at the end of both FY26 and FY27. During this period, IIED aims to secure additional unrestricted funds to make progress towards the Trustees' reserves policy target of £4m - £5m. IIED is projected to maintain a positive cash position through the period of review.

The forecast position for FY26 prepared in September 2025 shows that IIED has secured grants that, subject to full delivery, should generate over 96% of income needed to cover its cost. The pipeline of specific opportunities for the remainder of FY26 gives the Trustees confidence in IIED's ability to secure the additional income. During the second half of FY26, IIED is taking steps to reduce its cost base through a combination of voluntary and compulsory redundancies and non-staff cost reductions, with a target of achieving a FY27 operating position of £14m. These actions are in large part a response to significant reductions in Official Development Assistance (ODA), an income source that has been the majority of IIED's income. This has led to a more competitive landscape for international research funding and significant potential impact on IIED. Consequently, we are pivoting our fundraising strategy further towards philanthropies, while continuing to retain major elements of our ODA-linked institutional funding wherever possible.

Looking ahead, against the target £14m IIED operating base, the level of already secured income, the income pipeline and level of prospecting gives confidence of a breakeven position for FY27, with the opportunity to attract additional income in the remaining 17 months before the end of FY27. IIED is also supporting the spin-out of LIFE-AR, a major programme it has been hosting and incubating over the last five years, with preparation work being conducted over the next 12-18 months. This is not expected to have significant negative financial impacts on IIED during the assessment period, but the Trustees will continue to monitor the situation closely.

After considering these factors the trustees have concluded that it is appropriate to adopt the going concern basis of accounting in preparing the financial statements and have not identified any material uncertainties relating to events or conditions that, individually or collectively, cast significant doubt on the charity's ability to continue as a going concern.

### 1.3. Income recognition

All incoming resources becoming available to the institute are recognised in the Statement of Financial Activities on the basis of entitlement, there is sufficient probability of receipt, and the amount can be quantified

with reasonable accuracy. In respect of unrestricted income and restricted income not tied to time-limited grants, income is recognised as soon as it is prudent and practicable to do so. In the case of performance related grant or long-term contract income, income entitlement is considered to be conditional upon the delivery of a specified level of service, in accordance with FRS 102 and the Charities SORP. Income is therefore recognised to the extent the charity has delivered the service or activity. The time or expenditure incurred to date, as appropriate, is used as a reasonable estimate or approximation of the charity's performance and therefore income entitlement. Any such income not recognised in the year will be carried forward as deferred income and is included in liabilities in the balance sheet to reflect the matching of such income with future activities.

#### 1.4. Incoming resources subject to restrictions

Grants and donations given for specific purposes are credited to a restricted fund, against which expenditure for that purpose is charged. Expenditure includes direct staff costs, other direct costs, and an allowance for overheads calculated as a percentage of direct staff costs, in line with donor rules and cost principles. The portion of overheads covering general running costs that cannot be attributed to a specific project is charged to unrestricted funds in the Statement of Financial Activities (see note 3).

#### 1.5. Critical accounting judgements and key sources of estimation uncertainty

In the application of the charity's accounting policies, Trustees are required to make judgements, estimates, and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects the current and future periods.

In the view of the Trustees, no assumptions concerning the future or estimation uncertainty affecting assets and liabilities at the balance sheet date are likely to result in a material adjustment to their carrying amounts in the next financial year.

#### 1.6. Expenditure

All expenditure is accounted for on an accrual basis.

Resources expended on Charitable Activities comprise all expenditure directly relating to the objects of the institute and includes the cost of supporting charitable activities and projects.

Governance costs are the costs associated with the governance arrangements of the charity. These costs will normally include internal and external audit, legal advice for trustees and costs associated with constitutional and statutory requirements, for example the cost of trustee meetings and preparing statutory accounts.

Support costs include the costs of the central office functions of finance, human resources, information technology and premises costs. The basis of the cost allocation of support has been explained in note 3 of the accounts.

#### 1.7. Financial instruments

The Charity has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at the present value of future cash flows (amortised cost). Financial assets held at amortised cost comprise cash at bank and in hand, short term cash deposits and the group's debtors, excluding prepayments. Financial liabilities held at amortised cost comprise the group's short and long-term creditors excluding deferred income. No discounting has been applied to these financial instruments on the basis that the periods over which amounts will be settled are such that any discounting would be immaterial.

#### 1.8. Fixed assets

Tangible and Intangible assets are stated at cost less depreciation. Depreciation is provided using the straight-line method over the following estimated useful lives:

**Leasehold improvements: remaining period of lease**

**Office furniture and equipment: five years**

**Computer hardware: three years**

**Computer software: five years**

Additions below £500 are taken straight to the SOFA under support costs.

### 1.9. Cash and cash equivalents

Cash and cash equivalents include deposits repayable on demand without penalty. Short-term money market deposits, and fixed-term cash deposits which do not meet this criterion are held under current assets as short-term deposits.

### 1.10. Provisions

Provisions are recognised when the Charity has a present legal or constructive obligation arising as a result of a past event, when it is probable that an outflow of economic benefits will be required to settle the obligation and when a reliable estimate can be made. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to the passage of time is recognised as an interest expense.

### 1.11. Exchange rates

Assets and liabilities are translated at the appropriate exchange rates ruling at the balance sheet date. Transactions denominated in foreign currencies are translated at the rates prevailing at the transaction date. Any exchange adjustments arising are dealt with in the appropriate fund.

### 1.12. Leases

Rental payments under operating leases are charged against income on a straight-line basis over the period of the lease.

### 1.13. Unrestricted funds

Unrestricted funds are available to be spent on any purpose within the institute's overall charitable objectives. Within unrestricted funds, designated funds are those set aside by the Trustees to meet a specific need or fund activities.

## 2. Resources expended

|  | Programme cost | Payments to collaborating entities | Support costs | 2025 Total    | 2024 Total    |
|--|----------------|------------------------------------|---------------|---------------|---------------|
| <i>Charitable activities</i>             | £'000          | £'000                              | £'000         | £'000         | £'000         |
| <b>Commissioned studies and research</b> |                |                                    |               |               |               |
| Climate change                           | 4,021          | 5,287                              | 1,904         | 11,212        | 10,959        |
| Natural resources                        | 3,344          | 7,021                              | 2,120         | 12,485        | 7,314         |
| Sustainable markets                      | 2,115          | 135                                | 460           | 2,710         | 1,540         |
| Human settlements                        | 2,009          | 676                                | 549           | 3,234         | 2,489         |
| Green Economy Coalition                  | 576            | -                                  | 118           | 694           | 745           |
| Strategy and learning                    | 1,645          | -                                  | 337           | 1,982         | 1,636         |
| Communications and publications          | 1,352          | -                                  | 277           | 1,629         | 1,379         |
| <b>Commissioned studies and research</b> | <b>15,062</b>  | <b>13,119</b>                      | <b>5,765</b>  | <b>33,946</b> | <b>26,062</b> |
| Grants to IIED Europe                    | -              | 400                                | -             | 400           | 200           |
| <b>Total resources expended</b>          | <b>15,062</b>  | <b>13,519</b>                      | <b>5,765</b>  | <b>34,346</b> | <b>26,262</b> |

Foreign exchange gains and losses recognised in the year amounted to a loss of £225k (2024: gain £113k).

