

Serving Canada

Equipping researchers to
build a better future

ANNUAL REPORT 2023–24

INNOVATION

Canada Foundation
for Innovation

Fondation canadienne
pour l'innovation



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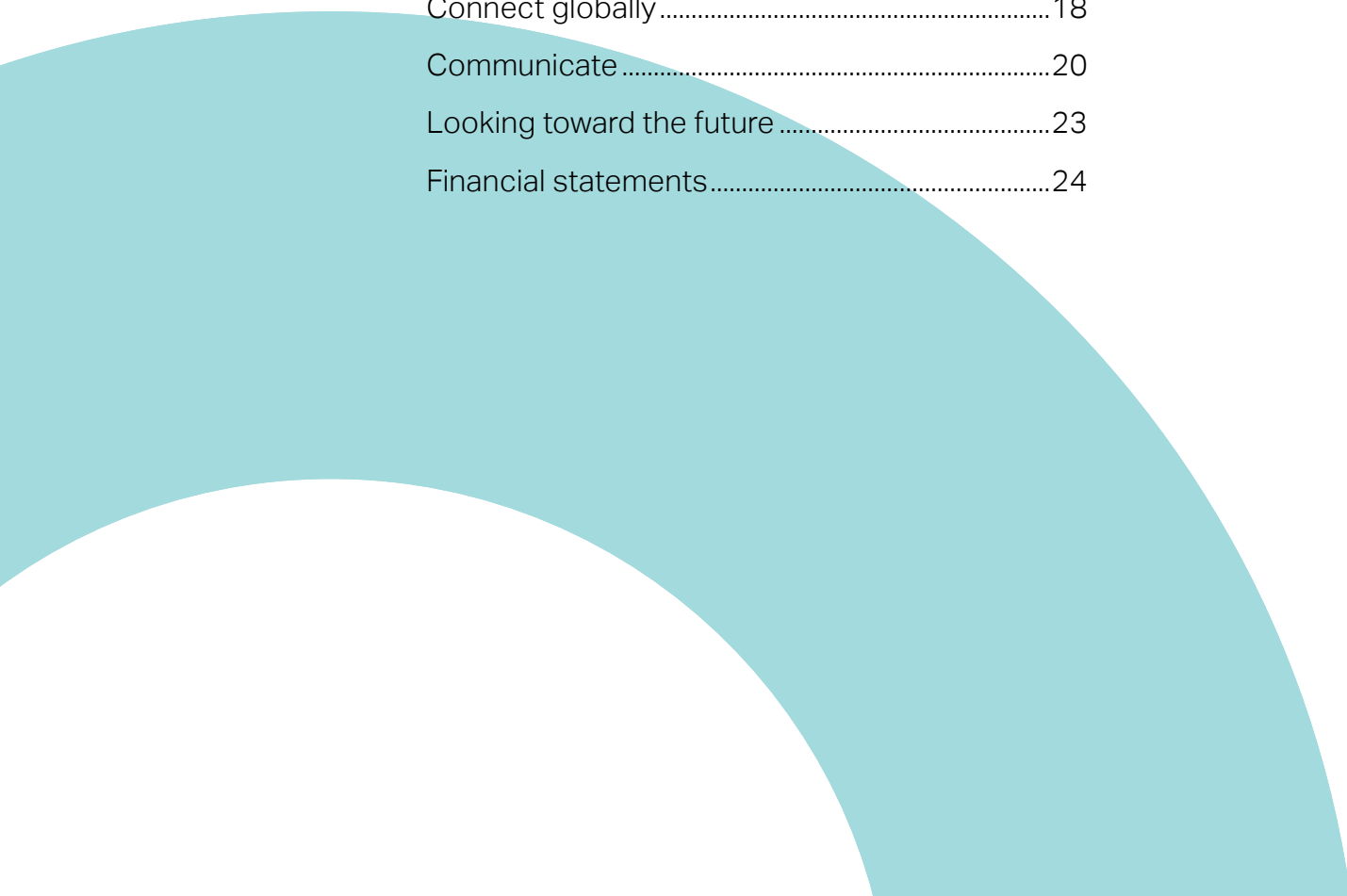
The Canada Foundation for Innovation respectfully acknowledges
that its head office is located on the traditional, unceded territory of
the Anishinaabe Algonquin People.





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Serving Canada

The Canada Foundation for Innovation (CFI) provides the necessary equipment, laboratories and spaces where researchers in all fields can work individually and collaboratively across disciplines to solve some of the challenges of today's world. Their work will assure Canada's success by driving new medical treatments, creating innovative processes and devices, and improving the preservation of our environment. Their innovations and inventions will enable the development of highly sophisticated technologies and techniques that will take these ideas to market, creating employment, benefiting the economy and improving our lives.

This year, as we put into action our strategic plan, [Aiming high](#), we were resolutely innovative in responding to the needs of the research community by encouraging early career researchers, supporting technical staff, inviting increased participation by humanists and social scientists, and inspiring creative collaborations in co-lab spaces. We opened the door to the greater involvement of not-for-profit organizations as applicants and research partners. In these activities, as in all we do, we were guided by our desire to be collaborative across disciplines and geography and respectful of the principles of equity, diversity and inclusion.

Over the last 27 years, the CFI has built a solid base for research extending across the country and as the population grows and needs and interests expand, we have strived to meet them. For example, after extensive consultation, we launched the new Northern Fund (read more about this new funding program on [page 11](#)). With the goal of supporting the platforms that are being developed by institutions and not-for-profit agencies in the North, we will invest in creating and equipping the facilities in which Northern communities will work to resolve some of the unique challenges they face.

Addressing the goals of contributing to environmental sustainability and international collaboration, the CFI was pleased to be elected to membership in the Belmont Forum, an international organization that fosters collaboration on topics including environmental research (read more about our participation on [page 18](#)). The CFI's first activity will be to organize an international panel on research and research infrastructure in support of Arctic sustainability.

The Navigator, the CFI's virtual guide linking business and industry with research facilities, celebrated its tenth anniversary and its 800-plus listings, including government labs that welcome business collaborations along with those in colleges, universities and hospitals (read more about the Navigator on [page 20](#)). Recent goals include attracting companies to Canada and serving those already here. The Navigator is also looking to artificial intelligence and new partners to expand the services it offers.

In this world of change, the CFI stands in unwavering support of excellence that benefits Canada. We encourage the new ideas and concepts that will make our country a world leader and actively contribute to a strong vision for the future of research. Indeed, we drafted a [value proposition](#) that outlines our vision for research in Canada, and which has been supported by the leaders of many organizations. We share it with you along with our enthusiasm and hope for an innovative future.

We would also like to express our gratitude to our Board Directors and Members for their diligence in thoughtful consideration of issues and reports, to staff for their assiduous efforts and professionalism, to the communities we serve for their brilliant initiatives, and to the governments of Canada and the provinces and territories for their continuous and wise investment in research infrastructure.



I J Pickering
Ingrid J. Pickering
Chair of the Board



Roseann O'Reilly Runte
Roseann O'Reilly Runte
President and CEO



“The funding from the CFI allowed us to cultivate a space on campus that fosters collaboration and provides us with a [place to] work alongside our community partners, students, other researchers and staff.”

— Julia Woodhall-Melnik, University of New Brunswick, in Saint John, N.B., on her work to tackle the New Brunswick housing crisis by bringing stakeholders together to address the intersecting issues of housing affordability, mental health and food security ([Read more about this research](#))

Overview

What we do

With a bold, future-looking mandate, the CFI equips researchers to be global leaders in their fields and to respond to emerging challenges. Our investments in state-of-the-art tools, instruments and facilities at universities, colleges, research hospitals and non-profit research institutions underpin both curiosity- and mission-driven research that cuts across disciplines and bridges all sectors. The research infrastructure we fund mobilizes knowledge, spurs innovation and commercialization, and empowers the talented minds of a new generation.

Our objectives

- Support economic growth and job creation, as well as health and environmental quality through innovation
- Increase Canada's capability to carry out important world-class scientific research and technology development
- Expand research and job opportunities by providing support through research infrastructure for the development of highly qualified personnel
- Promote productive networks and collaboration among Canadian universities, colleges, research hospitals, non-profit research institutions and the private sector

How we do it

Optimizing federal government investments

The CFI typically contributes up to 40 percent of a project's research infrastructure costs. Research institutions — the ultimate recipients of our funding — secure the remaining 60 percent through partnerships with provincial and territorial governments, industry and other public, private and not-for-profit organizations. By attracting co-funding from strategic partners, this unique funding model optimizes the Government of Canada's investments in research infrastructure.

This means that Government of Canada investments have enabled CFI awards of \$10.97 billion (as approved by the CFI Board of Directors), which have been leveraged into a total investment of \$25.85 billion in research infrastructure in Canadian institutions since we were created.*

Rewarding excellence

We have a well-established, rigorous and independent merit-review process that rewards research excellence. We rely on experts from around the world to assess proposals from eligible Canadian institutions on three main criteria:

- The quality of the research and need for infrastructure
- The contribution of the research infrastructure project to strengthening innovation capacity
- The benefits of the research to Canada.

Our process ensures that the infrastructure projects that best meet these criteria receive funding.

Since 1997,
Government of Canada
investments
have enabled
CFI awards of
\$10.97
billion for
177
research
institutions in
82
municipalities
across
Canada.*

* As of March 31, 2024

Our values

The CFI is committed to the principles of equity, diversity and inclusion. In all our activities, we recognize that a breadth of perspectives, skills and experiences contributes to excellence in research.

Equity

We aim to ensure all CFI-eligible institutions have the opportunity to access our programs and research infrastructure through our well-established, fair and impartial practices.

Diversity

We value attributes that allow institutions and their researchers — from any background and from anywhere — to succeed. They include gender, language, culture and career stage; institutional characteristics such as size, type and location; and attributes that encompass the full spectrum of research, from basic to applied and across all disciplines.

Inclusion

We encourage a culture of collaboration and partnership which includes contributions from and engagement among diverse groups of people, institutions and areas of research to maximize the potential of Canada’s research ecosystem.

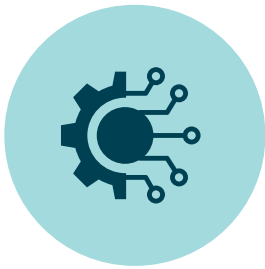
We believe that nurturing an equitable, diverse and inclusive culture is the responsibility of every member of the research ecosystem, including funders, institutions, researchers, experts and reviewers.

For our part, we strive to be:

Responsible	Collaborative	Innovative
How we live it externally		
We remain transparent and accountable by monitoring and communicating the outcomes of our activities and investments.	We are client-focused, providing effective, efficient services and actively consulting with our stakeholders.	We believe in a bright future for Canada’s research community. Our investments allow researchers to think big and have a profound, transformative impact on society.
How we live it internally		
We are objective, ensuring the integrity and independence of our processes and decisions.	We foster teamwork, valuing and considering the opinions, and trusting the skills and knowledge, of our colleagues.	We bring fresh ideas into a work environment that fosters excellence and creative thinking.

Our strategic plan

The CFI'S 2023–28 strategic plan is built on five pillars that underpin our vision for Canadian research. Follow the icons in this annual report to see how our activities supported these pillars this year.



Fostering the science of tomorrow:

Building today the research capacity that supports the science of tomorrow

We are building a strong future for Canada through research. We do this by investing in the facilities and equipment that: drive discovery and advance knowledge; contribute to the training, recruitment and retention of a new generation of talent; and bring social and economic benefits to Canada.



Building prosperous and healthy communities:

Enhancing the connection between research and communities

Research institutions provide both tangible and intangible benefits to the communities where they are located. Recognizing that research increasingly spans many social and economic sectors, our programs foster opportunities for all members of a community to contribute to and benefit from research. To do this, we partner with organizations from different sectors to support research.



Contributing to a sustainable world:

Contributing to environmental, social and economic sustainability

We seek to contribute to the attainment of the United Nations' Sustainable Development Goals (SDGs) by leveraging our role as an enabler of research. We encourage research institutions to find ways to integrate the SDGs into the projects we fund. And as an organization with an impact of its own to consider, we also strive to make our operations and activities more sustainable.



Inspiring the next generation: Promoting equity, diversity, inclusion and community

With the understanding that research that involves people from a range of experiences often has the greatest impact, we encourage institutions to create environments that bring people together, making them feel welcome and enabling the kind of interaction and understanding that can lead to discovery and innovation.

We recognize that investments in research facilities and equipment are also investments in the development of a new generation of research talent and we encourage the training, recruitment and retention of new researchers through our program activities.



Delivering for the research community: Leveraging institutional partnerships and collaboration

In Canada and internationally, advances in scientific research result from the combined efforts of multiple actors from the academic, public, private and not-for-profit sectors. We find opportunities to collaborate and partner with other organizations to maximize the impact of public funding for research. This results in programs and policies that foster Canada's research enterprise and enable academic and private research institutions to continue to successfully compete with the best in the world.



“By providing high-quality, real-world emission and energy consumption data, this CFI-funded research will help communities develop informed policies to decarbonize transportation.”

— Vahid Hosseini, Simon Fraser University, in Burnaby, B.C., on his work to profile tailpipe emissions and create community-specific transportation models to help cities reach their net-zero mobility goals ([Read more about this research](#))

Invest

This year, we successfully completed the 2023 Innovation Fund competition and, in collaboration with the Tri-agency Institutional Programs Secretariat (TIPS), delivered the second competition of our Biosciences Research Infrastructure Fund which supports the Government of Canada's Biomanufacturing and Life Sciences Strategy. We also continued to administer our two annual funds — the John R. Evans Leaders Fund and the College Fund.

By the end of the fiscal year, our Board of Directors approved 483 projects for a total CFI contribution of nearly \$760.4 million in capital funding and \$226.4 million in infrastructure operating and maintenance costs.

We also implemented research security measures related to research infrastructure in support of the Government of Canada's National Security Guidelines for Research Partnership and their Policy on Sensitive Technology Research and Affiliations of Concern. These new measures require applicant institutions to identify and mitigate potential risks related to research partnerships. Through these measures, we will continue to fund projects that include open and collaborative research partnerships while also safeguarding the country's national security interests.

Thinking big for meaningful impact **Innovation Fund**



The Innovation Fund provides continued investments in infrastructure across the full spectrum of research, from the most fundamental to applied through to technology development. Projects funded through the Innovation Fund will help Canada remain at the forefront of exploration and knowledge generation while making meaningful contributions to generating social, health, environmental and economic benefits and addressing global challenges.