During the year ended 31 March 2025 an internal review of the allocation of staff costs to a programme funded by restricted grants concluded that staff costs of £458k had been incorrectly included in the allocation in the year ended 31 March 2024, with an equivalent amount of income accrued against that project. These costs should have been recorded as unrestricted expenditure. The correction reduces restricted expenditure by £458k, decreases accrued income by £270k, increases deferred income by £188k, and records a corresponding £458k increase in unrestricted expenditure. Taken together with other smaller adjustments, this increased the reported unrestricted loss for FY24 from £148k to £839k and reduced unrestricted funds from £1,992k to £1,301k, but had no impact on the opening reserves position as at 1 April 2023.

### 3. Support costs

|                            | 2025<br>£'000 | 2024<br>£'000 |
|----------------------------|---------------|---------------|
| Premises                   | 850           | 637           |
| Finance                    | 1,959         | 1,322         |
| Director's office/Trustees | 1,084         | 1,038         |
| IT services                | 402           | 660           |
| Human resources            | 1,470         | 1,150         |
| <b>Total</b>               | <b>5,765</b>  | <b>4,807</b>  |

| Net movement in funds is stated after the following: | 2025<br>£'000 | 2024<br>£'000 |
|--|---------------|---------------|
| Auditors remuneration                                |               |               |
| Due for the 2023/24 audit                            | 45            | 40            |
| Due for the 2024/25 audit                            | 41            | -             |
| Other  | 33            | 59            |
| Depreciation   | 85            | 72            |
| Foreign exchange (gains)/ losses                     | 225           | (113)         |

FY25 governance costs amounted to £228k (2024: £149k). Resources expended include operating lease rentals £427k for the company (2024: £366k).

### 4. Tangible fixed assets

|                         | Leasehold<br>improvements<br>£'000 | Furniture and<br>fixtures<br>£'000 | Office and<br>computer equipment<br>£'000 | Total<br>£'000 |
|-------------------------|------------------------------------|------------------------------------|---|----------------|
| <b>Cost</b>             |                                    |                                    |   |                |
| At 1 April 2024         | 154                                | 205                                | 332                                       | 691            |
| Additions               | -                                  | -                                  | 61  | 61             |
| Disposals               | -                                  | -                                  | -   | -              |
| <b>At 31 March 2025</b> | <b>154</b>                         | <b>205</b>                         | <b>393</b>                                | <b>752</b>     |
| <b>Depreciation</b>     |                                    |                                    |   |                |
| At 1 April 2024         | 68                                 | 198                                | 230                                       | 496            |
| Charge for year         | 16                                 | 4                                  | 59  | 79             |
| Disposals               | -                                  | -                                  | -   | -              |
| <b>At 31 March 2025</b> | <b>84</b>                          | <b>202</b>                         | <b>289</b>                                | <b>575</b>     |
| <b>Net book value</b>   |                                    |                                    |   |                |
| <b>At 31 March 2025</b> | <b>70</b>                          | <b>3</b>                           | <b>104</b>                                | <b>177</b>     |
| At 31 March 2024        | 86                                 | 7                                  | 102                                       | 195            |

## 5. Intangible Fixed Assets

|                         | Computer software<br>£'000 | Total<br>£'000 |
|-------------------------|----------------------------|----------------|
| <b>Cost</b>             |                            |                |
| At 1 April 2024         | 294                        | 294            |
| Additions               | -                          | -              |
| Disposals               | -                          | -              |
| <b>At 31 March 2025</b> | <b>294</b>                 | <b>294</b>     |
| <b>Depreciation</b>     |                            |                |
| At 1 April 2024         | 278                        | 278            |
| Charge for year         | 6                          | 6              |
| Disposals               | -                          | -              |
| <b>At 31 March 2025</b> | <b>284</b>                 | <b>284</b>     |
| <b>Net book value</b>   |                            |                |
| <b>At 31 March 2025</b> | <b>10</b>                  | <b>10</b>      |
| At 31 March 2024        | 16                         | 16             |

## 6. Debtors

|                            | 2025<br>£'000 | 2024<br>£'000 |
|----------------------------|---------------|---------------|
| <b>Less than one year:</b> |               |               |
| Grants receivable          | 3,065         | 2,724         |
| Accrued income             | 2,122         | 1,364         |
| Other debtors              | 275           | 202           |
| Intercompany               | -             | 223           |
| Prepayments                | 133           | 374           |
| <b>Total debtors</b>       | <b>5,595</b>  | <b>4,887</b>  |

## 7. Creditors: amounts falling due within one year

|                                 | 2025<br>£'000 | 2024<br>£'000 |
|---------------------------------|---------------|---------------|
| Trade creditors                 | 2,483         | 4,221         |
| Accruals                        | 3,012         | 1,341         |
| Other creditors                 | 20            | 213           |
| Social security and other taxes | 596           | 496           |
| <b>Total</b>                    | <b>6,111</b>  | <b>6,271</b>  |

|                  | 1 April<br>2024<br>£'000 | Amount<br>released<br>£'000 | Incoming<br>resources<br>deferred<br>£'000 | 31 March<br>2025<br>£'000 |
|------------------|--------------------------|-----------------------------|--|---------------------------|
| Deferred revenue | 5,124                    | (5,124)                     | 5,347                                      | 5,347                     |

## 8. Analysis of net assets between funds

| 31 March 2025           | Unrestricted<br>£'000 | Restricted<br>£'000 | Total<br>£'000 |
|-------------------------|-----------------------|---------------------|----------------|
| Tangible fixed assets   | 177                   | -                   | 177            |
| Intangible fixed assets | 10                    | -                   | 10             |
| Net Current Assets      | (682)                 | -                   | (682)          |
| <b>Net assets</b>       | <b>(495)</b>          | <b>-</b>            | <b>(495)</b>   |

| 31 March 2024           | Unrestricted<br>£'000 | Restricted<br>£'000 | Total<br>£'000 |
|-------------------------|-----------------------|---------------------|----------------|
| Tangible fixed assets   | 195                   | -                   | 195            |
| Intangible fixed assets | 16                    | -                   | 16             |
| Net Current Assets      | 1,090                 | -                   | 1,090          |
| <b>Net assets</b>       | <b>1,301</b>          | <b>-</b>            | <b>1,301</b>   |

## 9. Unrestricted funds

|                          | 1 April 2024<br>£'000 | Income<br>£'000 | Transfers<br>£'000 | Resources<br>expended<br>£'000 | 31 March 2025<br>£'000 |
|--------------------------|-----------------------|-----------------|--------------------|--------------------------------|------------------------|
| Total unrestricted funds | 1,301                 | 6,238           | (52)               | (7,982)                        | (495)                  |

|                          | 1 April 2023<br>£'000 | Income<br>£'000 | Transfers<br>£'000 | Resources<br>expended<br>£'000 | 31 March 2024<br>£'000 |
|--------------------------|-----------------------|-----------------|--------------------|--------------------------------|------------------------|
| Total unrestricted funds | 2,139                 | 7,826           | -                  | (8,664)                        | 1,301                  |

Since the year end, IIED has secured a significant step towards rebuilding reserves through a flexible grant from Quadrature Climate Foundation (QCF). We have allocated £2.2m of this funding to strengthen free reserves, providing an important foundation on which to progress towards the new target over the coming years.