In 2023–24, we completed the review process for the 2023 Innovation Fund competition and awarded \$397.7 million in capital funding through this funding program and \$117.7 million through the Infrastructure Operating Fund (IOF) for associated operating costs. This was in support of 100 research infrastructure projects led by 32 institutions. These projects address top-of-mind concerns for Canadians, including therapies to address opioid addiction, protecting our freshwater resources and advancing new vaccines.

Enhancing innovation through partnerships **College Fund**



The College Fund supports projects that enhance the capacity of Canadian colleges to carry out applied research and technology development and foster partnerships that generate innovative products, processes or services that address the social, business, health or environmental needs of a Canadian industry or community.

In 2023–24, we supported 23 research infrastructure projects at 22 colleges, Cégeps and polytechnics. We awarded \$13.9 million in capital funding through this funding program and \$4.2 million through the IOF for associated operating costs. Projects range from helping food and beverage companies find sustainable packaging solutions to creating an experimental site to test new emergency response technologies for natural disasters like fires and floods.

Supporting Canada's Biomufacturing and Life Sciences Strategy **Biosciences Research Infrastructure Fund**



The Biosciences Research Infrastructure Fund (BRIF) supports the bioscience infrastructure needs of postsecondary institutions and research hospitals by providing high-performance tools, innovative research spaces and biocontainment facilities.

In February 2024, the CFI Board of Directors approved \$278.1 million in capital funding and \$83.4 million through the IOF for associated operating costs. This was in support of 14 research infrastructure projects involving 21 institutions. This funding was delivered as a joint program along with the Canada Biomedical Research Fund (CBRF), which is administered by TIPS.

The research infrastructure projects will contribute to:

- Building Canada's capacity to identify and monitor pathogens through new technologies and improved processes
- Identifying and addressing gaps to ensure the country's biomufacturing processes are reliable, scalable and adaptable
- Strengthening our collaborative biomufacturing ecosystem while providing hands-on training across a range of career trajectories and stages
- Researching and developing new vaccines, antibiotics and immune-based therapeutics
- Improving diagnostic testing, including working with marginalized communities to address diagnostic gaps
- Preparing policy and practice to increase public trust in, and access to, safe and effective vaccines and other bioscience innovations.

The research infrastructure funded aligns with the objectives of the five hubs announced by the Government of Canada in March 2023, which were funded in the first stage of the CBRF funding opportunity. These hubs — led by the University of British Columbia in Vancouver, B.C., the

University of Alberta in Edmonton, Alta., the University of Toronto in Toronto, Ont., the University of Ottawa in Ottawa, Ont., together with McMaster University in Hamilton, Ont., and the Université de Montréal in Montréal, Que. — aim to speed up the research and development of vaccines and other medicines and diagnostics, and support the training and development of highly skilled bioscience professionals.

Supporting research facilities of national importance **Major Science Initiatives Fund**



The Major Science Initiatives Fund (MSIF) provides support for the ongoing operating and maintenance needs of research facilities of national importance. It promotes responsible stewardship by ensuring these facilities adopt best practices for their management and governance.

In November, we gathered 130 representatives from the 19 research facilities supported through this funding program, including members of their governing boards, administrative institutions and funding partners, for a workshop at the University of Saskatchewan in Saskatoon, Sask. Attendees discussed good practices for managing these vital research facilities, along with challenges and plans for their optimal operation and maintenance. Participants took advantage of the location to tour the Canadian Light Source, the Vaccine and Infectious Disease Organization, Global Water Futures Observatories and the Super Dual Auroral Radar Network (SuperDARN), all of which are located at the university.

Attracting and retaining the world's best researchers

John R. Evans Leaders Fund



At a time of intense international competition, the John R. Evans Leaders Fund (JELF) is a critical strategic investment tool designed to help institutions attract and retain the very best of today's and tomorrow's researchers.

This funding program, which pays tribute to the first Chair of the CFI's Board of Directors, includes streams that accept proposals submitted alongside an application for research support from our funding partners:

- TIPS's Canada Research Chairs and Canada Excellence Research Chairs programs
- The Natural Sciences and Engineering Research Council of Canada (NSERC) through its Alliance Grants program
- The Social Sciences and Humanities Research Council of Canada (SSHRC) through its Insight Grants and Partnership Grants programs.

In 2023–24, we awarded \$72.3 million in capital investments through this funding program and \$21.7 million through the IOF for associated operating costs. These investments will support 351 research infrastructure projects at 53 institutions. Of these projects:

- 272 (awarded \$54.9 million) were unaffiliated to any partnership
- 66 (awarded \$11 million) supported Canada Research Chairs
- Seven (awarded \$4.7 million) supported Canada Excellence Research Chairs
- Three (awarded \$742,000) were partnerships with NSERC
- Three (awarded \$910,235) were partnerships with SSHRC.

Investing in the North

Northern Fund



The Northern Fund will provide eligible institutions and organizations in Northern Canada with research infrastructure that will enhance the capacity for projects that address the priorities of the region and its communities. These research projects will be conceived, developed, led and managed by Northern institutions, researchers and communities.

On January 31, 2024, we launched the call for proposals for this new funding program. Over five years, the CFI will invest up to \$25 million in research infrastructure funding, including associated operation and maintenance funding through the IOF.



“I feel, as an early career researcher, that the contribution from the CFI has allowed for a massive acceleration of a really important research program.”

— Clifton van der Linden, McMaster University, in Hamilton, Ont., on his work using artificial intelligence to counter dangerous disinformation campaigns and targeted personal attacks on social media ([Read more about this research](#))

Manage

Financial highlights *(for the year ending March 31, 2024)*

Since 1997:

\$11.46 billion*

Total amount committed to the CFI by the Government of Canada, of which \$7.6 billion has been received. The balance will be received in future years, based on annual cash requirements.

\$10.97 billion

Total awards approved by the CFI Board of Directors, of which \$8.94 billion has been disbursed to eligible institutions. The remaining \$2.03 billion will be disbursed in future years as institutions implement CFI-funded projects.

\$25.85 billion

Total investment in research infrastructure including CFI contributions (typically 40 percent of project cost) plus those from institutions and their partners (typically 60 percent)

This fiscal year:

\$496.07 million

Total disbursements to eligible institutions

\$375.81 million

Allocations received from the Government of Canada

\$986.8 million

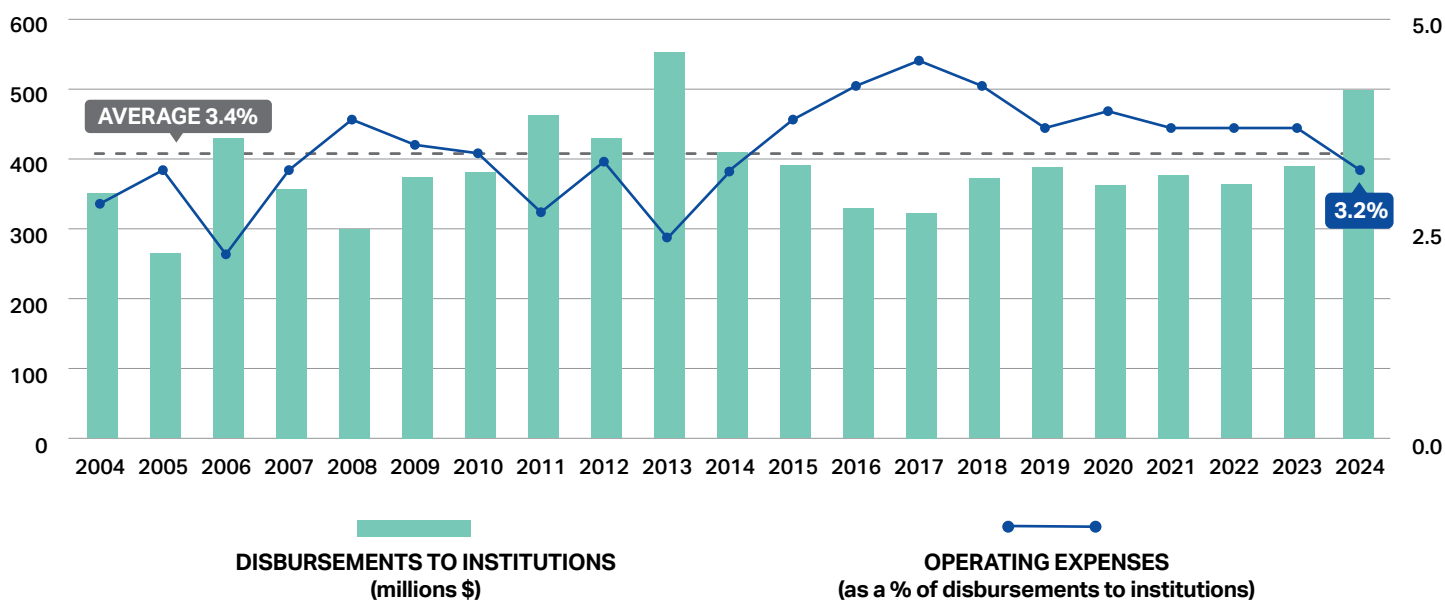
Awards approved

\$15.81 million

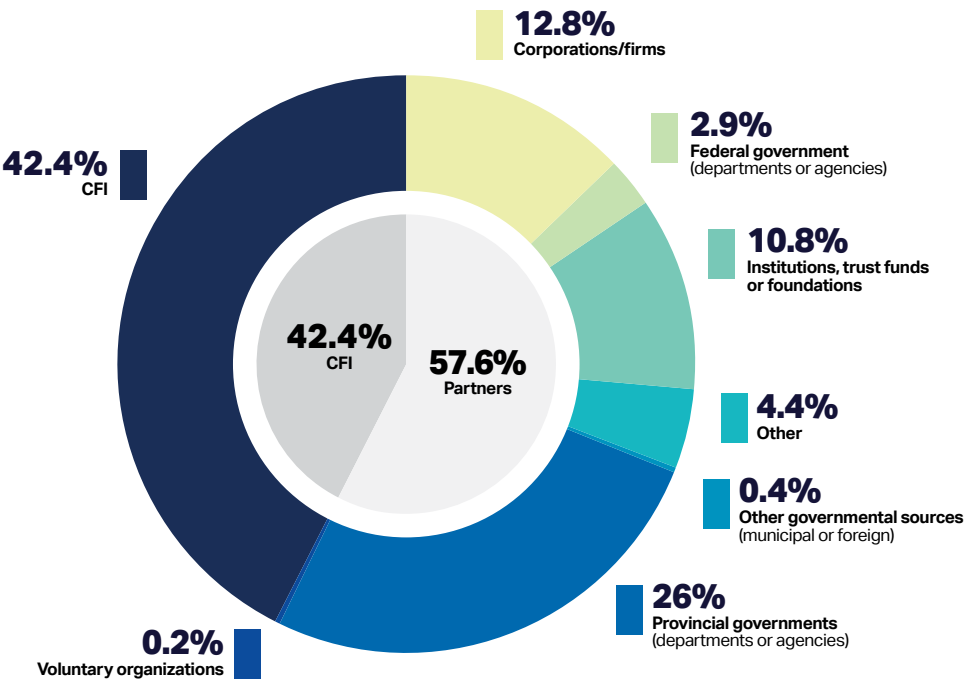
CFI operating expenses

* The CFI has generated an additional \$1.73 billion in interest income since its inception, \$1.41 billion of which has now been awarded to eligible institutions. The remaining amount of \$321.07 million has been allocated to CFI operating expenses or will be awarded to eligible institutions.

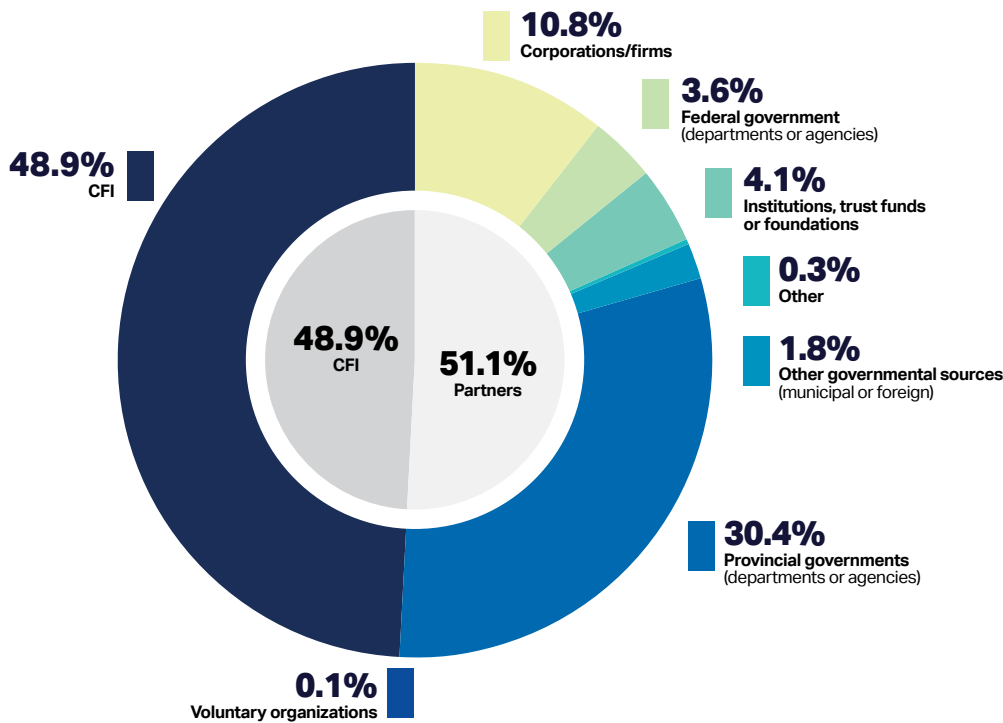
Annual disbursements to institutions and operating expenses as a percentage of disbursements



Contributions to eligible costs from the CFI and other funding sources since the CFI's creation in 1997: Total \$25.85 billion



Contributions to eligible costs from the CFI and other funding sources for fiscal year 2023–24: Total \$2.02 billion



Managing our investment strategy and policy

Our Board of Directors' Investment Committee, which oversees the management of the CFI's investment portfolio, reviewed our investment strategy and policy in the fall of 2023. Since 2008, the CFI has been receiving funds from the federal government sufficient to cover projected award disbursements to institutions. As a result, the CFI concentrates on liquid investments and maintains an appropriate liquidity policy.

Remaining accountable

We perform ongoing oversight activities to ensure that institutions spend CFI funds as intended and have appropriate processes and controls in place to manage awards. These include:

- Contribution audits of projects where the CFI investment is \$10 million or more, as well as other projects, depending on the risks associated with them
- Review of financial reports to monitor what institutions are spending for each project
- An annual analysis of financial trends among institutions that have ongoing CFI projects, to more precisely align payments to institutions with spending trends.