## 10. Employees

|   | 2025<br>No.   | 2024<br>No.  |
|---|---------------|--------------|
| The number of employees at 31 March was:          | 164           | 152          |
| The aggregate remuneration paid to employees was: | <b>£'000</b>  | <b>£'000</b> |
| Wages and salaries                                | 9,356         | 7,820        |
| Social security costs                             | 976           | 843          |
| Other Pension costs                               | 635           | 562          |
|   | <b>10,967</b> | <b>9,225</b> |

The number of staff whose aggregate remuneration (including termination payments) fell within each of the following bands was:

|                   | 2025<br>No. | 2024<br>No. |
|-------------------|-------------|-------------|
| £160,000-£169,999 | 1           | -           |
| £130,000-£139,999 | 1           | -           |
| £120,000-£129,999 | -           | 1           |
| £110,000-£119,999 | 1           | -           |
| £100,000-£109,999 | 1           | 1           |
| £90,000-£99,999   | 6           | 1           |
| £80,000-£89,999   | 8           | 7           |
| £70,000-£79,999   | 12          | 17          |
| £60,000-£69,999   | 18          | 15          |

There were termination payments of £179k in the year (2024 £4k). At the year end, £75k had been accrued but not yet been paid to the employees concerned.

The key management personnel of the charity comprise the Executive Director, Chief Operating Officer, Director of Finance and Operations, Director of Communications, Director of Human Settlements, Director of Natural Resources, Director of Strategy and Learning, and Director of Sustainable Markets. The total employee benefits of the key management personnel of the charity were £997k (2024: £878k).

No company pension scheme existed at 31 March 2025. Contributions are paid on behalf of employees to independently administered money purchase plans. The cost to the charity during the year was £635k (2024: £562k).

Where claimed, trustee expenses incurred on the institute's business were reimbursed. Total trustee expenses during the year were £14k (2024: £37k). The number of trustees claiming expenses was 12 (2023:10).

## 11. Related parties

During FY25, £55k was received from Oxford Policy Management Ltd in settlement of an outstanding FY24 balance, leaving no amount outstanding at year-end. Oxford Policy Management Ltd is a company in which P. D. George serves as a director.

Indemnity insurance is provided to Trustees as part of the Management Liability policy and the Commercial Combined policy. During the period, the annual cost of these two policies, including trustee coverage, was £5k and £42k respectively, and in FY24 £2k for Management Liability and £36k for Commercial Combined.

## IIED Europe

The Stichting International Institute for Environment and Development Europe [IIED Europe] is a foundation incorporated under the laws of the Netherlands, having its registered office at Plantage Middenlaan 2 K, 1018 DD, Amsterdam and is registered at the Chamber of Commerce under number 81230710. IIED Europe was established by IIED on 18 December 2020, a legally independent foundation based in the Netherlands, with a focus on global environmental and social change.

Initially, IIED controlled IIED Europe through a majority of the Supervisory and Management Boards. However, in 2024, Board members changed such that the majority of the Supervisory Board has no concurrent affiliation with IIED in the UK. IIED Europe has its own staff and is also generating its own funds to cover operating costs and develop its own programme of work..

As IIED now only holds 33.3% of the shareholding in IIED Europe, the organisation no longer has a controlling interest. Accordingly, IIED Europe constitutes as Associate in the year, so has not been consolidated in the 2024/25 accounts.

## 12. Commitments

At 31 March 2025, IIED had obligations under non-cancellable operating leases as set out below:

|                                | Land and<br>buildings<br>2025<br>£'000 | Land and<br>buildings<br>2024<br>£'000 |
|--------------------------------|--|--|
| Due in less than one year      | 260                                    | 354                                    |
| Due within one to five years   | 133                                    | 376                                    |
| Due after more than five years | -                                      | -                                      |

## 13. Income

|   | 2025<br>£'000 | 2024<br>£'000 |
|---|---------------|---------------|
| <b>Donors</b>                           |               |               |
| Government and government agencies      | 22,795        | 18,484        |
| International and multilateral agencies | 1,404         | 1,516         |
| Foundations and NGOs                    | 6,622         | 5,081         |
| Corporate                               | 1,088         | 1,150         |
| <b>Donor income received</b>            | <b>31,909</b> | <b>26,231</b> |
| <b>Other income</b>                     |               |               |
| Interest receivable                     | 106           | 160           |
| <b>Other income received</b>            | <b>106</b>    | <b>160</b>    |
| <b>Total</b>                            | <b>32,015</b> | <b>26,391</b> |
| Add: Income deferred from prior year    | 5,124         | 4,391         |
| Less: Income due to prior year          | (1,364)       | (1,598)       |
| Add: Income due from next year          | 2,122         | 1,364         |
| Less: Income deferred to next year      | (5,347)       | (5,124)       |
| <b>Total incoming resources</b>         | <b>32,550</b> | <b>25,424</b> |

|   |                | 2025<br>£'000 | 2024<br>£'000 |
|---|----------------|---------------|---------------|
| <b>Government and Government Agencies</b>                   |                |               |               |
| Foreign Commonwealth & Development Office                   | United Kingdom | 10,345        | 7,709         |
| Irish Aid, Department of Foreign Affairs                    | Ireland        | 2,983         | 4,000         |
| Swedish International Development Cooperation Agency (Sida) | Sweden         | 2,552         | 2,585         |
| Ministry of Foreign Affairs (Netherlands)                   | Netherlands    | 2,509         | 1,373         |
| US Department of State                                      | United States  | 1,578         | 906           |
| Department For Environment, Food and Rural Affairs (DEFRA)  | United Kingdom | 980           | 470           |
| Ministry of Environment and Climate Change                  | Canada         | 567           | 587           |
| Department for Energy Security and Net Zero                 | United Kingdom | 439           | 217           |
| Federal Foreign Office Germany                              | Germany        | 263           | 347           |
| Swiss Agency for Development and Cooperation                | Switzerland    | 250           | -             |
| Netherlands Enterprise Agency                               | Netherlands    | 144           | 60            |

|   |                |               |               |
|---|----------------|---------------|---------------|
| Arts & Humanities Research Council                                | United Kingdom | 110           | 62            |
| Deutsche Gesellschaft Fur International Zusammenarbeit (GIZ) Gmbh | Germany        | 75            | 18            |
| Department of Health and Social Care                              | United Kingdom | -             | 108           |
| BMU Federal Ministry for Environment Nat                          | Germany        | -             | 50            |
| Amounts less than £10,000   |                | -             | (8)           |
| <b>Total Government &amp; Government Agencies</b>                 |                | <b>22,795</b> | <b>18,484</b> |

|  |                       | <b>2025</b>  | <b>2024</b>  |
|--|-----------------------|--------------|--------------|
|  |                       | <b>£'000</b> | <b>£'000</b> |
| <b>International and Multilateral Agencies</b>         |                       |              |              |
| United Nations Food and Agriculture Organisation (FAO) | Italy                 | 513          | 477          |
| Asian Development Bank                                 | Philippines           | 264          | 22           |
| United Nations Office for Disaster Risk Management     | Switzerland           | 247          | -            |
| The World Bank, USA                                    | United States         | 98           | 174          |
| United Nations Development Programme (Parent)          | United States         | 63           | 201          |
| UNIDO (UN Industrial Development Org)                  | Austria               | 41           | 51           |
| UNDP Thailand  | Thailand              | 41           | -            |
| United Nations Office for Project Services (UNOPS)     | Denmark, Belgium, USA | 34           | -            |
| UNDP Bangladesh  | Bangladesh            | 25           | -            |
| UNEP Kenya   | Kenya                 | 20           | 22           |
| United Nations Habitat Secretariat                     | Kenya                 | 14           | 53           |
| European Commission                                    | Belgium               | 11           | 516          |
| Amounts less than £10,000                              |                       | 33           | -            |
| <b>Total International &amp; Multilateral Agencies</b> |                       | <b>1,404</b> | <b>1,516</b> |

|   |                | <b>2025</b>  | <b>2024</b>  |
|---|----------------|--------------|--------------|
|   |                | <b>£'000</b> | <b>£'000</b> |
| <b>Foundations and NGOs</b>               |                |              |              |
| Quadrature Climate Foundation (QCL)       | United Kingdom | 1,043        | -            |
| Bill & Melinda Gates Foundation US        | USA            | 464          | 455          |
| SouthSouthNorth (Africa) NPC              | South Africa   | 461          | 461          |
| Open Society Foundations                  | USA            | 398          | -            |
| Generation Foundation                     | United Kingdom | 350          | 400          |
| Foundation Hans Wilsdorf                  | Switzerland    | 332          | 343          |
| Rockefeller Philanthropy Advisors (RPA)   | USA            | 278          | 361          |
| International Development Research Centre | Uruguay        | 274          | -            |
| Global Center on Adaptation               | Netherlands    | 269          | 71           |
| World Fish                                | Malaysia       | 267          | -            |
| Green Climate Fund                        | South Korea    | 212          | -            |
| The British Academy                       | United Kingdom | 199          | -            |
| Foundation Open Society Institute (FOSI)  | Switzerland    | 196          | -            |
| CDP Worldwide                             | United Kingdom | 169          | 10           |
| Wellcome Trust                            | United Kingdom | 132          | -            |
| United Nations University - EHS           | Germany        | 124          | 477          |
| Schmidt Family Foundation                 | United States  | 122          | 117          |
| DanchurchAid (DCA)                        | Denmark        | 116          | 13           |

|  |                      |              |              |
|--|----------------------|--------------|--------------|
| Jamma International                            | United Kingdom       | 108          | 154          |
| Wellspring Philanthropic Fund                  | United States        | 90           | -            |
| Comic Relief                                   | United Kingdom       | 81           | -            |
| Anti-Slavery International                     | United Kingdom       | 80           | 132          |
| Arcus Foundation (US Office)                   | United States        | 79           | -            |
| Ford Foundation USA                            | United States        | 75           | -            |
| REARC  | Denmark              | 63           | -            |
| The University of Sheffield                    | United Kingdom       | 62           | 42           |
| International Rice Research Institute          | Philippines          | 58           | -            |
| African Centre for Trade and Development       | Uganda               | 45           | 29           |
| University of Copenhagen                       | Denmark              | 44           | 42           |
| International Union For Conservation Of Nature | Switzerland          | 43           | 206          |
| International Renewable Energy Agency          | United Arab Emirates | 39           | -            |
| Agence Francaise De Developpement              | France               | 37           | -            |
| University of Edinburgh                        | United Kingdom       | 28           | 92           |
| FSD Africa                                     | Kenya                | 27           | -            |
| New Venture Fund                               | United States        | 22           | 94           |
| World Vision Ireland                           | Ireland              | 21           | 44           |
| Stichting Wageningen Research                  | Netherlands          | 20           | 40           |
| International Development Research Centre      | Canada               | 19           | 22           |
| Ecorys   | United Kingdom       | 17           | 47           |
| McKnight Foundation                            | United States        | 16           | -            |
| Katholische Zentralstelle fur Entwicklun       | Germany              | 15           | 26           |
| Caribbean Natural Resources Institute          | Trinidad and Tobago  | 10           | -            |
| IED Afrique                                    | Senegal              | 9            | 10           |
| Zoological Society of London                   | United Kingdom       | 8            | 10           |
| Chatham House                                  | United Kingdom       | 8            | 19           |
| The Bartlett Development Planning Unit         | United Kingdom       | 7            | 14           |
| Loughborough University                        | United Kingdom       | 7            | 11           |
| IIED Europe                                    | Netherlands          | 1            | 147          |
| The William and Flora Hewlett foundation       | United States        | -            | 202          |
| UBS Optimus Foundation Europe                  | Germany              | -            | 197          |
| IKEA Foundation                                | Netherlands          | -            | 170          |
| Institute of Development Studies (IDS)         | United Kingdom       | -            | 105          |
| International Sustainable Energy Foundation    | United States        | -            | 79           |
| MISEREOR                                       | Germany              | -            | 63           |
| Climate Works Foundation                       | United States        | -            | 60           |
| IED  | France               | -            | 46           |
| Conservation International                     | United States        | -            | 37           |
| IUCN Kenya                                     | Kenya                | -            | 32           |
| Stichting International Red Cross/RCCC         | Netherlands          | -            | 30           |
| WWF International                              | Switzerland          | -            | 24           |
| Anglia Ruskin University higher education      | United Kingdom       | -            | 22           |
| Africa Europe Foundation (AFD)                 | Belgium              | -            | 21           |
| Finance for Biodiversity Foundation            | Switzerland          | -            | 13           |
| University Of Manchester                       | United Kingdom       | -            | 11           |
| Engineering and Physical Sciences Research     | United Kingdom       | -            | 11           |
| Tufts University                               | United States        | -            | 11           |
| Asian Disaster Preparedness Centre (ADPC)      | Thailand             | -            | 10           |
| Other amounts less than £10,000                |                      | 77           | 48           |
| <b>Total Foundations and NGOs</b>              |                      | <b>6,622</b> | <b>5,081</b> |

|  |                | 2025         | 2024         |
|--|----------------|--------------|--------------|
|  |                | £'000        | £'000        |
| <b>Corporate</b>                         |                |              |              |
| DAI Global                               | United Kingdom | 890          | 96           |
| SAGE Publications Ltd                    | United Kingdom | 82           | 75           |
| Eventbrite                               | United Kingdom | 62           | 62           |
| CBA                                      | Various        | 35           | 28           |
| Le Groupe-conseil baastel Itée           | Canada         | 11           | -            |
| DAI Europe LTD                           | United Kingdom | -            | 408          |
| Oxford Policy Management                 | United Kingdom | -            | 373          |
| ABF Investments PLC                      | United Kingdom | -            | 50           |
| DAI Global LLC, USA                      | USA            | -            | 28           |
| DAI Global Belgium SRL                   | Belgium        | -            | 18           |
| The Landscapes and Livelihoods Group LLP | United Kingdom | -            | 15           |
| Alliance for Responsible Mining          | Colombia       | -            | 10           |
| Amounts less than £10,000                |                | 8            | (13)         |
| <b>Total Corporate</b>                   |                | <b>1,088</b> | <b>1,150</b> |