Governance

Board of Directors

The CFI Board of Directors is composed of a maximum of 13 individuals from a variety of backgrounds, each Director offering a unique perspective and understanding of the research community and bringing expertise from one or more of the private, industry, not-for-profit, institutional, academic and research sectors.

The Government of Canada appoints six Directors (these are Governor-in-Council appointments), including the Chair, while CFI Members appoint the remaining Directors. Directors are nominated and appointed for three-year terms.

Ingrid Pickering*

Chair, Board of Directors; Audit and Finance Committee; Governance and Nominating Committee; Investment Committee

Cecilia Moloney

Vice Chair, Board of Directors; Chair, Governance and Nominating Committee

William Waterman

Chair, Audit and Finance Committee; Chair, Investment Committee

Catherine Aczel Boivie*

Audit and Finance Committee; Investment Committee

Lynda Brown-Ganzert*

John Kelly*

Audit and Finance Committee; Investment Committee

Ronald Layden*

Audit and Finance Committee; Investment Committee

Christopher Mushquash

Governance and Nominating Committee

Marc Ouellette

Governance and Nominating Committee

Morag Park

Governance and Nominating Committee

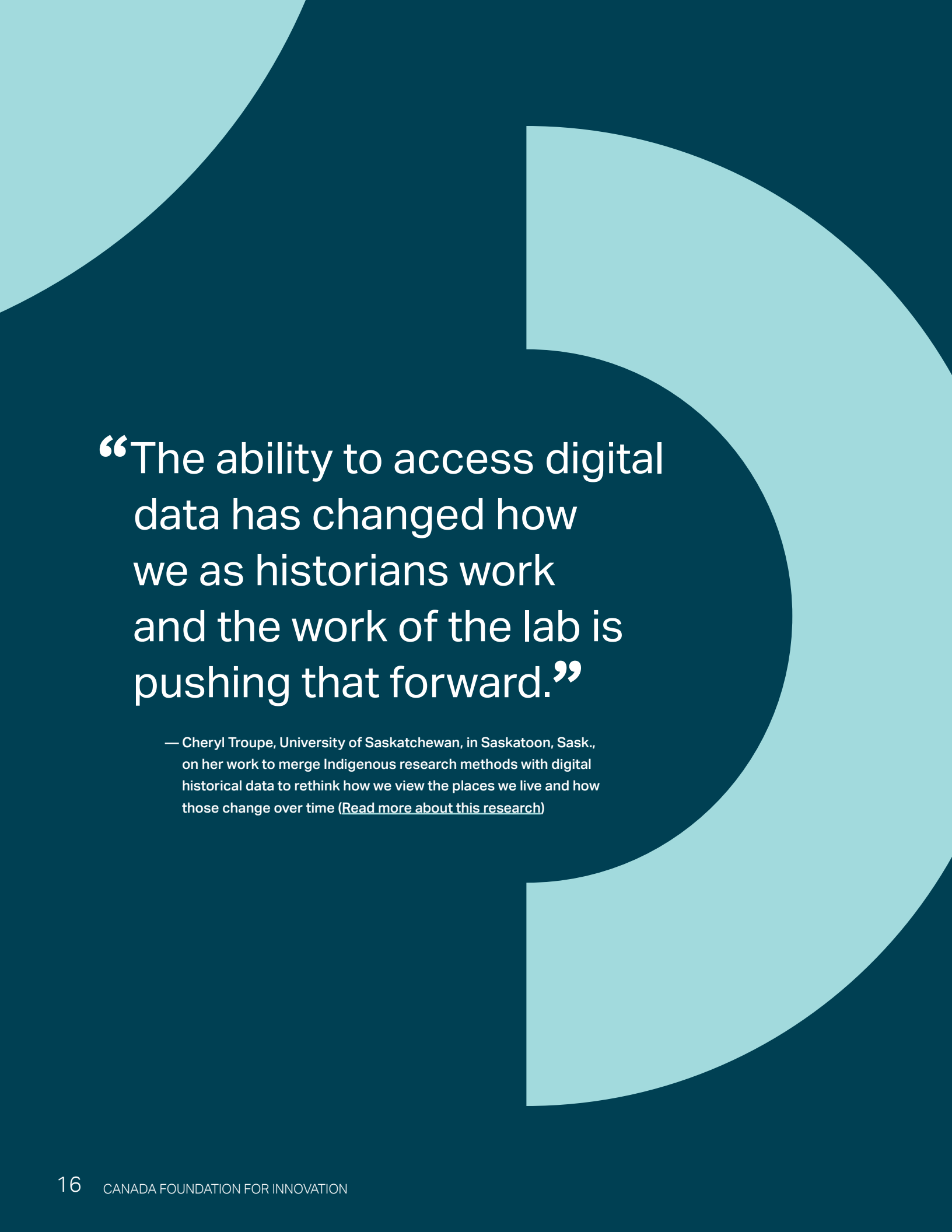
Gail Powley

Governance and Nominating Committee

Mamdouh Shoukri*

Governance and Nominating Committee

**Governor-in-Council appointment*



“The ability to access digital data has changed how we as historians work and the work of the lab is pushing that forward.”

— Cheryl Troupe, University of Saskatchewan, in Saskatoon, Sask., on her work to merge Indigenous research methods with digital historical data to rethink how we view the places we live and how those change over time ([Read more about this research](#))

Members

The Board of Directors reports to a higher governing body made up of our Members, who represent the Canadian public. Following a careful review of recommendations for possible candidates, Members nominate and appoint new Members for five-year terms. They meet in June each year and are responsible for appointing seven of the Board Directors, appointing external auditors, reviewing audited financial statements and approving the annual report.

Sophie Bouffard and **Marilyn Luscombe**,
Co-Chairs

Jack Gauldie

Chair, Members Governance and Nominating Committee

Lorne Babiuk

Members Governance and Nominating Committee

Jean-Paul Deveau

Elizabeth Douville

Joanne Gassman

Members Governance and Nominating Committee

Alexandra King

Erasmus Okine

Louise Proulx

Pierre Richard

Members Governance and Nominating Committee

Luc Vinet

David M. C. Walker

Remuneration

Remuneration for Board Directors and Members

Directors opting to receive remuneration from the CFI are entitled to an annual retainer of \$5,000. Committee Chairs receive \$7,500 and the Board Chair receives \$10,000.

Directors are also entitled to receive a fee of \$750 for attending Board or committee meetings.

Members are not entitled to any remuneration.

Members and Directors may, however, be reimbursed for any reasonable out-of-pocket expenses incurred while performing their duties or attending CFI meetings.

In 2023–24, the remuneration of Board Directors ranged from \$2,400 to \$16,750.

Ranges of remuneration for CFI staff

Officers

Position level	2023–24 range
President	\$246,700 to \$345,500
Vice President	\$163,500 to \$226,400

Other staff

Position levels with pay ranges that exceed \$100,000/year	2023–24 range
7	\$135,500 to \$180,800
6	\$117,900 to \$157,500
5	\$107,300 to \$142,800
4S	\$96,300 to \$128,200
4	\$85,500 to \$114,000

Understand

We use data to improve our processes and program delivery as well as to explore, assess and demonstrate our results and their benefits to Canadians.