#### 14. Payments to collaborating organisations

|   |                   | 2025  | 2024  |
|---|-------------------|-------|-------|
|   |                   | £'000 | £'000 |
| <b>Payments to organisations</b>                      |                   |       |       |
| International Union for Conservation of Nature (IUCN) | Kenya             | 1,750 | 41    |
| Namati, Inc   | USA               | 858   | 685   |
| International Union for Conservation of Nature (IUCN) | Switzerland       | 800   | -     |
| Columbia Center on Sustainable Investment             | USA               | 790   | 804   |
| Ministry of Natural Resources and Climate             | Malawi            | 700   | -     |
| Climate Resilient Green Economy (CRGE) Facility       | Ethiopia          | 438   | -     |
| IIED Europe   | Netherlands       | 400   | 200   |
| Slum Dwellers International                           | Kenya             | 386   | 70    |
| Huairou Commission                                    | USA               | 281   | 51    |
| WWF, Tanzania   | Tanzania          | 269   | 53    |
| RECOFTC (Bangkok Office)                              | Thailand          | 217   | 2     |
| WWF, Myanmar  | Myanmar           | 188   | 48    |
| IIED-America Latina                                   | Tanzania          | 188   | 366   |
| Tanzania Forest Conservation Group                    | Tanzania          | 188   | 65    |
| Forest Peoples Programme                              | Great Britain     | 188   | -     |
| Tearfund Rwanda                                       | Rwanda            | 183   | -     |
| University Court of the University of Aberdeen        | Great Britain     | 171   | -     |
| South South North (SSN)                               | South Africa      | 169   | 30    |
| International Water Management Institute              | Sri Lanka         | 155   | 35    |
| ENDA – Senegal  | Senegal           | 144   | 27    |
| Trias   | Tanzania          | 144   | -     |
| Nutrition Action Zimbabwe                             | Zimbabwe          | 141   | 87    |
| Caribbean Natural Resources Institute                 | Trinidad & Tobago | 140   | 11    |
| Centro para la Autonomía y Desarrollo de de los       | Nicaragua         | 136   | 27    |
| Centre for Trade Policy and Development               | Zambia            | 135   | 151   |

|   |               |     |     |
|---|---------------|-----|-----|
| International Centre for Research in Agroforestry                                       | Kenya         | 131 | -   |
| Aranayk Foundation  | Bangladesh    | 130 | -   |
| Cambodia Indigenous Peoples Organization  | Cambodia      | 130 | 37  |
| Good Neighbours Bangladesh  | Bangladesh    | 129 | -   |
| Zambia Land Alliance  | Zambia        | 129 | 145 |
| Viet Nature Conservation Centre   | Vietnam       | 121 | -   |
| Rikolto International   | Tanzania      | 113 | -   |
| Honeyguide  | Tanzania      | 110 | 24  |
| Kenya Wildlife Conservancies Association  | Kenya         | 109 | -   |
| International Institute of Rural Reconstruction (IIRR)                                  | Philippines   | 101 | -   |
| WWF, UK Head Office   | Great Britain | 97  | -   |
| ForestAction Nepal  | Nepal         | 94  | -   |
| Keystone Foundation   | India         | 93  | -   |
| Haribon Foundation  | Philippines   | 92  | 19  |
| Jaringan Kerja Pemetaan Partisipatif  | Indonesia     | 92  | -   |
| Fondation Pour Le Développement Au Sahel  | Mali          | 92  | 46  |
| Sierra Leone Urban Research Centre  | Sierra Leone  | 89  | -   |
| Social Development Fund (SDF)   | Gambia        | 80  | -   |
| MNP -Madagascar National Park DEAP Programme  | Madagascar    | 79  | -   |
| Non-Timber Forest Products Exchange Programme   | Philippines   | 77  | 27  |
| Kounkuey Design Initiative Inc.   | Kenya         | 74  | -   |
| Asociación Boliviana para investigación y Conservación de Ecosistemas Andino Amazónicos | Bolivia       | 71  | -   |
| University of Sheffield   | Great Britain | 71  | -   |
| Save the Children UK  | Great Britain | 69  | -   |
| African Centre for Cities (ACC)   | South Africa  | 69  | -   |
| Madagasikara Voakajy  | Madagascar    | 50  | -   |
| Save the Children Australia   | Australia     | 49  | 21  |
| Yayasan LBH Indonesia   | Indonesia     | 48  | -   |
| Mwambao Coastal Community Network Tanzania  | Tanzania      | 47  | -   |
| AMAN Kalteng  | Indonesia     | 44  | 21  |
| Ministry of Finance of the Royal Government   | Bhutan        | 42  | -   |
| Centre for Community Initiatives  | Tanzania      | 41  | 3   |
| Kenya Forestry Research Institute   | Kenya         | 41  | 71  |
| Puspaham Sulawesi Tenggara  | Indonesia     | 40  | -   |
| Rumpun Perempuan Sultra   | Indonesia     | 38  | -   |
| Institute of Development Studies  | Great Britain | 38  | -   |
| MVIWAARUSHA   | Tanzania      | 37  | 14  |
| Environmental Conservation Trust of Uganda  | Uganda        | 37  | 41  |
| University of Edinburgh   | Great Britain | 36  | -   |
| Third Generation Environmentalism Limit   | Great Britain | 35  | 13  |
| KOMDES  | Indonesia     | 35  | -   |
| Global Green Growth Institute   | South Korea   | 35  | 40  |
| Deutsche Welthungerhilfe  | Germany       | 34  | -   |
| Walhi Foundation  | Indonesia     | 32  | -   |
| Lutheran World Relief   | Nepal         | 31  | -   |
| Sustainable Development Institute   | Liberia       | 31  | 10  |
| Justice & Empowerment Initiatives   | Nigeria       | 31  | -   |
| Comunidad y Biodiversidad, A.C (COBI)   | Mexico        | 20  | -   |
| Asociacion ANDES  | Peru          | 27  | -   |
| Phuhlisani NPC  | South Africa  | 25  | -   |
| Lawyers for Human Rights  | South Africa  | 25  | -   |
| UN Habitat Jordan   | Great Britain | 24  | -   |
| LBH Palangkaraya  | Indonesia     | 23  | -   |
| Wilton Park Executive Agency  | Great Britain | 22  | -   |
| Swadhina  | India         | 22  | -   |
| King Hussein Foundation   | Jordan        | 21  | 25  |
| Value Nature  | USA           | 21  | 46  |

|  |               |               |              |
|--|---------------|---------------|--------------|
| Himiza Social Justice Limited                                | Tanzania      | 20            | 25           |
| Slum Dwellers International                                  | Kenya         | 20            | -            |
| DITSHWANELO  | Botswana      | 20            | -            |
| PETCO Ethiopia Recycling Community Organization              | Ethiopia      | 20            | -            |
| Auto-promotion rurale pour un developpement Humain Durable   | Togo          | 19            | 23           |
| TROOLOGY   | India         | 19            | -            |
| Walhi Kalteng  | Indonesia     | 18            | 17           |
| Dialogue on Shelter Trust                                    | Zimbabwe      | 17            | 39           |
| Uniao dos Movimentos de Moradia da Grand                     | Brazil        | 17            | 11           |
| Komunitas Teras  | Indonesia     | 17            | 27           |
| YBBI (Yayasan Betang Borneo Indonesia)                       | Indonesia     | 16            | 17           |
| Tondwa Conservation Limited                                  | Zambia        | 16            | 32           |
| People's Process on Housing and Poverty                      | Great Britain | 16            | -            |
| Institute for Study and Development Worldwide                | Australia     | 16            | -            |
| Nature Conservation Foundation (NCF)                         | India         | 15            | -            |
| WALHI North Sumatra  | Indonesia     | 15            | -            |
| Save our Borneo  | Indonesia     | 14            | 17           |
| Kew Royal Botanical Gardens                                  | Great Britain | 14            | -            |
| Natural Justice  | Senegal       | 14            | -            |
| Fondation Tany Meva  | Madagascar    | 14            | -            |
| University of Liberal Arts Bangladesh                        | Bangladesh    | 14            | -            |
| Wellspring Development Capital Limited                       | Great Britain | 13            | -            |
| Tanzania People and Wildlife                                 | Tanzania      | 12            | 20           |
| ANARDE   | Uganda        | 12            | 12           |
| Initiative Prospective Agricole                              | Senegal       | 12            | 10           |
| CORDIO East Africa   | Kenya         | 11            | 8            |
| Samuel Hall FZE  | Kenya         | -             | 93           |
| IRDNC - Integrated Rural Development and Nature Conservation | Namibia       | 3             | 73           |
| Gemawan  | Indonesia     | -             | 70           |
| Women's Refugee Commission                                   | USA           | -             | 49           |
| International Land Coalition                                 | Italy         | -             | 46           |
| The Indian Institute for Human Settlements                   | India         | -             | 34           |
| Economic Policy and Competitiveness Research Center          | Mongolia      | -             | 30           |
| Public Affairs Research Institute NPC                        | South Africa  | 7             | 30           |
| Madhya Pradesh Council of Science and Technology             | India         | -             | -            |
| Viet Nam Farmers Union (VNFU)                                | Vietnam       | -             | 28           |
| COLANDEF   | Ghana         | 3             | 26           |
| Rikolto International (Tanzania)                             | Tanzania      | -             | 25           |
| Open Development Cambodia                                    | Cambodia      | -             | 25           |
| ICLEI – Local Governments for Sustainability                 | South Africa  | -             | 24           |
| United Nations University INRA                               | Ghana         | -             | 24           |
| Botswana Watch   | Botswana      | -             | 23           |
| Independent University Bangladesh (IUB)                      | Bangladesh    | 4             | 22           |
| Zambia Community Based Natural Resources                     | Zambia        | -             | 21           |
| IED AFRIQUE  | Senegal       | -             | 14           |
| International Centre for Integrated Mountain Development     | Nepal         | -             | 13           |
| WLWF   | Zambia        | -             | 10           |
| Apu Kuntur Civil Association                                 | Argentina     | -             | 10           |
| TAMPEI   | Philippines   | -             | 10           |
| Payments less than £10,000                                   |               | 408           | 235          |
| <b>Total Company payments</b>                                |               | <b>13,519</b> | <b>4,578</b> |

## 15. Restricted funds

| Project name                             | Balance at                | Income           | Expenditure      | Transfers        | Balance at                | Income           | Expenditure      | Transfers        | Balance at                |
|--|---------------------------|------------------|------------------|------------------|---------------------------|------------------|------------------|------------------|---------------------------|
|  | 31 March<br>2023<br>£'000 | 2023/24<br>£'000 | 2023/24<br>£'000 | 2023/24<br>£'000 | 31 March<br>2024<br>£'000 | 2024/25<br>£'000 | 2024/25<br>£'000 | 2024/25<br>£'000 | 31 March<br>2025<br>£'000 |
| LIFE-AR Phase II                         | -                         | 4,578            | (4,578)          | -                | -                         | 412              | (412)            | -                | -                         |
| LIFE-AR PHASE II -10432                  | -                         | -                | -                | -                | -                         | 4,231            | (4,231)          | -                | -                         |
| ALIGN                                    | -                         | 3,153            | (3,153)          | -                | -                         | 3,850            | (3,850)          | -                | -                         |
| Facilitating REDAA                       | -                         | 1,459            | (1,459)          | -                | -                         | 4,911            | (4,911)          | -                | -                         |
| IKI support for climate negotiators      | -                         | 544              | (544)            | -                | -                         | 291              | (291)            | -                | -                         |
| TUC                                      | -                         | 537              | (537)            | -                | -                         | 89               | (89)             | -                | -                         |
| IKI-TUC Phase 2                          | -                         | -                | -                | -                | -                         | 143              | (143)            | -                | -                         |
| Locally Led Adaptation & MFA NL          | -                         | 446              | (446)            | -                | -                         | 1,722            | (1,722)          | -                | -                         |
| GCRF Protracted Displacement             | -                         | 430              | (430)            | -                | -                         | 14               | (13)             | (1)              | -                         |
| Wilsdorf - GEC strategic plan support    | -                         | 418              | (418)            | -                | -                         | 216              | (216)            | -                | -                         |
| Building Resilience in Ethiopia          | -                         | 362              | (362)            | -                | -                         | -                | -                | -                | -                         |
| Hidden Handbrakes Generation Foundation  | -                         | 356              | (356)            | -                | -                         | 283              | (283)            | -                | -                         |
| Gates - influence cli, nat & dev process | -                         | 324              | (324)            | -                | -                         | 878              | (878)            | -                | -                         |
| 11179 Gates - Negotiators                | -                         | 198              | (198)            | -                | -                         | 207              | (207)            | -                | -                         |
| 11179 Gates - Emerging Leaders           | -                         | 93               | (93)             | -                | -                         | 94               | (94)             | -                | -                         |
| 11179 Gates - Engagement with CBA        | -                         | 72               | (72)             | -                | -                         | 88               | (88)             | -                | -                         |
| 11179 Gates - Climate Finance            | -                         | 72               | (72)             | -                | -                         | 72               | (72)             | -                | -                         |
| 11179 Gates - Women's Climate Leadership | -                         | 20               | (20)             | -                | -                         | 20               | (20)             | -                | -                         |
| CBA18 (multi-donor grant) FY24- FY26     | -                         | 172              | (172)            | -                | -                         | 97               | (97)             | -                | -                         |
| FCDO - MGNREGS extensions                | -                         | 245              | (245)            | -                | -                         | 4                | -                | (4)              | -                         |
| EC Shared Global Green Deal              | -                         | 219              | (219)            | -                | -                         | 364              | (364)            | -                | -                         |
| Darwin: Biocredit Investment Operations  | -                         | 211              | (211)            | -                | -                         | 114              | (114)            | -                | -                         |
| OSF - LLA 4 Climate, Nature & inequality | -                         | 210              | (210)            | -                | -                         | 173              | (175)            | 2                | -                         |
| Climate and Development Ministerial CECG | -                         | 161              | (161)            | -                | -                         | -                | -                | -                | -                         |
| Hewlett Climate Finance                  | -                         | 159              | (159)            | -                | -                         | 199              | (194)            | (5)              | -                         |