Analyzing corporate performance

We monitor and communicate the outcomes of our activities and investments in order to remain transparent and accountable for the funding we receive from the Government of Canada. To that end, we revised our 2020 Performance, evaluation, risk and audit framework (PERAF) in response to:

- The completion, in 2023, of the internal audit of the risk oversight activities for funded projects and institutions
- The adoption of a new strategic plan for 2023 to 2028
- The launch, in 2021, of the Biosciences Research Infrastructure Fund
- The launch, in 2024, of the Northern Fund.

We also updated our performance measurement framework to ensure it continues to align with our organizational objectives and the evolving research landscape.

Taking the pulse of our stakeholders



In spring 2023, we resumed our biennial satisfaction survey of CFI stakeholders, including representatives from federal, provincial and territorial governments, other funders and

partners in the research community, and administrators and researchers at institutions eligible for CFI funding. The survey included questions about the effectiveness and efficiency of our activities, and elicited views on the progress we have made in meeting our mandate. In keeping with previous years, the CFI continues to be recognized as a valuable organization for supporting Canadian science and technology development. Most survey respondents are satisfied or very satisfied with the CFI, and both the design and delivery of CFI funding programs continue to receive high ratings.

Developing a new project progress report for the Biosciences Research Infrastructure Fund

We developed a targeted project progress report (PPR) questionnaire to track the outputs and outcomes of projects funded through BRIF. The PPR is an online questionnaire completed by project leaders and submitted by institutions each year to report on the outcomes resulting from their CFI-funded infrastructure. The new questionnaire aligns our data collection to the objectives and prerequisites of the funding program. It will be available in the CFI Awards Management System in April 2025.

Connect globally



This year, we continued to develop partnerships with international counterparts to further our strategic plan commitments of increasing Canadian access to international research institutions; increasing the participation in assessment committees of international experts from outside Europe and North America; promoting Canadian research infrastructures internationally; and signaling our commitment to environmental sustainability in research.

In October, we became Canada's first research funding body to sign a memorandum of understanding with the Agence universitaire de la francophonie (AUF), an organization representing over 1,000 francophone postsecondary institutions in 120 countries worldwide. In November, we became a partner of the Belmont Forum, an international partnership of national research funding organizations that mobilizes funding of research on environmental change.



“It was a big stepping-stone to be able to acquire those analyzers ... It was really pivotal in allowing us to accelerate.”

— Chelsie Hall, on her work as Research Operations Manager in St. Francis Xavier University's Flux Lab, in Antigonish, N.S., which measures emissions from pipeline leaks, landfills and melting permafrost in the field ([Read more about this research](#))

Communicate

Through our communications activities we strive to demonstrate the value and impact the investments we make have on the Canadian research and innovation community — and how they benefit Canadians.

Research Facilities Navigator: 10 years and counting



On November 27, we launched a campaign marking the 10th anniversary of the [Research Facilities Navigator](#), an online tool which helps connect academia with innovators and entrepreneurs across all sectors. This campaign includes videos from researchers, partners and participating institutions on the value of the Navigator to Canada's innovation ecosystem, as well as advertising in key publications and social media promotion — all amplified by our partners in innovation.

In addition, in November we announced a partnership with eCampus Ontario that will provide Ontario businesses with greater opportunities to connect with research and development support available in universities and colleges across the province. The partnership leverages the information on the Navigator to support the Ontario Collaborative Innovation Platform (OCIP), eCampusOntario's business and researcher matchmaking program.

Ready for a changing world



In September, we launched "[Ready for a changing world](#)," a campaign that showcased research infrastructure projects in the area of climate change and environmental sustainability to raise awareness about the research CFI funding has enabled in those areas and the benefits it brings to Canadians.

Inspiring the next generation



We held two webinars for postsecondary students called "[Future you: How to build your career in environmental sustainability](#)." Featuring eight young professionals working in sustainability fields who had previously trained in CFI-funded labs, the webinars aimed to inspire young people to pursue careers in these fields. The panelists offered advice and reflected on the value of lab work in developing relevant skills that helped them build rewarding careers.

Making the case

We produced a series of case studies that look at the impact of eight different CFI-funded research infrastructure projects in addressing climate change and environmental sustainability. Ranging from the development of new products and improving regulations to responding to emerging environmental issues and protecting natural resources, the case studies highlight the breadth of benefits funding for research infrastructure has ultimately had on Canadians.

Among the case studies were:



Protecting Canada's coastlines

Oil spills pose environmental and economic threats to the nearly 6.5 million people who live in Canada's marine and coastal areas. Researchers at the world-class Coastal Environment Research Laboratory (CERL) at Memorial University of Newfoundland in St. John's, Nfld., including project leader Baiyu Zhang (above), are studying how oils behave in marine waters and developing evidence-based ways to expand the country's oil-spill toolkit.



Ensuring Canada's freshwater future

Freshwater ecosystems not only provide water for drinking, agriculture and energy production, but they are also integral elements of climate resilience. With approximately 20 percent of the world's total freshwater resources located in Canada, research taking place at the University of Windsor's (in Windsor, Ont.) Real-time Aquatic Ecosystem Observation Network (RAEON) is helping improve our understanding of these ecosystems so we can better manage and conserve them.



Nature's bellwethers

Birds are widely recognized as biological indicators of environmental change. The Facility for Applied Avian Research (FAAR) at the University of Saskatchewan in Saskatoon, Sask., helps us understand how agricultural pesticides and pollutants are having an impact on wild bird populations, which are half of what they were 50 years ago.



Safeguarding clean water

Although water may seem like an infinite resource, in Canada it is often contaminated. The team at the Centre for Research, Development and Validation of Water Treatment Technologies and Processes (CREDEAU), a consortium of four Quebec universities (Polytechnique Montréal, Université de Montréal, École de technologie supérieure and McGill University, all in Montréal, Que.) works with over 70 municipal partners to tackle the most pressing issues in drinking water, wastewater, rainwater, industrial wastewater and sludge treatment.



“Now we have all these amazing facilities and high-throughput analysis software ... It is putting us on the map.”

— Mousumi Majumder, Brandon University, Brandon, Man., on her work to identify tumour biomarkers for earlier breast cancer detection through a simple blood test ([Read more about this research](#))

Looking toward the future

What we are working on in 2024–25:

Collaborating with our partners

- Working in collaboration with TIPS to ensure alignment with Canada's Biomanufacturing and Life Sciences Strategy and to develop the mid-term performance assessment of projects supported by the Biosciences Research Infrastructure Fund
- Working with the federal research funding agencies, provinces, territories and institutions to implement the federal government's policies to protect Canadian research against security threats
- Working with Innovation, Science and Economic Development Canada (ISED) to implement the Major Research Facilities framework
- Working with ISED, other government departments and agencies, and the three federal research funding agencies to respond to Government of Canada priorities as they relate to research security, encouraging multidisciplinary research, international engagement and the country's ability to undertake mission-driven research

Supporting Canada's research needs

- Responding to emerging needs of the research community by launching the 2025 Innovation Fund competition, which is designed to attract proposals from the social sciences, humanities and arts, and to support the development of core facilities and the research professionals required to run them
- Promoting Canadian research and international cooperation by participating in key international forums, including the Organisation for Economic Co-operation and Development's (OECD) Global Science Forum, the Agence universitaire de la francophonie (AUF) and the Belmont Forum, and expanding our participation to other international research bodies and our work with international partners

Raising the profile of research

- Showcasing Canada's new generation of innovators and entrepreneurs who translate skills gained while training on CFI-funded research infrastructure into launching new businesses or helping existing ones thrive
- Enhancing our service to businesses by seeking to align the Research Facilities Navigator and its content with other organizations that have a mandate to support various aspects of private-sector innovation
- Promoting the 19 facilities supported through the Major Science Initiatives Fund to enhance their national and international profiles and to promote their activities, impact and importance in Canada and abroad

Canada Foundation for Innovation

Financial statements
March 31, 2024



Independent auditor's report

To the Members of the
Canada Foundation for Innovation

Opinion

We have audited the financial statements of the **Canada Foundation for Innovation** [the "Foundation"], which comprise the statement of financial position as at March 31, 2024, and the statement of operations and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Foundation as at March 31, 2024 and its results of operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards for government not-for-profit organizations.

Basis for opinion

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

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards for government not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Foundation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Foundation cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Ottawa, Canada
June 17, 2024

Ernst + Young LLP

Chartered Professional Accountants
Licensed Public Accountants

Canada Foundation for Innovation

Statement of financial position

As at March 31

	2024	2023
	\$	\$
Assets		
Cash and cash equivalents <i>[note 4]</i>	79,131,635	203,308,131
Interest and other receivables	1,163,350	1,426,645
Prepaid expenses	505,222	401,239
Capital assets, net <i>[note 5]</i>	1,249,484	1,473,005
	82,049,691	206,609,020
Liabilities and net assets		
Liabilities		
Accounts payable and accrued liabilities	995,990	1,968,696
Deferred lease inducement <i>[note 6]</i>	345,057	415,238
	1,341,047	2,383,934
Deferred contributions <i>[note 7]</i>		
Expenses of future years	79,459,160	202,752,081
Capital assets	1,249,484	1,473,005
Total liabilities	82,049,691	206,609,020
Commitments <i>[note 8]</i>		
Net assets <i>[note 9]</i>	—	—
	82,049,691	206,609,020

See accompanying notes

On behalf of the Board:

15 Pickering
Director

Bill Wat
Director June 17, 2024

Canada Foundation for Innovation

Statement of operations

Year ended March 31

	2024	2023
	\$	\$
Revenue <i>[note 7]</i>		
Recognition of deferred contributions related to amounts granted to eligible recipients	496,070,654	386,876,627
Recognition of deferred contributions related to current-year operations	15,476,097	14,050,085
Amortization of deferred contributions related to capital assets	338,752	425,741
	511,885,503	401,352,453
Expenses		
Grants to eligible recipients	496,070,654	386,876,627
General and administration	15,476,097	14,050,085
Amortization of capital assets	338,752	425,741
	511,885,503	401,352,453
Excess of revenue over expenses for the year	—	—

See accompanying notes

Canada Foundation for Innovation

Statement of cash flows

Year ended March 31

	2024	2023
	\$	\$
Operating activities		
Excess of revenue over expenses for the year	—	—
Add (deduct) items not affecting cash		
Amortization of capital assets	338,752	425,741
Amortization of deferred contributions related to capital assets	(338,752)	(425,741)
Decrease in deferred contributions related to expenses of future years net of investment income <i>[note 7]</i>	(499,097,979)	(392,527,650)
Net change in non-cash working capital balances related to operations <i>[note 11]</i>	(883,575)	(538,830)
Cash used in operating activities	(499,981,554)	(393,066,480)
Capital activities		
Purchase of capital assets	(115,231)	(125,440)
Increase in deferred contributions related to capital assets	115,231	125,440
Cash provided by capital activities	—	—
Financing activities		
Grants received <i>[note 7]</i>	375,805,058	443,200,294
Cash provided by financing activities	375,805,058	443,200,294
Net increase (decrease) in cash and cash equivalents during the year	(124,176,496)	50,133,814
Cash and cash equivalents, beginning of year	203,308,131	153,174,317
Cash and cash equivalents, end of year	79,131,635	203,308,131

See accompanying notes

Canada Foundation for Innovation

Notes to financial statements

March 31, 2024

1. Description of business

The Canada Foundation for Innovation [the “CFI”] was incorporated on April 25, 1997, under Part I of the *Budget Implementation Act, 1997* [the “Act”] for the purpose of making research infrastructure grants to Canadian universities, colleges, hospitals and non-profit research institutions to increase the capability for conducting high-quality research.

Grants received from the Government of Canada and related investment income are administered and invested in accordance with the requirements of the Act and the terms and conditions of the Funding and the Contribution Agreements between the CFI and the Government of Canada.

The CFI is a non-taxable entity under paragraph 149(1)(l) of the *Income Tax Act* (Canada).

2. Summary of significant accounting policies

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

Cash and cash equivalents

Cash and cash equivalents consist of cash deposits and short-term investments with terms to maturity less than 90 days from the date of acquisition or that are able to be cashed on demand.

Revenue recognition

The CFI follows the deferral method of accounting for contributions that include grants from the Government of Canada and potential donations from other sources.

Externally restricted contributions and related investment income are deferred and recognized as revenue in the year in which the underlying expenditures are incurred. A receivable is recognized if the amount to be received can be reasonably estimated and collection is reasonably assured.

Externally restricted contributions to be applied toward the purchase of capital assets are deferred and amortized to revenue on a straight-line basis, at a rate corresponding with the amortization rate for the related capital assets.

Grants to eligible recipients

Grants to eligible recipients are recognized as expenses as the disbursements of funds are authorized by management and all eligibility criteria are met.

Financial instruments

The CFI records cash and cash equivalents, interest and other receivables and accounts payable and accrued liabilities at amortized cost using the effective interest method of amortization, which approximates fair value given the short term to maturity. Transactions are recorded on a settlement date.

Notes to financial statements

March 31, 2024

Capital assets

Purchased capital assets are recorded at cost while contributed capital assets, if any, are recorded at fair value at the date of contribution. Repairs and maintenance costs are charged to expenses. When a capital asset no longer contributes to the CFI's ability to provide services, its carrying amount is written down to its residual value.

Capital assets are amortized on a straight-line basis using the following annual rates and terms:

Leasehold improvements	Term of the lease
Furniture and other equipment	5 years
Computer and software	3–5 years
Awards management system	Fully amortized

Use of estimates

The preparation of these financial statements requires the CFI's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from these estimates. These estimates are reviewed periodically and, as adjustments become necessary, they are reported in the periods in which they become known. The most significant estimates used in preparing these financial statements include assumptions used in determining the collectability of accounts receivable, the estimated useful lives of capital assets and the amount of accrued liabilities.

3. Capital management

In managing capital, the CFI focuses on liquid resources available for operations and to be disbursed to eligible recipients. The CFI's objective is to have sufficient liquid resources to continue operating in accordance with the Funding and the Contribution Agreements between the CFI and the Government of Canada, despite adverse events with financial consequences, and to provide it with the flexibility to take advantage of opportunities that will advance its purposes. The need for sufficient liquid resources is considered in the preparation of an annual corporate plan, including long-term cash flow projections and budget. Disbursements to eligible recipients and actual operating results are monitored and compared to the cash flow projections to ensure availability of sufficient liquid resources. As at March 31, 2024, the CFI has met its objective of having sufficient liquid resources to meet its current obligations.