| Project name                               | Balance at | Income  | Expenditure | Transfers | Balance at | Income  | Expenditure | Transfers | Balance at |
|--|------------|---------|-------------|-----------|------------|---------|-------------|-----------|------------|
|  | 31 March   |         |             |           | 31 March   |         |             |           | 31 March   |
|  | 2023       | 2023/24 | 2023/24     | 2023/24   | 2024       | 2024/25 | 2024/25     | 2024/25   | 2025       |
|  | £'000      | £'000   | £'000       | £'000     | £'000      | £'000   | £'000       | £'000     | £'000      |
| Capacity for Human Wildlife Conflict       | -          | 156     | (156)       | -         | -          | 17      | (17)        | -         | -          |
| UNDRR Tracking Climate and Disaster        | -          | 151     | (151)       | -         | -          | (3)     | (4)         | 7         | -          |
| CECG - Loss and Damage Roadmap             | -          | 145     | (145)       | -         | -          | 46      | (46)        | -         | -          |
| Home off UK- Anti Slavery Int. - Bangl     | -          | 137     | (137)       | -         | -          | 77      | (75)        | (2)       | -          |
| People and Conservation Learning Group 2   | -          | 133     | (133)       | -         | -          | -       | -           | -         | -          |
| EC/UNDP Progressive Platforms 2023         | -          | 125     | (125)       | -         | -          | 38      | (43)        | 5         | -          |
| Establishing a Biocultural Heritage        | -          | 122     | (122)       | -         | -          | 87      | (87)        | -         | -          |
| IPCC Chair hosting                         | -          | 110     | (110)       | -         | -          | 548     | (548)       | -         | -          |
| Supporting CSOs in Guinea & DRC 23-2024    | -          | 103     | (103)       | -         | -          | -       | -           | -         | -          |
| ARA Phase 2: GESI                          | -          | 102     | (102)       | -         | -          | 300     | (300)       | -         | -          |
| Civic Media for Housing Rights AHRC        | -          | 89      | (89)        | -         | -          | 114     | (114)       | -         | -          |
| HSG Consultancies: E&U Sage and PLS        | -          | -       | -           | -         | -          | 6       | (6)         | -         | -          |
| E&U  | -          | 87      | (87)        | -         | -          | 133     | (133)       | -         | -          |
| A tool for advancing IPLC-led conservation | -          | 86      | (86)        | -         | -          | 99      | (99)        | -         | -          |
| Data Justice for Refugees                  | -          | 80      | (80)        | -         | -          | (4)     | (3)         | 7         | -          |
| CECG 2023 - LDC negotiations support       | -          | 79      | (79)        | -         | -          | 121     | (123)       | 2         | -          |
| Brains Trust & Secondee on Access          | -          | 79      | (79)        | -         | -          | -       | -           | -         | -          |
| SULi impact                                | -          | 72      | (72)        | -         | -          | 106     | (106)       | -         | -          |
| EbA Viet Nam                               | -          | 67      | (67)        | -         | -          | 63      | (63)        | -         | -          |
| Nature Nurture (GCBC)                      | -          | 63      | (63)        | -         | -          | 246     | (246)       | -         | -          |
| Promoting a gender-just economy            | -          | 62      | (62)        | -         | -          | 75      | (75)        | -         | -          |
| Philanthropy Champions for Climate Adapt   | -          | 60      | (60)        | -         | -          | -       | -           | -         | -          |
| CGIAR Evidence on gendered uptake STIBs    | -          | 57      | (57)        | -         | -          | -       | -           | -         | -          |
| CECG Climate & Development Ministerial     | -          | 57      | (57)        | -         | -          | -       | -           | -         | -          |
| Urban refugees in East Africa - IKEA       | -          | 54      | (54)        | -         | -          | 36      | (36)        | -         | -          |
| GCA Masterclass                            | -          | 52      | (52)        | -         | -          | 225     | (225)       | -         | -          |
| African Cities Phase II- Implementation    | -          | 49      | (49)        | -         | -          | 7       | (7)         | -         | -          |
| CF training initiative FSD Africa          | -          | 42      | (42)        | -         | -          | 27      | (27)        | -         | -          |
| GEC – Dialogues for Financial Reform       | -          | 35      | (35)        | -         | -          | -       | -           | -         | -          |

| Project name                             | Balance at | Income  | Expenditure | Transfers | Balance at | Income  | Expenditure | Transfers | Balance at |
|--|------------|---------|-------------|-----------|------------|---------|-------------|-----------|------------|
|  | 31 March   |         |             |           | 31 March   |         |             |           | 31 March   |
|  | 2023       | 2023/24 | 2023/24     | 2023/24   | 2024       | 2024/25 | 2024/25     | 2024/25   | 2025       |
|  | £'000      | £'000   | £'000       | £'000     | £'000      | £'000   | £'000       | £'000     | £'000      |
| Nature finance - locally-led action      | -          | 26      | (26)        | -         | -          | 54      | (53)        | (1)       | -          |
| Developing and testing a sustainability  | -          | 22      | (22)        | -         | -          | 9       | (3)         | (6)       | -          |
| Darwin Belize FY23                       | -          | 16      | (16)        | -         | -          | 29      | (26)        | (3)       | -          |
| FCDO Fair Water Footprint                | -          | 15      | (15)        | -         | -          | 12      | (12)        | -         | -          |
| Livelihoods Insurance 4 Elephants (LIFE) | -          | 12      | (12)        | -         | -          | -       | -           | -         | -          |
| Tufts Uni/USAID - pastoralism NOFO       | -          | 11      | (11)        | -         | -          | -       | -           | -         | -          |
| DANIDA/Uni Cop - Resear clim adapt Tanz  | -          | 11      | (11)        | -         | -          | 22      | (22)        | -         | -          |
| Ecosystem-based approaches to adaptation | -          | 9       | (9)         | -         | -          | -       | -           | -         | -          |
| Enhancing Action for Enabling LLA        | -          | 1       | (1)         | -         | -          | -       | -           | -         | -          |
| LandCam                                  | -          | 31      | (31)        | -         | -          | -       | -           | -         | -          |
| Greater Value for Gold Mali INCOME       | -          | 46      | (46)        | -         | -          | 175     | (175)       | -         | -          |
| Greater Value for Gold Mali IIED         | -          | 45      | (45)        | -         | -          | (51)    | 51          | -         | -          |
| ADB CRPP KM component                    | -          | 40      | (40)        | -         | -          | 246     | (246)       | -         | -          |
| Climate an Development Ministerial GATES | -          | 27      | (27)        | -         | -          | 112     | (112)       | -         | -          |
| Botnar Foundation TYP Cities             | -          | 24      | (24)        | -         | -          | 56      | (56)        | -         | -          |
| Supporting CSOs in Guinea & DRC 2024     | -          | 11      | (11)        | -         | -          | 116     | (120)       | 4         | -          |
| Carbon Markets for Agriculture VCM       | -          | 1       | (1)         | -         | -          | 79      | (90)        | 11        | -          |
| CASA LDC support Y6                      | -          | 81      | (81)        | -         | -          | 635     | (635)       | -         | -          |
| Quadrature _ SIDS Debt                   | -          | -       | -           | -         | -          | 199     | (199)       | -         | -          |
| OSF loss&damage                          | -          | -       | -           | -         | -          | 158     | (158)       | -         | -          |
| IDRC Loss & Damage (REAL)                | -          | -       | -           | -         | -          | 74      | (74)        | -         | -          |
| IIED and CECG partnership 2024           | -          | -       | -           | -         | -          | 186     | (186)       | -         | -          |
| Unlocking urgent climate action          | -          | -       | -           | -         | -          | 66      | (66)        | -         | -          |
| World Bank EOI                           | -          | -       | -           | -         | -          | 66      | (66)        | -         | -          |
| Community-led Housing Campaign           | -          | -       | -           | -         | -          | 63      | (62)        | (1)       | -          |
| BA Drought in Displacement               | -          | -       | -           | -         | -          | 90      | (90)        | -         | -          |
| Drylands Impact Programme                | -          | -       | -           | -         | -          | 91      | (91)        | -         | -          |
| Scaling up equitable governance for P/CA | -          | -       | -           | -         | -          | 775     | (775)       | -         | -          |

| Project name  | Balance at                | Income           | Expenditure      | Transfers        | Balance at                | Income           | Expenditure      | Transfers        | Balance at                |
|---|---------------------------|------------------|------------------|------------------|---------------------------|------------------|------------------|------------------|---------------------------|
|   | 31 March<br>2023<br>£'000 | 2023/24<br>£'000 | 2023/24<br>£'000 | 2023/24<br>£'000 | 31 March<br>2024<br>£'000 | 2024/25<br>£'000 | 2024/25<br>£'000 | 2024/25<br>£'000 | 31 March<br>2025<br>£'000 |
| GIZ - IP&LC-led governance                                      | -                         | -                | -                | -                | -                         | 65               | (65)             | -                | -                         |
| UN Habitat with IIED  | -                         | -                | -                | -                | -                         | 56               | (49)             | (7)              | -                         |
| FFF Phase II: 2024  | -                         | -                | -                | -                | -                         | 182              | (182)            | -                | -                         |
| Develop a human rights approach to HWC                          | -                         | -                | -                | -                | -                         | 101              | (101)            | -                | -                         |
| GCF Evaluation  | -                         | -                | -                | -                | -                         | 212              | (240)            | 28               | -                         |
| Asia Africa BlueTech Superhighway                               | -                         | -                | -                | -                | -                         | 536              | (536)            | -                | -                         |
| UNDRR Supporting disaster risk reduction                        | -                         | -                | -                | -                | -                         | 125              | (125)            | -                | -                         |
| Systematic Review - Outcomes & Impacts                          | -                         | -                | -                | -                | -                         | 58               | (58)             | -                | -                         |
| Fair Water Footprints Accountable Grant                         | -                         | -                | -                | -                | -                         | 137              | (137)            | -                | -                         |
| UBS OF VITAL Climate Collective                                 | -                         | -                | -                | -                | -                         | 74               | (74)             | -                | -                         |
| Loss and damage Mali  | -                         | -                | -                | -                | -                         | 72               | (69)             | (3)              | -                         |
| Mobility and global health - Inception                          | -                         | -                | -                | -                | -                         | 58               | (58)             | -                | -                         |
| ARA Tracking, Learning and Sharing Lead                         | -                         | -                | -                | -                | -                         | 63               | (48)             | (15)             | -                         |
| Other below £50k (including FRAME support for various projects) | -                         | 276              | (276)            | -                | -                         | 474              | (508)            | 34               | -                         |
| <b>Total restricted funds per SOFA</b>                          | -                         | <b>17,598</b>    | <b>(17,598)</b>  | -                | -                         | <b>26,312</b>    | <b>(26,364)</b>  | <b>52</b>        | -                         |

Restricted funds are to be used for specified purposes laid down by the donor. Expenditure for those purposes is charged to the relevant project. Further detail is provided below on a selection of restricted funding projects.

### **Enhancing Action for Enabling LLA**

Funded by FCDO, supports continued operationalisation, accountability scaling-up of Locally-Led Adaption (LLA), strengthening the foundations of a growing community of practice around LLA to ensure the balance of power remains with southern national and local actors.

### **Livelihoods Insurance 4 Elephants (LIFE)**

Funded by the UK Government's Darwin Initiative to help the Sri Lankan and Kenyan governments to pilot new insurance schemes, learn from each other, and develop an effective national approach.

### **Building Resilience in Ethiopia (BRE)**

The BRE programme covers Foreign, Commonwealth and Development Office (FCDO) humanitarian assistance in Ethiopia and is intended to contribute to the objective of an 'Ethiopia that is more resilient to climate and humanitarian shocks.

### **Advancing Land-Based Investment Governance (ALIGN)**

Funded by FCDO, an initiative developed to promote, at scale, more responsible practices for land-based investments.

### **LIFE-AR Phase II**

Funded by FCDO, USAID, Irish Aid and the Government of Canada, focusing on supporting the LDC Initiative for Effective Adaptation and Resilience.

### **FCDO - MGNREGS Extensions**

Funded by the UK Foreign, Commonwealth and Development Office, the project is for Financing Climate Resilience through Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

### **FCDO - Fair Water Footprint**

Funded by FCDO the project prepares for strengthening governance for transformational change in water security.

### **Green Economy Coalition – Dialogues for Financial Reform**

An EC-funded project to build civil society participation for sustainable finance reforms: global coverage.

### **Establishing a Biocultural Heritage**

Funded by the UK Government's Darwin Initiative, the project is on establishing a biocultural heritage territory to protect Kenya's Kaya forests.

### **Climate Finance Training Initiative FSD Africa**

Funded by Financial Sector Deepening Africa (FSD Africa), IIED is appointed to develop a training course on climate finance together with the University of Cambridge's Institute for Sustainable Leadership and Southern African Management Institute.

### **Facilitating REDAA**

Funded by FCDO, to understand how to improve the condition of natural landscapes in Africa and Asia in ways that enable people and nature to thrive together. It uses identification, adoption and replication of innovative approaches to halt and reverse degradation and improve management and restoration of ecosystems for the Reversing Environmental Degradation in Africa and Asia (REDAA) programme.

### **LandCam: Securing land and resource rights and improving governance in forest areas of Cameroon**

An EC-funded project to secure land and resource rights and improve governance in Cameroon.

**Ecosystem-based approaches (EbA) to adaptation: strengthening the evidence and informing policy**

An International Climate Initiative project funded by BMU (German Government) to strengthen evidence on when and why EbA works best and inform policy at national and international levels.

**Locally Led Adaptation – Ministry of Foreign Affairs, Netherlands (MFA NL)**

Funded by the Ministry of Foreign Affairs, Netherlands, working across actors in the climate finance landscape to generate the evidence, capabilities and motivation for transforming access and delivery of climate finance, in order to tackle the triple crises of climate, nature and poverty.

**Hidden Handbrakes Generation Foundation**

Funded by the Generation Foundation, the hidden handbrakes campaign, which has been designed to expose and explain the unseen blockers of action on climate change.

**Anti Slavery International - Home Office**

Funded by the UK Home Office, through Anti Slavery International this project generates research and evidence to demonstrate the link between climate-induced migration and modern slavery, and potential measures to address it.

**Frame funding and other projects**

In FY25 IIED received institutional 'frame' funding from the Swedish and Irish Governments. It is provided to support delivery of the organisation's five-year institutional strategy. The funding enables IIED to explore new areas of research, new methodologies and ways of working, as well as development and maintenance of effective systems for evaluation, communicating with key audiences, and liaison with key actors to deliver our work. These, and all other projects have been grouped together under one heading for the purposes of these accounts.