4. Cash and cash equivalents

Cash and cash equivalents comprise the following financial instruments:

	2024		2023	
	Fair value \$	Carrying value \$	Fair value \$	Carrying value \$
Cash	79,131,635	79,131,635	181,388,641	181,388,641
Cash equivalents	—	—	21,921,907	21,919,490
	79,131,635	79,131,635	203,310,548	203,308,131

Notes to financial statements

March 31, 2024

Market risk

Interest rate risk

Interest rate risk arises when the value of a financial instrument fluctuates due to changes in market interest rates.

The CFI invests in money market securities and deposit accounts and, as such, the interest rate does not present a significant financial risk for the CFI.

Price risk

Price risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market prices [other than those arising from interest rate risk], whether those changes are caused by factors specific to an individual financial instrument or its issuer, or factors affecting all similar securities traded in the market.

As at March 31, 2024, the entire portfolio is composed of cash. As such, fluctuations in market price would not have an impact on the fair value of the financial instrument.

The CFI's grant commitments do not exceed the total of its financial instruments, related investment income and grants committed from the government that will be received in future years. The timing of financial instruments maturities is matched to projected cash outflows. The degree of volatility is mitigated by the CFI's policy that it will not invest in shares, warrants or other equities, convertible debt securities, derivatives, swaps, options or futures. As such, management believes that interest rate and price risks are appropriately managed.

The deposit accounts are tiered-rate interest accounts that combine competitive interest, liquidity and security of a simple deposit account. The interest rates for these accounts range from 4.75% to 5.35% [2023 – 0.75% to 4.85%].

Currency risk

Currency risk is the risk that the fair value of a financial instrument will fluctuate because of changes in foreign exchange rates. The CFI is not exposed to currency fluctuations.

Liquidity risk

Liquidity risk is the risk of not being able to meet cash requirements in a timely and cost-effective manner.

The CFI matches the timing of financial instrument maturities to projected cash outflows. Furthermore, the entire portfolio is made up of cash. As such, liquidity does not present a significant financial risk to the CFI.

Credit risk

Credit risk arises from the potential that the issuer of an investment will fail to perform its obligations. Concentrations of credit risk exist when a significant proportion of investments are invested in securities with similar characteristics or subject to similar economic, political or other conditions.

Notes to financial statements

March 31, 2024

It is the CFI's policy to invest only in securities with at least AA investment ratings or the equivalent. In addition, the CFI's investment policy restricts the single largest issuer, in the case of all but AAA Government, to a maximum of 1% to 20% [2023 – 1% to 20%] of the total investment portfolio depending on the investment category. As such, management believes that credit risk is appropriately managed.

5. Capital assets

Capital assets consist of the following:

	2024		2023	
	Cost	Accumulated amortization	Net book value	Net book value
	\$	\$	\$	\$
Leasehold improvements	2,309,461	1,236,220	1,073,241	1,291,528
Furniture and other equipment	828,687	813,774	14,913	54,771
Computers and software	1,159,524	998,194	161,330	126,706
Awards management system	6,629,688	6,629,688	—	—
	10,927,360	9,677,876	1,249,484	1,473,005

Total cost and accumulated amortization related to capital assets held as at March 31, 2023, were \$10,812,129 and \$9,339,124, respectively.

The awards management system became fully amortized on March 31, 2021. On-going maintenance of this system is charged to expenses.

6. Deferred lease inducement

In August 2017, the CFI signed a lease ending February 28, 2029, for new premises and received an inducement. The lease provides for 11 months of free basic rent totalling \$455,590 and seven months of free additional rent totalling \$287,159. The total amount of \$742,749 has been recognized as an inducement. The amortization of the inducement is over 127 months commencing August 1, 2018. As at March 31, 2024, the unamortized balance is \$345,057.

7. Deferred contributions

The CFI operates under two active Funding Agreements and four Contribution Agreements with the Government of Canada. As at March 31, 2024, the Government of Canada had committed \$11.46 billion in grants to the CFI under these agreements, of which \$7.60 billion had been received. The terms and conditions of these agreements call for remaining grants to be paid to the CFI annually, subject to sufficient appropriation by the Parliament, based on the estimated cash requirements for the year. During the fiscal year, the CFI received \$375.8 million [2023 – \$443.2 million] related to these agreements.

Notes to financial statements

March 31, 2024

Expenses of future years

Deferred contributions related to expenses of future years represent unspent externally restricted grants received to date, together with investment revenue earned, for the purpose of providing grants to eligible recipients and paying for operating and capital expenditures in future years.

	2024 \$	2023 \$
Balance, beginning of year	202,752,081	152,079,437
Add grants received	375,805,058	443,200,294
Add restricted interest revenue earned	12,564,003	8,524,502
Less amount recognized as revenue	(511,546,751)	(400,926,712)
Less amount applied toward capital assets	(115,231)	(125,440)
Balance, end of year	79,459,160	202,752,081

Capital assets

Deferred contributions related to capital assets represent the unamortized amount of restricted grants received and applied toward the purchase of capital assets. The amortization of capital contributions is recorded as revenue in the statement of operations on the same basis as the amortization of the related capital assets.

	2024 \$	2023 \$
Balance, beginning of year	1,473,005	1,773,306
Add restricted grants applied towards the purchase of capital assets	115,231	125,440
Less amount amortized to revenue	(338,752)	(425,741)
Balance, end of year	1,249,484	1,473,005

8. Commitments

During the year, the CFI approved grants for a maximum amount of \$986.8 million [2023 – \$920.5 million]. Total disbursements to eligible recipients during the fiscal year were \$496.1 million [2023 – \$386.9 million]. As at March 31, 2024, the CFI has approved grants for a maximum amount of \$10,970.0 million, of which \$8,942.7 million had been disbursed. To date, the CFI has award agreements in place related to these approved grants in the amount of \$9,951.7 million and, therefore, has outstanding contractual obligations of \$1,009.0 million as at March 31, 2024.

Notes to financial statements

March 31, 2024

The CFI estimates these obligations to be disbursed as follows:

	\$ millions
2025	249.1
2026	207.4
2027	172.9
2028	140.8
2029 onwards	238.8
Total estimated disbursements	1,009.0

In August 2017, the CFI signed a lease for premises at 55 Metcalfe Street, Ottawa, Ontario, for a period ending February 28, 2029. The minimum annual lease payment related to the new premises is approximately \$0.9 million.

9. Restricted contributions and net assets

The requirements of the Act, which governs the CFI and the terms of its Funding and Contribution Agreements with the Government of Canada, externally impose restrictions on all of the CFI's net assets. Investment revenue to be earned on the grants received from the Government of Canada is also restricted. Accordingly, the entire net assets of the CFI are deferred and taken into revenue as expenditures are made with no net asset balance outstanding at any time. A statement of changes in net assets has not been prepared since it would not provide additional useful information.

10. Pension plan

The employees of the CFI participate in the Universities Canada Pension Plan [the "Plan"], a defined contribution plan managed by Sun Life Financial Inc. The total contributions to the Plan are 18% of the employee salary of which 5% is from the employee and 13% from the CFI. The employer contributions made to the Plan during the year ended March 31, 2024 amounted to \$1,030,937 [2023 – \$965,505] and are recorded in General and administration expenses.

11. Statement of cash flows

The net change in non-cash working capital balances related to operations consist of the following:

	2024 \$	2023 \$
Interest and other receivables	263,295	(571,339)
Prepaid expenses	(103,983)	(78,653)
Accounts payable and accrued liabilities	(972,706)	476,444
Deferred lease inducement	(70,181)	(70,181)
International Conference on Research Infrastructure project deposits	—	(295,101)
	(883,575)	(538,830)